THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer or other registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Road King Infrastructure Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or to the transferee or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected, for transmission to the purchaser or the transferee.

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This circular is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of the Company. This circular is not, and does not form any part of, an offer to buy or sell or the solicitation of an offer to buy or sell any securities in the United States or any other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. The securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, and may not be offered, sold or otherwise transferred within the United States absent registration or an exemption from registration. Any public offering of securities to be made in the United States will be made by means of a prospectus that may be obtained from the Company and will contain detailed information about the Company and management, as well as financial statements. The Company does not intend to register any part of any offering referred to herein in the United States.

ROAD KING INFRASTRUCTURE LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1098)

POSSIBLE TRANSACTIONS IN CONNECTION WITH THE PROPOSED RESTRUCTURING INVOLVING:
(1) PROPOSED ISSUANCE OF NEW SHARES UNDER SPECIFIC MANDATE, CASH SWEEP REAL ESTATE BONDS AND RELATED CONNECTED TRANSACTIONS
(2) VERY SUBSTANTIAL DISPOSAL IN RELATION TO THE PROPOSED DISPOSAL OF 70% EQUITY INTEREST IN A SUBSIDIARY
AND
NOTICE OF SPECIAL GENERAL MEETING

Independent Financial Adviser to
the Independent Board Committee and the Independent Shareholders

Opus Capital Limited 創富融資有限公司

A notice convening the SGM to be held at Suite 502, 5th Floor, Tower 6, The Gateway, 9 Canton Road, Tsimshatsui, Kowloon, Hong Kong on Wednesday, 9 December 2026 at 8:30 a.m. is set out on pages SGM-1 to SGM-3 of this circular. Whether or not you intend to attend such meeting, please complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding such meeting or adjourned meeting. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting or any adjourned meeting if you so wish.

No souvenirs, drinks or refreshment will be served at the SGM.

23 November 2026

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In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

"Affiliate"	with respect to any Person, any other Person (i) directly or indirectly controlling, controlled by, or under direct or indirect common control with, such Person, (ii) who is a director or officer of such Person or any subsidiary of such Person or of any Person referred to in clause (i) of this definition or (iii) who is a spouse or any person cohabiting as a spouse, child or step-child, parent or step-parent, brother, sister, step-brother or step-sister, parent-in-law, grandchild, grandparent, uncle, aunt, nephew or niece of a Person described in clause (i) or (ii). For purposes of this definition, "control" (including, with correlative meanings, the terms "controlling", "controlled by" and "under common control with"), as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.
"Announcements"	the announcements of the Company dated 20 June 2025, 14 and 17 July 2025, 8 and 14 August 2025, 21 November 2025, 19 January 2026, 16 and 17 March 2026, 27 May 2026, 9 and 26 June 2026, 13 and 24 July 2026, 7, 19, 21 and 26 August 2026, 7 and 29 September 2026, 7 and 27 October 2026 and 2 November 2026 in relation to, among other things, the Proposed Restructuring and the Consent Solicitations
"Business Day(s)"	any day on which the Stock Exchange is open for the business of dealing in securities
"Blocked Escrow Agent"	the escrow agent appointed pursuant to the Schemes to hold the relevant entitlements of Blocked Scheme Creditors under the applicable escrow arrangements
"Blocked Escrow Period"	the period commencing from the date of the establishment of the escrow account(s) (if any) maintained by the Blocked Escrow Agent to the earlier of: (a) the date falling one (1) year after the Restructuring Effective Date (or, if such date is not a business day, the next business day after that date) or such later date as the Company may designate in its sole discretion as notified by the Company to the Scheme Creditors in writing; or (b) the lifting of the applicable sanctions in respect of all Blocked Scheme Creditors

"Blocked Scheme Creditor"	the Scheme Creditors (other than any sanctioned Scheme Creditor) that are not entitled, able or permitted (whether directly or through a custodian) to submit the necessary instructions or settle through the clearing systems as a result of any applicable sanctions affecting such Scheme Creditors or their custodians as reasonably determined by the clearing systems, and which do not have a sanctions licence in respect of the applicable sanctions which would allow those Scheme Creditors to freely receive their Scheme Consideration entitlement and submit the necessary instructions or settle through the clearing systems
"Board"	the board of Directors
"Branch Share Registrar"	Tricor Investor Services Limited, the branch share registrar of the Company in Hong Kong, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
"Bye-laws"	the bye-laws of the Company
"BVI"	the British Virgin Islands
"Capital Market Trigger Event"	the issuance by the Company, in a single transaction or a series of related transactions, of (i) any capital stock (other than disqualified stock) of the Company or (ii) any public indebtedness of the Company, in each case with aggregate gross proceeds (or, in the case of public indebtedness, aggregate principal amount) equal to or exceeding US$200,000,000 (or the dollar equivalent thereof)
"Cash Sweep Bonds Issuer"	RKPF 2027 Limited, the BVI-incorporated entity wholly owned by the Company, which is the issuer of the Cash Sweep Real Estate Bonds
"Cash Sweep Real Estate Bonds"	the USD-denominated 3.0% guaranteed notes to be issued by the Cash Sweep Bonds Issuer on the Restructuring Effective Date on the terms set out in the trust deed to be entered into between, among others, the Cash Sweep Bonds Issuer, the Company and the trustee of such notes
"CCASS"	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited

"Change of Control"	the occurrence of one or more of the following events: (1) the direct or indirect sale, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Company and its restricted subsidiaries, taken as a whole, to any "person" (within the meaning of Section 13(d) of the Exchange Act), other than one or more Permitted Holders; (2) the Company consolidates with, or merges with or into, any person (other than one or more Permitted Holders), or any person consolidates with, or merges with or into, the Company, in any such event pursuant to a transaction in which any of the outstanding voting stock of the Company or such other person is converted into or exchanged for cash, securities or other property, other than any such transaction where (i) the outstanding voting stock of the Company is reclassified into or exchanged for other voting stock of the Company or for voting stock of the surviving corporation; and (ii) the holders of the voting stock of the Company immediately prior to such transaction own, directly or indirectly, not less than a majority of the voting stock of the Company or the surviving corporation immediately after such transaction and in substantially the same proportion as before the transaction; (3) the Permitted Holders are collectively the beneficial owners of less than 30.0% of the total voting power of the voting stock of the Company; (4) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act) is or becomes the "beneficial owner" (as such term is used in Rule 13d-3 of the Exchange Act) directly or indirectly, of total voting power of the voting stock of the Company greater than such total voting power held beneficially by the Permitted Holders;

	(5) individuals who on the original issue date constituted the board of directors (together with any new directors whose election by the board of directors was approved by a vote of at least a majority of the members of the board of directors then still in office who were members of the board of directors on the original issue date or whose election was previously so approved) cease for any reason to constitute a majority of the members of the board of directors then in office; or (6) the adoption of a plan relating to the liquidation or dissolution of the Company
"close associates"	has the meaning ascribed to it under the Listing Rules
"Company"	Road King Infrastructure Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the main board of the Stock Exchange (HK stock code: 1098)
"Consent Solicitations"	the consent solicitations to change the governing law of the Existing Notes and the Existing Perpetual Securities to Hong Kong law, completed on 29 September 2026
"Consenting Creditors"	has the meaning given to it in the section headed "2. Background of the Proposed Restructuring - Overview of the Proposed Restructuring" in the letter from the Board in this circular
"controlling shareholder"	has the meaning ascribed to it under the Listing Rules
"Creditor Interest Purpose Trust"	the purpose trust to be established on or prior to the Restructuring Effective Date
"Creditor Interest"	has the meaning given to it in the section headed "2. Background of the Proposed Restructuring - Overview of the Proposed Restructuring" in the letter from the Board in this circular
"Director(s)"	the director(s) of the Company
"Existing Debt"	the Existing Loan, the Existing Perpetual Securities and Existing Notes
"Early Redemption Date(s)"	31 December 2030 and/or 31 December 2031
"Exchange Act"	means the US Securities Exchange Act of 1934, as amended

