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ROAD KING INFRASTRUCTURE LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1098)

ANNOUNCEMENT IN RELATION TO

TENDER OFFERS FOR PURCHASE OF

6.7% GUARANTEED SENIOR NOTES DUE 2024

(ISIN/Common Code: XS2057076387/205707638) (THE "2024 NOTES")

5.9% GUARANTEED SENIOR NOTES DUE 2025

(ISIN/Common Code: XS2127855711/212785571) (THE "MARCH 2025 NOTES")

6.0% GUARANTEED SENIOR NOTES DUE 2025

(ISIN/Common Code: XS2223762209/222376220) (THE "SEPTEMBER 2025 NOTES")

5.2% GUARANTEED SENIOR NOTES DUE 2026

(ISIN/Common Code: XS2281039771/228103977) (THE "JANUARY 2026 NOTES")

5.125% GUARANTEED SENIOR NOTES DUE 2026

(ISIN/Common Code: XS2356173406/235617340) (THE "JULY 2026 NOTES")

AND

CONSENT SOLICITATIONS FOR

THE 2024 NOTES, MARCH 2025 NOTES, SEPTEMBER 2025 NOTES,

JANUARY 2026 NOTES, JULY 2026 NOTES AND

7.75% SENIOR GUARANTEED PERPETUAL CAPITAL SECURITIES

(ISIN/Common Code: XS2079096884/207909688) (THE "2019 PERPETUAL SECURITIES")

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Background

Reference is made to the announcement of the Company dated 11 June 2024 (the “**Announcement**”) and the Tender Offer and Consent Solicitation Memorandum in relation to the Tender Offers and the Consent Solicitations. Unless otherwise specified, capitalised terms used herein shall have the same meanings as those defined in the Announcement and the Tender Offer and Consent Solicitation Memorandum.

The Tender Offers and the Consent Solicitations form part of the efforts of the Group to seek extension of its debt maturity profile and improve its overall financial condition, which would be in the interests of all its stakeholders, including the holders of the Target Securities.

Clarifications on cash proceeds from asset disposal and available resources on hand

Most of the Group’s cash balance is held onshore and will be utilised for the working capital of its onshore projects such as for the payment of construction costs, servicing the interest payment and repayment of the project loans of the relevant properties. Given these onshore funds are only available for repatriation upon substantial completion of project sales and repayment of all outstanding payables aforementioned, only limited resources would be available to the Company for remitting offshore for the Tender Offers and Consent Solicitations that are due to close in July 2024.

The Company’s 75% share of Road King Expressway’s proceeds from its PRC toll road disposal (that completed in April 2024) (after deducting the payment of taxes and related expenses as well as repayment of project loans of Road King Expressway and its subsidiaries) amounts to approximately US\$330 million. Such proceeds are the major offshore liquidity resource deployable in servicing or negotiating the extension plans of the Group’s offshore indebtedness.

The Group has offshore debt obligations under the 2024 Notes and two loan facilities aggregating approximately US\$700 million in principal amount (one of which being a loan taken out by a 50% joint venture of the Group with an outstanding principal amount of HK\$2,445 million as at the date hereof, which loan is accounted for by the Company on an attributable basis). Such debt obligations will mature and are repayable in September 2024, unless extended. In addition, the Group has further offshore debt obligations that are repayable or will mature in the next couple of years thereafter, including repayment obligations under the other Series of Notes. As such, the Tender Offers and the Consent Solicitations are a critical component of utilising the Group's existing financial resources offshore. If the Tender Offers and the Consent Solicitations are not successfully consummated, the Company may default on its payment obligations under one or more Series of Target Securities, which will lead to one or more events of default being triggered. Should these efforts not be successful, the Company will have to consider alternative debt restructuring options, including holistic restructuring plans through one or more schemes of arrangement to restructure all of the Group’s offshore indebtedness. Such an outcome can significantly destabilise the operations of the Group and may lead to a significantly worse outcome for the Group’s creditors, given the complications involved in schemes of arrangement and the typically prolonged period of time required to complete such process.

Clarifications on negotiations with offshore lenders on potential loan extension

The Company also clarifies that while the Group continues to be in active discussions with the lenders of the two loan facilities for the extension of those facilities, the terms of any such extension have not yet been finalised. The Company notes that certain online media has inaccurately reported such status.

The Group is committed to ensuring fair treatment of its offshore creditors and is seeking extension on terms comparable to those which are the subject of the Consent Solicitations.

For and on behalf of
Road King Infrastructure Limited
Zen Wei Peu, Derek
Chairman

Hong Kong, 20 June 2024

As at the date of this announcement, the Board comprises Messrs. Zen Wei Peu, Derek, Fong Shiu Leung, Keter and Ng Fun Hung, Thomas as Executive Directors, Ms. Cai Xun and Mr. Xu Enli as Non-executive Directors and Mr. Wong Wai Ho, Ms. Hui Grace Suk Han, Mr. Cheung Hon Kit and Mr. Ho Tai Wai, David as Independent Non-executive Directors.