"Existing Subsidiary Guarantors"	those Group entities (including New Select and other relevant entities) that have guaranteed the payment of sums payable under the Existing Notes and/or the Existing Perpetual Securities and/or the Existing Loan
"Existing Loan"	the financing described in item 3 of Part A of the section headed "12. Existing Debt Instruments subject to the Schemes" in the Letter from the Board of this circular
"Existing Lenders"	lenders and/or finance providers of the Existing Loan
"Existing Notes"	collectively, the financing described in item 1 of Part A of the section headed "12. Existing Debt Instruments subject to the Schemes" in the Letter from the Board of this circular
"Existing Perpetual Securities"	collectively, the financing described in item 2 of Part A of the section headed "12. Existing Debt Instruments subject to the Schemes" in the Letter from the Board of this circular
"Expressway(s)"	MKTT Expressway, NKK Expressway, SB Expressway and SN Expressway
"Future Disposal"	proposed disposal of the direct or indirect economic interest that the Liquidating SPV or its shareholder has in RKE, the structure of which will be determined and settled following the Restructuring Effective Date and may include but is not limited to, a disposal of the Creditor Interest, the Liquidating SPV's own shares (an upstream sale) or an asset or share sale of RKE, its subsidiaries or its joint venture companies (a downstream sale)
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Holding Period"	the period commencing from the Restructuring Effective Date up to one (1) Business Day prior to the date falling six (6) calendar months after the Restructuring Effective Date (or, if such date is not a Business Day, the next Business Day after that date), or such later date as the Company may designate in its sole discretion in an announcement published on the Stock Exchange
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Hong Kong Court"	the High Court of Hong Kong

"Independent Board Committee"	a committee of the Board comprising all the independent non-executive Directors who do not have a material interest in the matters to be considered at the SGM, namely Mr. Cheung Hon Kit, Edwin, Mr. Ho Tai Wai, David and Ms. Lam Man Kuen, Phyllis
"Independent Financial Adviser" or "Opus Capital"	Opus Capital Limited, a corporation licensed by the Securities and Futures Commission to conduct Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the connected transactions in relation to issuance of New Shares (including the Stabilisation Shares) and Cash Sweep Real Estate Bonds.
"Independent Shareholder(s)"	the Shareholders other than (i) Wai Kee and its associates; (ii) Mr. Zen Wei Peu, Derek and his associates and (iii) any other Shareholder (if any) who is interested or involved in (a) the proposed issuance of New Shares under the Specific Mandate and related transactions; and (b) the proposed issuance of Cash Sweep Real Estate Bonds and related connected transactions
"Independent Third Party(ies)"	has the meaning ascribed to it under the Listing Rules
"Indonesia"	The Republic of Indonesia
"Interest Payment Date"	means 30 June and 31 December of each year, commencing on 30 June 2027
"Issuer SPVs"	collectively, the issuers of the Existing Notes and the Existing Perpetual Securities
"km"	kilometre
"Latest Practicable Date"	18 November 2026, being the latest practicable date prior to the printing of this circular
"Liquidating SPV"	a BVI special purpose vehicle to be incorporated on or prior to the Restructuring Effective Date, which will be wholly and directly owned by the Creditor Interest Purpose Trust
"Listing Rules"	The Rules Governing the Listing of Securities on the Stock Exchange
"Longstop Date"	31 December 2026 or such later date as may be extended pursuant to each Scheme (provided that such date shall not be extended beyond 30 June 2027 unless extended pursuant to the RSA)

"Majority Scheme Creditors"	in respect of each Scheme, the relevant Scheme Creditors who constitute a majority in number of and hold, in aggregate 75% or more in value of the aggregate principal amount of the relevant Scheme Consideration Claims held by (a) all Scheme Creditors who have voted by any deadline set for votes to be cast in respect of that consent or (b) if such deadline is less than ten (10) business days after the relevant consent sought in writing, all Scheme Creditors (whether or not they have voted on such consent) and for the avoidance of doubt, in each case, excluding the Existing Debt administrative parties who shall not be Scheme Creditors, nor allowed to vote, with respect to any of their own claims in their respective capacities under the relevant Existing Debt instruments
"Minimum Principal Amount"	in respect of any Early Redemption Date, the greater of (i) zero and (ii) a principal amount of the Cash Sweep Real Estate Bonds calculated as (a) the Applicable Percentage set forth opposite such Early Redemption Date in the table in "3. Proposed Issuance of New Shares and Cash Sweep Real Estate Bonds to Scheme Creditors and Related Connected Transactions — B. Proposed Issuance of Cash Sweep Real Estate Bonds — Repayment on Specified Dates" of this circular, multiplied by the outstanding aggregate principal amount of the Cash Sweep Real Estate Bonds issued on its original issue date minus (b) the aggregate principal amount of the Cash Sweep Real Estate Bonds redeemed on a pro rata basis or repurchased pursuant to an offer made to all holders of the Cash Sweep Real Estate Bonds on a pro rata basis at a redemption or repurchase price equal to or greater than 100.0% of the principal amount so redeemed or repurchased, from and including its original issue date to but excluding such Early Redemption Date minus (c) 50% of the aggregate principal amount of the Cash Sweep Real Estate Bonds repurchased pursuant to any Below Par Purchase from and including its original issue date to but excluding such Early Redemption Date. For the purposes of this definition, "**Below Par Purchase**" means any purchase of Cash Sweep Real Estate Bonds at a purchase price of less than 100.0% of the principal amount so purchased
"MKTT Expressway"	the Medan-Kualanamu-Tebing Tinggi Expressway situated in North Sumatra Province in Indonesia, information of which is set out in the section headed "4. Proposed Disposal of Equity Interest in RKE — Information about the Target Group" in the letter from the Board in this circular

"New Select"	New Select Global Limited, a company incorporated in the BVI and a wholly owned subsidiary of the Company
"New Select Scheme"	the scheme of arrangement between New Select and its Scheme Creditors proposed to be made under Sections 670, 673 and 674 of the Hong Kong Companies Ordinance (Chapter 622 of the Laws of Hong Kong) for the purposes of implementing the Proposed Restructuring
"New Select Scheme Consideration"	the new instruments to be issued to the New Select Scheme Creditors pursuant to the terms of the New Select Scheme, being the Secured Liquidating SPV Toll Road Bonds
"New Select Scheme Consideration Claims"	the outstanding principal amount of each New Select Scheme Creditor's Existing Notes and/or Existing Perpetual Securities as at the Record Date for the purpose of calculating that New Select Scheme Creditor's entitlement to the New Select Scheme Consideration
"New Select Scheme Creditor(s)"	creditor(s) whose claims under the relevant Existing Notes and Existing Perpetual Securities are the subject of the New Select Scheme
"New Select Scheme Meeting"	the meeting of the New Select Scheme Creditors convened by order of the Hong Kong Court in connection with the New Select Scheme (including any adjournment of such meeting)
"New Shares"	up to 910,611,992 new shares to be allotted and issued to (i) RKI Scheme Creditors who receive Option 2 as their RKI Scheme Consideration and (ii) the Stabilisation Shares SPV, with the beneficial interests and the voting rights attached to the Stabilisation Shares vested to Wai Kee, including both the initial Stabilisation Shares issued on the Restructuring Effective Date and any top-up Stabilisation Shares issued subsequently
"NKK Expressway"	the Ngawi-Kertosono-Kediri Expressway situated in East Java Province in Indonesia, information of which is set out in section headed "4. Proposed Disposal of Equity Interest in RKE — Information about the Target Group" in the letter from the Board in this circular
"Notice"	the notice convening the SGM

"Offshore Secured Account"	(i) the account held in the name of the Offshore Secured Account Chargor (as defined below) and/or (ii) any other bank account in Hong Kong or any other jurisdiction outside the PRC held in the name of the Company or any wholly owned subsidiary of the Company, in each case organised in Hong Kong or another jurisdiction outside the PRC, as notified to the Security Trustee (as defined below) by the Company from time to time
"Onshore Secured Account"	any bank account in the PRC held in the name of the Onshore Secured Account Pledgor (as defined below), as notified to the Security Trustee (as defined below) by the Company from time to time
"Permitted End Uses"	(a) settlement of any debts historically incurred to fund the development expenses, project management expenses and/or administrative expenses directly related to the relevant project that is the subject of the sale or required to be paid directly as a result of such sale; (b) the payment of any amounts as required by PRC government bodies and/or under applicable PRC law, rules or regulations, or the deposit of funds into a designated account which is not freely transferrable or disposable as required or requested by PRC government bodies and/or under applicable PRC laws, rules or regulations; and (c) the funding of capital expenditure in respect of the relevant project; provided, that, in each case the Company shall deliver a notice to the monitoring agent detailing the use of such amounts.
"Permitted Holders"	any or all of the following: (a) Wai Kee; (b) any Affiliate (other than an Affiliate defined in clause (ii) or (iii) of the definition of Affiliate) of the Person specified in clause (a); and (c) any person both the capital stock and the voting stock of which (or in the case of a trust, the beneficial interests in which) are more than 80.0% owned by Persons specified in clauses (a) or (b).

"Performance Trigger Event"	an event deemed to occur when the cumulative attributable contracted sales for any fiscal year of the Company exceed RMB5,000,000,000 (or the dollar equivalent thereof), as reflected in the audited consolidated financial statements of the Company for such fiscal year delivered to the monitoring agent pursuant to the Terms and Conditions of the Cash Sweep Real Estate Bonds
"Person"	any individual, corporation, partnership, limited liability company, joint venture, trust, unincorporated organisation or government or any agency or political subdivision thereof.
"PRC" or "Mainland China"	the People's Republic of China but excluding Hong Kong, the Macau Special Administrative Region and Taiwan for the purpose of this circular
"Proposed Disposal"	the proposed transfer of the 70% equity interest in RKE by New Select to the Liquidating SPV as part of the Proposed Restructuring
"Proposed Restructuring"	the holistic solution to the offshore debt of the Company to be conducted materially in the manner envisaged by, and materially on the terms set out in, the RSA
"Record Date"	5:00 p.m. (Hong Kong time) on 18 November 2026
"Restructuring Effective Date"	the date specified by the Company in the completion notice delivered in accordance with the Schemes
"Remaining Group"	the Group (excluding the Target Group)
"Redemption Step-Up Event"	either a Performance Trigger Event or a Capital Market Trigger Event
"Reference Day"	31 December 2026
"Restructuring Document"	the documents that are reasonably necessary to give effect to the Proposed Restructuring in accordance with the RSA
"RKE" or "Target Company"	Road King Expressway International Holdings Limited 路勁高速公路國際控股有限公司, a company incorporated in Bermuda and an indirect subsidiary owned as to 75% by the Company
"RKI Scheme"	the scheme of arrangement between the Company and its Scheme Creditors proposed to be made under Sections 670, 673 and 674 of the Hong Kong Companies Ordinance (Chapter 622 of the Laws of Hong Kong) for the purposes of implementing the Proposed Restructuring

"RKI Scheme Consideration"	the cash to be paid to the RKI Scheme Creditors and new instruments to be issued to the RKI Scheme Creditors pursuant to the terms of the RKI Scheme, being the Tender Offer Consideration (as defined in the section headed "2. Background of the Proposed Restructuring - Overview of the Proposed Restructuring" in the Letter from the Board in this circular), the Cash Sweep Real Estate Bonds and the New Shares
"RKI Scheme Consideration Claims"	the outstanding principal amount of each RKI Scheme Creditor's Existing Debt as at the Record Date for the purpose of calculating that RKI Scheme Creditor's entitlement to the RKI Scheme Consideration
"RKI Scheme Consideration Options"	has the meaning given to it in the section headed "2. Background of the Proposed Restructuring - Overview of the Proposed Restructuring" in the Letter from the Board in this circular
"RKI Scheme Creditor(s)"	creditor(s) whose claims under the relevant Existing Debt are the subject of the RKI Scheme
"RKI Scheme Meeting"	the meeting of the RKI Scheme Creditors convened by order of the Hong Kong Court in connection with the RKI Scheme (including any adjournment of such meeting)
"RMB"	Renminbi, the lawful currency of the PRC
"RSA"	the restructuring support agreement dated 27 May 2026, as may be amended, supplemented or modified from time to time, entered into between the Company, New Select and certain consenting creditors in respect of the Proposed Restructuring
"SB Expressway"	the Semarang-Batang Expressway situated in Central Java Province in Indonesia, information of which is set out in the section headed "4. Proposed Disposal of Equity Interest in RKE — Information about the Target Group" in the letter from the Board in this circular
"Schemes"	collectively, the RKI Scheme and the New Select Scheme, or either of them (as the context requires)
"Scheme Claims"	the claim or claims in respect of any liability of the Company and/or any member of the Group to a Scheme Creditor arising, directly or indirectly, in relation to, or arising out of or in connection with the finance documents in relation to the Existing Debt subject to the Schemes

"Scheme Consideration"	collectively, the RKI Scheme Consideration and New Select Scheme Consideration, or either of them (as the context requires)
"Scheme Consideration Claims"	the RKI Scheme Consideration Claims or the New Select Scheme Consideration Claims, as the context requires
"Scheme Creditors"	collectively, the RKI Scheme Creditors and the New Select Scheme Creditors, or either of them (as the context requires)
"Scheme Meetings"	collectively, the RKI Scheme Meeting and the New Select Scheme Meeting
"Secured Liquidating SPV Toll Road Bonds"	the USD-denominated secured notes to be issued by the Liquidating SPV on the Restructuring Effective Date on the terms set out in the trust deed to be entered into between, among others, the Liquidating SPV and the trustee of such notes
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"SGM"	the 2026 first special general meeting of the Company (or any adjournment thereof) to be held at Suite 502, 5th Floor, Tower 6, The Gateway, 9 Canton Road, Tsimshatsui, Kowloon, Hong Kong on Wednesday, 9 December 2026 at 8:30 a.m.
"Share Stabilisation Plan"	has the meaning given to it in the section headed "2. Background of the Proposed Restructuring — Key Features of the Proposed Restructuring — RKI Scheme" in the letter from the Board in this circular
"Stabilisation Shares SPV"	has the meaning given to it in the section headed "2. Background of the Proposed Restructuring — Overview of the Proposed Restructuring" in the letter from the Board in this circular
"Share(s)"	ordinary share(s) of HK$0.10 each in the share capital of the Company
"Shareholder(s)"	the shareholder(s) of the Company
"SN Expressway"	the Solo-Ngawi Expressway situated in Central Java and East Java Provinces in Indonesia, information of which is set out in the section headed "4. Proposed Disposal of Equity Interest in RKE — Information about the Target Group" in the letter from the Board in this circular

"Specific Mandate"	the specific mandate to be granted by the Shareholders and/or the Independent Shareholders at the SGM to allot and issue New Shares (including the Stabilisation Shares)
"Stabilisation Shares"	has the meaning given to it in the section headed "2. Background of the Proposed Restructuring — Key Features of the Proposed Restructuring — RKI Scheme" in the letter from the Board in this circular, being part of the New Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Target Group"	RKE and its subsidiaries
"Takeovers Code"	the Code on Takeovers and Mergers
"Treasury Share(s)"	has the meaning ascribed to it under the Listing Rules
"Unadmitted Scheme Creditor"	a Scheme Creditor (who is not a sanctioned Scheme Creditor) or a Blocked Scheme Creditor (or its designated recipient, as applicable) that is not issued or allocated (as applicable) with any Scheme Consideration Entitlement on the Restructuring Effective Date
"USD" / "US$"	United States dollars, the lawful currency of the United States of America
"Wai Kee"	Wai Kee Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange (HK stock code: 610) and is the controlling shareholder of the Company
"Valuer"	ValQuest Advisory (Hong Kong) Limited, an independent professional valuer appointed by the Company
"Valuation Report"	the valuation report dated 20 November 2026 prepared by the Valuer to determine the market value of the 70% equity interest of the Target Company as at 31 August 2026, adopting the income approach
"%"	per cent.

For the purpose of this circular, unless the context otherwise requires, conversion of USD into HK$ is based on the approximate exchange rate of USD1.00 to HK$7.8. Such exchange rate is for the purpose of illustration only and does not constitute a representation that any amounts in USD or HK$ have been, could have been or may be converted at such or any other rate or at all.

This circular contains certain forward-looking statements. These forward-looking statements are based on information currently available to the Group or the current belief, expectations and assumptions of the Board. These forward-looking statements are subject to risks, uncertainties and other factors beyond the Company's control which may cause actual results to differ materially from those expressed or implied in such forward-looking statements. In light of the risks and uncertainties, the inclusion of forward-looking statements in this circular should not be regarded as representations by the Board or the Company that the plans and objectives will be achieved, and Shareholders, holders of securities and investors of the Company should not place undue reliance on such statements.

Should there be any discrepancy between English and Chinese versions, the English version shall prevail.



ROAD KING INFRASTRUCTURE LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1098)

Executive Directors:
Zen Wei Peu, Derek *(Chairman)*
Fong Shiu Leung, Keter *(Chief Executive Officer)*
Ng Fun Hung, Thomas *(Chief Financial Officer)*

Non-executive Directors:
Yan Zhongyu
Deng Hongyu

Independent non-executive Directors:
Wong Wai Ho
Cheung Hon Kit, Edwin
Ho Tai Wai, David
Lam Man Kuen, Phyllis

Registered office:
Richmond House
12 Par-la-Ville Road
Hamilton HM 08
Bermuda

Principal place of business:
Suite 502, 5th Floor
Tower 6, The Gateway
9 Canton Road
Tsimshatsui
Kowloon
Hong Kong

23 November 2026

To the Shareholders

Dear Sir or Madam,

POSSIBLE TRANSACTIONS IN CONNECTION WITH THE PROPOSED RESTRUCTURING INVOLVING: (1) PROPOSED ISSUANCE OF NEW SHARES UNDER SPECIFIC MANDATE, CASH SWEEP REAL ESTATE BONDS AND RELATED CONNECTED TRANSACTIONS (2) VERY SUBSTANTIAL DISPOSAL IN RELATION TO THE PROPOSED DISPOSAL OF 70% EQUITY INTEREST IN A SUBSIDIARY AND NOTICE OF SPECIAL GENERAL MEETING

1. INTRODUCTION

References are made to the Announcements in relation to the Proposed Restructuring.

The purpose of this circular is to provide the Shareholders with information relating to the resolutions to be proposed at the SGM, among other things, further details in relation to (i) the proposed issuance of New Shares under the Specific Mandate, Cash Sweep Real Estate Bonds and related connected transactions; and (ii) the proposed disposal of 70% equity interest in the Target Company. These resolutions will be proposed at the SGM and are set out in the Notice as contained in this circular.

2. BACKGROUND OF THE PROPOSED RESTRUCTURING

Overview of the Proposed Restructuring

As set out in those Announcements and following the completion of the Consent Solicitations on 29 September 2026, the Proposed Restructuring is to be principally implemented by way of the RKI Scheme and the New Select Scheme, which are inter-conditional on each other. As at the Latest Practicable Date, creditors holding approximately 81.7% of the aggregate outstanding principal amount of the Existing Debt have acceded to the RSA (the "**Consenting Creditors**"). By such accession, the Consenting Creditors have undertaken to take all such actions as are necessary to, among other things, vote in favour of the Schemes in respect of the aggregate outstanding principal amount of and accrued interest on all the Existing Debt held by them at the Record Date at the Scheme Meetings. By orders of the Hong Kong Court on 26 October 2026, the Scheme Meetings were convened to be held on 23 November 2026. The hearing for the sanction of the Schemes is scheduled to be heard on 10 December 2026.

Key Features of the Proposed Restructuring

The Proposed Restructuring broadly involves, in exchange for the full release and discharge of the relevant claims against, in the case of the RKI Scheme, the Company, Joint Treasure Limited, the Issuer SPVs and the Existing Subsidiary Guarantors (excluding New Select) and, in the case of the New Select Scheme, New Select, arising out of or in connection with the Existing Debt, the distribution to the Scheme Creditors of the Scheme Consideration subject to various conditions under each Scheme as described below.

Under the RKI Scheme, a "Scheme Creditor" is a person who, as at the Record Date, is the beneficial owner/ultimate economic owner of the Existing Notes and/or Existing Perpetual Securities, or a lender/finance provider under the Existing Loan, set out in Part A of the section headed "12. Existing Debt Instruments subject to the Schemes" below in this letter from the Board. Under the New Select Scheme, a "Scheme Creditor" is a person who, as at the Record Date, is the beneficial owner/ultimate economic owner of the Existing Notes and/or Existing Perpetual Securities, set out in Part B of the section headed "12. Existing Debt Instruments subject to the Schemes" below in this letter from the Board.

To vote and receive the relevant Scheme Consideration Entitlements, in respect of the Schemes:

(a) **Scheme Creditors that hold the Existing Notes and/or Existing Perpetual Securities** must have validly submitted **an Account Holder Letter** (the "**Account Holder Letter**") through the transaction website to the information agent, Sodali & Co Ltd, (the "**Information Agent**") by 5:00 p.m. Hong Kong time on 18 November 2026 (the "**Voting Instruction Deadline**") after submitting a custody instruction through the relevant clearing systems;

(b) **Scheme Creditors that are a lender/finance provider under the Existing Loan** must have submitted a **Lender Proxy Form** (the "**Lender Proxy Form**") through the transaction website to the Information Agent by the Voting Instruction Deadline; and

(c) Blocked Scheme Creditors must have submitted a separate blocked scheme creditor form (the "**Blocked Scheme Creditor Form**") to the blocked scheme creditor tabulation agent, Kroll Corporate Services (HK) Limited (the "**Blocked Scheme Creditor Tabulation Agent**"), through e-mail by the Voting Instruction Deadline.

As holders of the Existing Notes and/or the Existing Perpetual Securities are Scheme Creditors under both the RKI Scheme and the New Select Scheme, a single Account Holder Letter covers both Schemes for voting and Scheme Consideration distribution for the same claim. The Lender Proxy Form, by contrast, relates only to the RKI Scheme, as the lenders/finance providers under the Existing Loan are Scheme Creditors under the RKI Scheme only and are not Scheme Creditors under the New Select Scheme.

The Account Holder Letter and the Lender Proxy Form require, among other things, providing the identity and details of the Scheme Creditor, its account holder details or existing loan details and holdings of its Existing Debt, and allow the Scheme Creditor, at its option, to provide its voting instructions for the Scheme Meetings and its election for the options under the RKI Scheme.

The Blocked Scheme Creditor Form contains the Blocked Scheme Creditor's details and details of holdings (including supporting evidence), and similarly allows the Blocked Scheme Creditor, at its option, to provide its voting instructions for the Scheme Meetings and its election for the options under the RKI Scheme.

For the purposes of assessing the voting claims at the Scheme Meetings and the Scheme Consideration Claims (which is the principal amount of the Existing Debt):

(i) the Information Agent assisted the chairperson of the Scheme Meetings (the "**Chairperson**") by (a) verifying the principal amounts of Existing Notes/Existing Perpetual Securities against the records of Euroclear/Clearstream (the "**Clearing Systems**") and reconciling the custody instruction reference number against blocking instructions recorded by the Clearing Systems; and (b) for the Existing Loan, obtaining the verified principal amount from the Company and Existing Lenders; or

(ii) the Blocked Scheme Creditor Tabulation Agent and the Company jointly reviewed each Blocked Scheme Creditor Form and all accompanying evidence by the Voting Instruction Deadline to assess whether it has been validly completed and if the Blocked Scheme Creditor Tabulation Agent was satisfied with the Blocked Scheme Creditor's identity, status and holding, the Blocked Scheme Creditor Tabulation Agent recommended to the Chairperson that the vote be admitted and the Chairperson retains discretion to accept or reject. As at the Latest Practicable Date, there were no Blocked Scheme Creditors that identified themselves to the Blocked Scheme Creditor Tabulation Agent or submitted the filled-in Blocked Scheme Creditor Forms for either Scheme.

RKI Scheme

(1) RKI Scheme Consideration Options

In exchange for the full release and discharge of their claims eligible under the RKI Scheme, the RKI Scheme Creditors would be entitled to elect by the Voting Instruction Deadline, one or a combination of the options below (the "**RKI Scheme Consideration Options**"), subject to the applicable Option Caps (as defined below) and the reallocation mechanism described below:

(a) **Option 1 — Tender Offer**: For each US$1.00 of the RKI Scheme Consideration Claims allocated to Option 1, the RKI Scheme Creditor will receive US$0.10 in cash consideration (the "**Tender Offer Consideration**"). The remaining US$0.90 will be waived in full.

Allocation of the RKI Scheme Consideration Claims to Option 1 is subject to a cap (the "**Option 1 Cap**") in the amount of US$500,000,000, which means that the aggregate Tender Offer Consideration payable across all RKI Scheme Creditors electing Option 1 shall not exceed US$50,000,000; and

(b) **Option 2 — Cash Sweep Real Estate Bonds + New Shares:** For each US$1.00 of the RKI Scheme Consideration Claims allocated to Option 2, the RKI Scheme Creditor will receive:

(i) Cash Sweep Real Estate Bonds with a face value of US$0.131; and

(ii) New Shares with a value equivalent to US$0.344 (at a conversion price of HK$5.60 per Share), subject to the Share Stabilisation Plan.

The remaining US$0.525 will be waived in full.

Allocation of the RKI Scheme Consideration Claims to Option 2 is subject to a cap (the "**Option 2 Cap**" and together with the Option 1 Cap, the "**Option Caps**") in the amount of US$1,905,387,680. Furthermore, issuance of the New Shares to RKI Scheme Creditors under Option 2 is subject to the Share Stabilisation Plan. In light of the Option 2 Cap of US$1,905,387,680, the maximum number of New Shares to be issued under the Proposed Restructuring will be 910,611,992, calculated based on US$1,905,387,680 (being the Option 2 Cap) multiplied by US$0.344 (being the value of New Shares for each US$1.00

of the RKI Scheme Consideration Claims allocated to Option 2) and converted into the corresponding HK dollar amount at a US$:HK$ exchange rate of 1:7.78 as provided for in the RKI Scheme, divided by the conversion price of HK$5.60 per Share and rounded down to the nearest whole number of Shares.

To the extent that elections by RKI Scheme Creditors exceed the relevant Option Cap for that option, RKI Scheme Creditors who elected that option will receive the RKI Scheme Consideration for that option on a pro rata basis up to the relevant Option Cap, and the excess portion of their RKI Scheme Consideration Claims shall be automatically reallocated to the other option.

A RKI Scheme Creditor that does not make any election in respect of all or any portion of its RKI Scheme Consideration Claims shall have its relevant RKI Scheme Consideration Claims (or the relevant portion of its RKI Scheme Consideration Claims) allocated pro rata between Option 1 and Option 2 based on the remaining capacity available under the respective Option Cap for each option at the time of such allocation. For the avoidance of doubt, where only one Option Cap has been exceeded, the entirety of such unallocated RKI Scheme Consideration Claims shall be allocated to the option whose Option Cap has not been exceeded.

(2) Share Stabilisation Plan

As part of the RKI Scheme, of the New Shares to be issued to RKI Scheme Creditors who receive Option 2 as their RKI Scheme Consideration (rounded down to the nearest whole number), 17.72% of such New Shares (the "**Stabilisation Shares**"), in turn rounded down to the nearest whole number, will instead be issued to a special purpose vehicle (the "**Stabilisation Shares SPV**"), with the beneficial interest in the Stabilisation Shares vesting in Wai Kee.

This arrangement is an integral component of the Proposed Restructuring (the "**Share Stabilisation Plan**"), serving two interconnected objectives for the benefit of Scheme Creditors:

(a) First, during the post-Proposed Restructuring period, the Stabilisation Shares ensure continuity and stability in the shareholding structure of the Company by maintaining Wai Kee's pro forma beneficial shareholding in the Company at no less than 30%. This stable anchor shareholding preserves market and stakeholder confidence in the Company's ability to execute its post-Proposed Restructuring business plan, including continued property development and construction of real estate assets and continued involvement in the disposal of the Creditor Interest, both of which are essential to maximising recoveries for Scheme Creditors.

(b) Second, in the event that the post-Proposed Restructuring recovery efforts are unsuccessful and the Group is unable to repay creditors on the restructured Cash Sweep Real Estate Bonds, the Stabilisation Shares would constitute additional realisable assets that can be sold and applied towards repayment of the outstanding amounts under the Cash Sweep Real Estate Bonds for the benefit of their holders.

Assuming that the maximum number of New Shares will be issued in full, the total number of Shares in issue immediately after the completion of the Proposed Restructuring will be 1,659,948,558. With a view to maintaining Wai Kee's pro forma beneficial shareholding interest in the Company at no less than 30% as disclosed above, the approximate percentage of the New Shares to be issued to the Stabilisation Shares SPV, namely 17.72%, is calculated in the manner set out below:

17.72% = (A x 30% - B) / C

where:

"**A**" is 1,659,948,558, being the total number of Shares in issue immediately after the completion of the Proposed Restructuring, assuming that the maximum number of New Shares will be issued in full;

"**B**" is 336,608,428, being the total number of Shares controlled by Wai Kee as at the Latest Practicable Date; and

"**C**" is 910,611,992, being the maximum number of New Shares which may be issued under the Proposed Restructuring.

Further details of the Share Stabilisation Plan are set out in the section headed "3. Proposed Issuance of New Shares and Cash Sweep Real Estate Bonds to Scheme Creditors and Related Connected Transactions" below in this letter from the Board.

New Select Scheme

In exchange for the full release and discharge of their claims against New Select to be eligible for the New Select Scheme, the New Select Scheme Creditors would be entitled to be issued the Secured Liquidating SPV Toll Road Bonds by the Liquidating SPV (a BVI special purpose vehicle to be incorporated on or prior to the Restructuring Effective Date, which will be wholly and directly owned by the Creditor Interest Purpose Trust) on the Restructuring Effective Date.

The Secured Liquidating SPV Toll Road Bonds will be zero-coupon bonds with a principal amount equal to the New Select Scheme Consideration Claims in an aggregate principal amount of up to US$2,291,176,525. Under the New Select Scheme, New Select Scheme Creditors will be allocated the Secured Liquidating SPV Toll Road Bonds based on their holdings of New Select Scheme Consideration Claims on a dollar-for-dollar basis, rounded down to the nearest US$1.00. As such, there is no cap on the aggregate amount of New Select Scheme Consideration Entitlement.

The Liquidating SPV will hold 70% of the issued equity interest in RKE (the "**Creditor Interest**") on and from the Restructuring Effective Date following the Proposed Disposal (see the section headed "4. Proposed Disposal of Equity Interest in RKE" below in this letter from the Board). 100% of the issued shares in the Liquidating SPV will in turn be held by the Creditor Interest Purpose Trust, a BVI VISTA non-charitable purpose trust established to hold the Creditor Interest on trust. Ascentium Trustees (BVI) Limited, an Independent Third Party and a professional BVI trust licensee holding a Class II Trust Licence issued by the British Virgin Islands Financial Services

Commission, is the trustee of the Creditor Interest Purpose Trust, while Aizan Limited, which is wholly owned by an affiliate of Ascentium Trustees (BVI) Limited and an Independent Third Party, is the Creditor Interest Purpose Trust's enforcer. In light of the Liquidating SPV being controlled by the Creditor Interest Purpose Trust as to 100% of its voting rights, the Liquidating SPV is therefore an Independent Third Party.

On and from the Restructuring Effective Date, it is intended that the Liquidating SPV shall have board control of RKE and the Liquidating SPV shall have full control over any Future Disposal, subject to the agreement with RKE's minority shareholders.

The Liquidating SPV will ensure that any proceeds from a Future Disposal and any dividends and/or other cash distributions from the Creditor Interest are paid to or deposited in the relevant collection accounts. Such amounts, subject to the applicable account thresholds, timing requirements and order of priority, will be applied towards, among other things, early redemption and pro rata payments of principal of the Secured Liquidating SPV Toll Road Bonds, after deducting certain fees, costs and expenses in accordance with the New Select Scheme.

Holders of the Secured Liquidating SPV Toll Road Bonds shall benefit from security over the Creditor Interest, the shares in the Liquidating SPV and the relevant collection accounts.

Holders of the Secured Liquidating SPV Toll Road Bonds will have no recourse to the Company, New Select or any other member of the Group in respect of any claims, obligations or liabilities arising under the Secured Liquidating SPV Toll Road Bonds, including any claims relating to the Creditor Interest and any distributions or disposal proceeds derived from the Creditor Interest.

Conditions to the Proposed Restructuring

The Proposed Restructuring is conditional upon certain conditions being satisfied, or waived (as applicable) in accordance with the terms of the Schemes, which include, without limitation, the following:

(1) the occurrence of the date(s) on which each sealed copy of the order sanctioning the relevant Scheme has been delivered to, the Hong Kong Registrar of Companies for registration;

(2) the occurrence of the effective dates of the Consent Solicitations;

(3) in respect of each Scheme, each Restructuring Document being in agreed form;

(4) the obtaining of all relevant corporate authorisations, regulatory approvals or other consents, which are required to implement the Proposed Restructuring, including, without limitation, (i) relevant listing approvals for the listing of and permission to deal in the New Shares, the Cash Sweep Real Estate Bonds and the Secured Liquidating SPV Toll Road Bonds and (ii) relevant shareholder approval and consent in relation to the completion of the Proposed Disposal;

(5) the obtaining of any recognition order or order sanctioning any parallel scheme of arrangement that the Company and its advisers consider necessary or advisable for the recognition, enforcement or implementation of the Schemes in any relevant jurisdiction;

(6) the receipt of all relevant approvals in principle and completion of all relevant issuance, registration and related procedures in order for the New Shares to be first issued to the local depositaries of Euroclear and Clearstream in scrip form on the Restructuring Effective Date, which will respectively thereafter arrange for the scrip shares to be dematerialised and delivered to the eligible RKI Scheme Creditors in dematerialised form as soon as practicable following the Restructuring Effective Date;

(7) the completion of the Proposed Disposal;

(8) the payment of all of the payable amounts under the terms of each Scheme, together with the fees, costs, and expenses in respect of the Proposed Restructuring (including any professional fees, costs, and expenses of any adviser, and any other professional fees in relation to the Existing Debt, the Cash Sweep Real Estate Bonds and Secured Liquidating SPV Toll Road Bonds), on or prior to the Restructuring Effective Date;

(9) the establishment of (i) in respect of the RKI Scheme, an offshore account held in the name of the Company and an onshore account held in the name of an indirect wholly-owned PRC subsidiary of the Company (the "**Onshore Secured Account Pledgor**"); and (ii) in respect of the New Select Scheme, the collection accounts to be established in the name of the Liquidating SPV for (x) any dividends or other amounts received by the Liquidating SPV and (y) the net proceeds of a Future Disposal, and each of such accounts remaining active;

(10) the Company having published an announcement on the Stock Exchange in respect of the designation of the Restructuring Effective Date;

(11) in respect of each Scheme, satisfaction of each of the specific conditions precedent contained in the Restructuring Documents (had such Restructuring Documents become effective at the time of determination) unless otherwise waived by the relevant receiving party of any such condition precedent, as applicable.

The Restructuring Effective Date shall be the date specified as such in the most recent in time notice provided to Scheme Creditors in accordance with the Schemes, and shall in any event be on or prior to the Longstop Date.

Subject to the terms of the Schemes, any of the conditions to the Proposed Restructuring may only be waived by the Company or New Select (as applicable) with (i) the consent in writing of the Majority Scheme Creditors and (ii) where the beneficiary of any clause being waived is not the Scheme Creditors, the consent in writing of that person or entity.

As at the Latest Practicable Date, save for the condition set out in paragraph (2) above, none of the conditions to the Proposed Restructuring have been fulfilled or waived. In respect of the conditions set out in paragraph (4) above, the resolutions to be proposed at the SGM must be passed by the Shareholders at the SGM.

3. PROPOSED ISSUANCE OF NEW SHARES AND CASH SWEEP REAL ESTATE BONDS TO SCHEME CREDITORS AND RELATED CONNECTED TRANSACTIONS

As disclosed in "2. Background of the Proposed Restructuring — Key Features of the Proposed Restructuring — RKI Scheme" above in this letter from the Board, those RKI Scheme Creditors who have validly elected or been assigned or reallocated to Option 2 of the RKI Scheme Consideration will receive, for each US$1.00 of RKI Scheme Consideration Claims, (i) New Shares with a value equivalent to US$0.344 (at a conversion price of HK$5.60 per share), subject to the Share Stabilisation Plan; and (ii) the Cash Sweep Real Estate Bonds with a face value of US$0.131.

A. Proposed Issuance of New Shares under the Specific Mandate

Subject to the occurrence of the Restructuring Effective Date and the elections made by RKI Scheme Creditors among the RKI Scheme Consideration Options, the Company will issue up to 910,611,992 New Shares. 17.72% of such New Shares (subject to rounding down as detailed below) will be issued to the Stabilisation Shares SPV under the Share Stabilisation Plan as further detailed below.

The principal terms of the issuance of the New Shares are set out below:

Issuer: The Company

Subscribers:

(i) RKI Scheme Creditors who have validly elected or been assigned or reallocated to Option 2 of the RKI Scheme Consideration; and

(ii) The Stabilisation Shares SPV in respect of the Stabilisation Shares to be issued pursuant to the arrangements as contemplated under the Share Stabilisation Plan

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries after taking into account publicly available information, other than Wai Kee (through its subsidiaries), Mr. Zen Wei Peu, Derek and his close associates and Mr. Wong Wai Ho, each of the Scheme Creditors was independent of the Company and its connected persons as at the Latest Practicable Date.

For details of the Share Stabilisation Plan, please see below and the section headed "2. Background of the Proposed Restructuring - Key Features of the Proposed Restructuring — Share Stabilisation Plan" above in this letter from the Board.

Issue price: HK$5.60 per New Share, representing:

(i) a premium of approximately 1,300% to the closing price of HK$0.400 per Share as quoted on the Stock Exchange on the Latest Practicable Date; and

(ii) a premium of approximately 1,227% to the average closing price of HK$0.422 per Share as quoted on the Stock Exchange for the five consecutive trading days of the Shares up to and including the Latest Practicable Date.

Number of Shares: Up to 910,611,992 New Shares, representing

(i) approximately 122% of the number of issued Shares as at the Latest Practicable Date; and

(ii) approximately 55% of the number of issued Shares as enlarged by the issuance of New Shares.

The aggregate nominal value of the New Shares is up to HK$91,061,199.2.

These New Shares comprise:

(i) up to 749,251,548 New Shares to be allotted and issued to RKI Scheme Creditors who have validly elected or been assigned or reallocated to Option 2 of the RKI Scheme Consideration; and

(ii) as part of the Share Stabilisation Plan, up to 161,360,444 New Shares will be allotted and issued as Stabilisation Shares to the Stabilisation Shares SPV, which holds the entire legal and beneficial ownership of such Stabilisation Shares on trust for Wai Kee or its designated subsidiary.

All New Shares (including the Stabilisation Shares) may not necessarily be allotted and issued on the Restructuring Effective Date. Any New Shares attributable to RKI Scheme Creditors that remain unallocated as at the Restructuring Effective Date will only be allotted and issued to the relevant Scheme Creditors and the Stabilisation Shares SPV (as the top-up Stabilisation Shares under the Share Stabilisation Plan) on or before the expiry of the Holding Period or (in respect of any Blocked Scheme Creditor) the expiry of the Blocked Escrow Period in accordance with the RKI Scheme.

Ranking of the New Shares: The New Shares allotted and issued will rank *pari passu* in all respects with the Shares in issue, including the right to any dividend or distribution, the record date of which falls on or after the date of allotment.

Share Stabilisation Plan:

In order to ensure continuity and stability in the shareholding structure of the Company by maintaining Wai Kee's pro forma beneficial shareholding in the Company at approximately 30% following the completion of the Proposed Restructuring, a block of New Shares (the "**Stabilisation Shares**") will be issued to the Stabilisation Shares SPV, with the beneficial interest of the Stabilisation Shares vesting in Wai Kee, the controlling shareholder of the Company.

The number of Stabilisation Shares (being 17.72% of the aggregate New Shares issued, rounded down to the nearest whole number) to be issued to the Stabilisation Shares SPV will be in such number so as to maintain Wai Kee's pro forma beneficial shareholding in the Company at no less than 30% upon completion of the Proposed Restructuring. While the percentage of 17.72% is fixed, the actual number of Stabilisation Shares will therefore depend on the number of Scheme Creditors that elect, and are allocated, New Shares under Option 2. This reflects the possibility that some New Shares are either attributable to Unadmitted Scheme Creditors or Blocked Scheme Creditors and only issued after the Restructuring Effective Date at a different point in time or may not ultimately be issued if the applicable requirements for establishing entitlement are not satisfied within the prescribed periods. By way of illustration, if the maximum number of New Shares were to be issued to Scheme Creditors, 17.72% of such New Shares rounded down to the nearest whole number (being a maximum of 161,360,444 New Shares, assuming all New Shares will be issued on the Restructuring Effective Date) shall instead be issued to the Stabilisation Shares SPV (rather than to the Scheme Creditors who would have otherwise been entitled to receive such New Shares).

For the avoidance of doubt, the Stabilisation Shares shall be funded entirely from the New Shares to be issued pursuant to Option 2 of the Scheme Consideration and will not result in any additional dilution beyond that already contemplated under Option 2 of the Scheme Consideration.

(a) To give effect to the Share Stabilisation Plan, on the Restructuring Effective Date, the initial Stabilisation Shares (equal to 17.72% of the aggregate number of New Shares to be issued to the relevant Scheme Creditors under the RKI Scheme on the same date) will be issued in physical form to the Stabilisation Shares SPV concurrently with the issuance of New Shares to those creditors. The Stabilisation Shares SPV will be wholly owned by a purpose trust without beneficiaries. The Stabilisation Shares SPV and the Cash Sweep Bonds Issuer will, on the Restructuring Effective Date, enter into a declaration of trust (the "**Trust Declaration**") pursuant to which the Stabilisation Shares SPV will declare that it holds the Stabilisation Shares beneficially in favour of Wai Kee (or a nominee designated by Wai Kee). In tandem with the Trust Declaration, a voting proxy arrangement and power of attorney will be granted in favour of Wai Kee (or its nominee) to execute certain documents on behalf of the Stabilisation Shares SPV in respect of the Stabilisation Shares.

(b) Prior to the occurrence of an event of default (as set out in details in the section headed "— B. Proposed Issuance of Cash Sweep Real Estate Bonds — Events of default") leading to an acceleration of the Cash Sweep Real Estate Bonds (the "**Stabilisation Shares Trigger Event**"), under the Trust Declaration and power of attorney, Wai Kee (or a nominee designated by Wai Kee) would be entitled to exercise the right to vote and receive dividends and other distributions in respect of the Stabilisation Shares, and will not be required to account for (or turn over) any dividends and other distributions in respect of the Stabilisation Shares or the exercise of its voting rights to the Stabilisation Shares SPV; and

(c) on or before the expiry date of the Holding Period or the Blocked Escrow Period (as applicable), the top-up Stabilisation Shares (equal to 17.72% of the aggregate number of New Shares to be issued to the Unadmitted Scheme Creditors or the Blocked Scheme Creditors (as applicable) on the same date) will be issued to the Stabilisation Shares SPV concurrently with the issuance of New Shares to such Unadmitted Scheme Creditors or the Blocked Scheme Creditors.

The Share Stabilisation Plan incorporates a creditor-protection mechanism. While the Cash Sweep Real Estate Bonds remain subsisting and prior to any acceleration thereof, legal title to the Stabilisation Shares is held by the Stabilisation Shares SPV and cannot be freely disposed of, encumbered or otherwise dealt with. The value of the Stabilisation Shares is preserved for the benefit of the holders of the Cash Sweep Real Estate Bonds as an additional pool of realisable assets. If the Company's post-Proposed Restructuring recovery efforts ultimately prove unsuccessful and a Stabilisation Shares Trigger Event occurs, the trust over the Stabilisation Shares and the power of attorney in respect of the Stabilisation Shares will automatically terminate such that the beneficial ownership and the rights in respect of the Stabilisation Shares revert to the Stabilisation Shares SPV, and the Stabilisation Shares SPV will be obligated to use commercially reasonable efforts to sell the Stabilisation Shares on the open market and to transfer the net sale proceeds to the trustee of the Cash Sweep Real Estate Bonds to be applied in accordance with the payment waterfall under the trust deed in respect of the Cash Sweep Real Estate Bonds for the benefit of the holders of the Cash Sweep Real Estate Bonds.

Other than the abovementioned transfer restrictions applicable to the Stabilisation Shares held by the Stabilisation Shares SPV, the New Shares will not be subject to any lock-up arrangement.

Basis for determining the issue price

The issue price of the New Shares was determined after arm's length negotiation between the Company and members of an ad hoc group of holders of the Existing Notes and Existing Perpetual Securities (the "**AHG**"), having considered (i) the RKI Scheme Consideration Claims to be discharged and the discount applied to the principal amount; (ii) the balancing of the dilution impact of the issuance of New Shares (including the Stabilisation Shares), whether issued on the Restructuring Effective Date or subsequently, taking into account the commercial ask that New Shares issued to the RKI Scheme Creditors under the Proposed Restructuring collectively make up a considerable portion of ownership of the Company to reflect the value of the compromise made by the RKI Scheme Creditors; and (iii) the potential future upside in the share price as and when its business operations improve upon completion of the Proposed Restructuring.

Conditions of the issuance of New Shares

The allotment and issuance of New Shares is conditional upon the fulfilment of each of the following conditions:

(i) the passing of an ordinary resolution by the Independent Shareholders at the SGM to approve the issuance of New Shares and related connected transactions contemplated thereunder;

(ii) the Listing Committee granting the listing of, and permission to deal in, the New Shares; and

(iii) the occurrence of the Restructuring Effective Date upon satisfaction (or waiver) of the Restructuring Conditions as defined and set out in the RKI Scheme, further details of which are set out in "2. Background of the Proposed Restructuring" above.

None of the above conditions is waivable. As at the Latest Practicable Date, none of the above conditions has been fulfilled.

Specific Mandate

The New Shares (including the Stabilisation Shares) will be issued under the Specific Mandate proposed to be sought from the Shareholders at the SGM.

An application will be made to the Stock Exchange for the listing of, and permission to deal in, the New Shares (including the Stabilisation Shares).

B. Proposed Issuance of Cash Sweep Real Estate Bonds

Subject to the occurrence of the Restructuring Effective Date, the Cash Sweep Bonds Issuer will issue Cash Sweep Real Estate Bonds to the RKI Scheme Creditors who have validly elected or been assigned or reallocated to Option 2 of the RKI Scheme Consideration.

The principal terms of the Cash Sweep Real Estate Bonds are set out below:

Cash Sweep Bonds Issuer:	RKPF 2027 Limited
Subscribers:	Scheme Creditors (not less than six in number) who have validly elected or been assigned or reallocated to Option 2 of the RKI Scheme Consideration. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries after taking into account publicly available information, the Scheme Creditors and their ultimate beneficial owners (other than Wai Kee (through its subsidiaries), Mr. Zen Wei Peu, Derek and his close associates and Mr. Wong Wai Ho) are independent of the Company and its connected persons as at the Latest Practicable Date.

Principal Amount: Up to US$249,605,786 (equivalent to approximately HK$1,946,925,131), of which Cash Sweep Real Estate Bonds in the principal amount of up to US$4,143,909 (equivalent to approximately HK$32,322,490) will be issued to Wai Kee (through its subsidiary), Cash Sweep Real Estate Bonds in the principal amount of up to US$8,470,111 (equivalent to approximately HK$66,066,866) will be issued to Mr. Zen Wei Peu, Derek and his close associates and Cash Sweep Real Estate Bonds in the principal amount of up to US$26,200 (equivalent to approximately HK$204,360) will be issued to Mr. Wong Wai Ho.

Interest: Each Cash Sweep Real Estate Bond shall bear interest at the rate of 3.00% per annum from (and including) the Reference Day, payable semi-annually in arrears on each Interest Payment Date, provided that:

(a) with respect to any accrued and unpaid interest from (and including) the Reference Day to (but excluding) 31 December 2028, interest at a rate of 2.0% per annum shall be paid in the form of payment-in-kind interest (such interest, "**PIK Interest**") by increasing the principal amount of the Cash Sweep Real Estate Bonds by the amount of such PIK Interest accrued for such interest period, and the remaining interest at a rate of 1.0% per annum shall be paid in cash (such interest, "**Cash Interest**"), unless for any interest period the Cash Sweep Bonds Issuer elects, by giving notice in writing to the trustee, the relevant agent and the holders (a "**Cash Interest Notice**") not less than five business days prior to the relevant Interest Payment Date, to pay a greater portion of such interest as Cash Interest instead of PIK Interest;

(b) with respect to any accrued and unpaid interest from (and including) 31 December 2028 to (but excluding) 31 December 2030, interest at a rate of 1.0% per annum shall be paid in the form of PIK Interest by increasing the principal amount of the Cash Sweep Real Estate Bonds by the amount of such PIK Interest accrued for such interest period, and the remaining interest at a rate of 2.0% per annum shall be paid in the form of Cash Interest, unless for any interest period the Cash Sweep Bonds Issuer elects by giving a Cash Interest Notice not less than five business days prior to the relevant Interest Payment Date to pay a greater portion of such interest in Cash Interest instead of PIK Interest; and

(c) with respect to any accrued and unpaid interest from (and including) 31 December 2030, interest at a rate of 3.0% per annum shall be paid in the form of Cash Interest.

Interest Payment Date: 30 June and 31 December of each year, commencing on 30 June 2027

Maturity date: 31 December 2032

Guarantee: The Cash Sweep Real Estate Bonds will be jointly and severally guaranteed by the Company, each of the subsidiary guarantors, any JV subsidiary guarantors (if and when created) and Stabilisation Shares SPV (whose guarantee is a limited recourse guarantee), in each case on the terms set out in the trust deed constituting the Cash Sweep Real Estate Bonds.

Mandatory redemption at Maturity Date: Unless previously redeemed, or purchased and cancelled, the Cash Sweep Bonds Issuer will redeem the Cash Sweep Real Estate Bonds at their principal amount plus accrued and unpaid interest, if any, on 31 December 2032.

Repayment on Specified Dates: On each Early Redemption Date, the Cash Sweep Bonds Issuer shall redeem at least the Minimum Principal Amount (as defined in the Terms and Conditions of the Cash Sweep Real Estate Bonds) of the Cash Sweep Real Estate Bonds at a redemption price equal to 100.0% of the principal amount of the Cash Sweep Real Estate Bonds being redeemed plus accrued and unpaid interest, if any, to (but not including) the relevant Early Redemption Date on a pro rata basis by way of a proportional reduction in the principal amount of each Cash Sweep Real Estate Bond (each such obligation, an "Early Redemption Obligation"); provided, that, the Cash Sweep Bonds Issuer may, at its sole discretion, elect to defer any Early Redemption Obligation, in whole or in part, subject to the satisfaction of certain conditions set out in the terms and conditions of the Cash Sweep Real Estate Bonds. The Company shall, and shall procure the Cash Sweep Bonds Issuer to, use commercially reasonable efforts to reserve cash to satisfy any Early Redemption Obligation.

Early Redemption Date	Applicable Percentage (on cumulative basis)
31 December 2030	10.0%
31 December 2031	30.0%

Issuer's optional redemption: At any time and from time to time, the Cash Sweep Bonds Issuer may, at its option, redeem the Cash Sweep Real Estate Bonds in whole or in part on a pro rata basis from all holders upon not less than 15 nor more than 30 days' notice, at a redemption price equal to 105.0% (or, following the occurrence of a Redemption Step-Up Event, 106.0%) of the principal amount of the Cash Sweep Real Estate Bonds being redeemed plus accrued and unpaid interest, if any, to (but excluding) the redemption date.

Repurchase upon a Change of Control: Upon the occurrence of a Change of Control, each holder of the Cash Sweep Real Estate Bonds will have the right to require the Cash Sweep Bonds Issuer to repurchase all or any part of its Cash Sweep Real Estate Bonds at a purchase price in cash equal to 101.0% of the principal amount thereof plus accrued and unpaid interest, if any, to (but excluding) the date of purchase. Within 30 days following any Change of Control, the Cash Sweep Bonds Issuer will give notice to the holders (with a copy to the trustee), and the purchase date shall be no earlier than 30 days nor later than 60 days from the date such notice is given.

Tax redemption: The Cash Sweep Real Estate Bonds may be redeemed, at the option of the Cash Sweep Bonds Issuer, in whole but not in part, upon giving not less than 10 business days' nor more than 30 business days' notice to the holders (with a copy to the trustee and the relevant agent), at a redemption price equal to 100.0% of the principal amount thereof together with accrued and unpaid interest (including any additional amounts payable in respect of taxes), if any, to (but excluding) the date fixed for redemption, if, as a result of (i) any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of any relevant jurisdiction in which the Cash Sweep Bonds Issuer, the Company, any subsidiary guarantor or any JV subsidiary guarantor is organised or resident for tax purposes (or any political subdivision or taxing authority thereof or therein) affecting taxation, or (ii) any change in the existing official position, or the stating of an official position, regarding the application or interpretation of such laws, regulations or rulings, which change or amendment becomes effective on or after the original issue date of the Cash Sweep Real Estate Bonds, the Cash Sweep Bonds Issuer, the Company, any subsidiary guarantor or any JV subsidiary guarantor is, or on the next interest payment date would be, required to pay additional amounts in respect of taxes, and such requirement cannot be avoided by the taking of reasonable measures by the Cash Sweep Bonds Issuer, the Company or the relevant subsidiary guarantor or JV subsidiary guarantor.

Security: The Cash Sweep Real Estate Bonds will be secured by (i) a security by way of charge granted by the Company as the offshore secured account chargor (the "**Offshore Secured Account Chargor**") in favour of Kroll Trustee Services (HK) Limited as security trustee (the "**Security Trustee**") over the Offshore Secured Account and all rights, title and interest in connection therewith; and (ii) a pledge granted by the Onshore Secured Account Pledgor in favour of the Security Trustee over the Onshore Secured Account and all rights, title and interest in connection therewith, in each case to secure, among others, the obligations of the Cash Sweep Bonds Issuer under the Cash Sweep Real Estate Bonds and the trust deed and the obligations of the guarantors under their respective guarantees, on the terms of the trust deed, the security documents and the collateral trust agreement.

Key covenants: The Cash Sweep Real Estate Bonds will contain certain restrictive covenants limiting the Company and its restricted subsidiaries from the incurrence of indebtedness, the making of restricted payments including investments and dividends, the granting of liens, the disposal of assets outside of the ordinary course of business and transactions with affiliates, among other covenants customary for similarly situated issuers, in each case subject to various customary exceptions and permissions.

The Cash Sweep Real Estate Bonds will also include certain affirmative obligations concerning the provision of financial statements and other reports (including quarterly financial statements if the Company ceases to be listed on a recognised exchange) and the maintenance of qualified independent auditors.

The Cash Sweep Real Estate Bonds will also include a cash sweep covenant pursuant to which: (i) neither the Company nor any of its restricted subsidiaries may consummate any disposal of specified real estate projects unless the disposal is on commercially reasonable terms, is conducted on an arm's length basis and, while the Company's common stock remains listed on the Stock Exchange, in compliance with the Listing Rules, the consideration is at least equal to the fair market value of the asset being disposed of, and 100% of the consideration is received in cash (or in temporary cash investments that are promptly converted to cash); (ii) the specified proportion of the net cash proceeds, dividends, distributions and other net proceeds derived from the specified real estate projects (the "**Specified Asset Allocation Amount**") must be deposited, as soon as reasonably practicable and in any event within ten business days of receipt, into either the Onshore Secured Account (where the proceeds are received by a PRC subsidiary in respect of a PRC project) or the Offshore Secured Account (in all other cases), each of which forms part of the collateral for the Cash Sweep Real Estate Bonds; (iii) whenever the balance of the Onshore Secured Account exceeds US$20.0 million (or its dollar equivalent), the Company must procure the remittance of such balance to the Offshore Secured Account, subject to the satisfaction of applicable regulatory, judicial and governmental approvals and conditions required for such remittance; (iv) the balance of the Offshore Secured Account may be applied by the Company only in the following order of priority: (a) to pay, or reserve for, outstanding trustee, agent and security trustee costs, fees and expenses; (b) to pay, or reserve for, outstanding amounts due and payable under the Cash Sweep Real Estate Bonds; (c) to pay, or reserve for, any outstanding deferred Early Redemption Obligation; (d) at the Company's discretion, to reserve for future amounts payable under the Cash Sweep Real Estate Bonds (including future Early Redemption Obligations); (e) at the Company's discretion, to redeem the Cash Sweep Real Estate Bonds pursuant to the Cash Sweep Bonds Issuer's optional redemption; (f) to make permitted withdrawals for operating and capital expenditure of the Group of up to a specified annual cap (being US$20.0 million per annum for the calendar years from 2027 to 2030 and US$17.0 million per annum thereafter, in each case with any shortfall carried forward on a cumulative basis to the following year); and (g) to apply any remaining Specified Asset Allocation Amount in permitted open-market purchases or a permitted tender offer for the Cash Sweep Real Estate Bonds, subject to specified conditions (including that the Company has elected to pay all interest due on the most recent scheduled Interest Payment Date in cash and has paid that interest in full in cash, no deferred Early Redemption Obligation is outstanding and sufficient cash has been reserved for upcoming Early Redemption Obligations); provided that paragraphs (e) to (g) may not be applied while an event of default is continuing; and (h) no withdrawal may be made from the Offshore Secured Account for any purpose other than in accordance with the cash sweep covenant.

Events of default: The Cash Sweep Real Estate Bonds will contain the following events of default:

(1) default in the payment of principal of (or premium, if any, on) the Cash Sweep Real Estate Bonds when the same becomes due and payable at maturity, upon acceleration, redemption or otherwise;

(2) default in the payment of interest on any Cash Sweep Real Estate Bond when the same becomes due and payable, and such default continues for a period of 30 days;

(3) default in the performance or breach of the provisions of the covenant as set out in the section "Limitation on Liens" or "Limitation on Consolidation and Merger" of the terms and conditions of the Cash Sweep Real Estate Bonds (the "**Terms and Conditions**"), the failure by the Cash Sweep Bonds Issuer to redeem or repurchase the Cash Sweep Real Estate Bonds in the manner described under the section "Repayment on Specified Dates", or the failure by the Cash Sweep Bonds Issuer to make or consummate an offer to purchase in the manner described under the section "Limitation on Asset Sales" or a notice to the holders of the Cash Sweep Real Estate Bonds (the "**Change of Control Offer**") under the section "Change of Control" of the Terms and Conditions;

(4) the Cash Sweep Bonds Issuer, the Company or any restricted subsidiary defaults in the performance of or breaches any provision of the section "Limitation on Specified Asset Disposal" of the Terms and Conditions (including, for the avoidance of doubt, any application of the designated project loan repayments for purposes other than the Permitted End Uses) and such default or breach continues for a period of 15 consecutive days after the earlier of (i) the Company becoming aware of such default or breach and (ii) written notice thereof to the Cash Sweep Bonds Issuer and the Company by the trustee or the holders of 25.0% or more in aggregate principal amount of the Cash Sweep Real Estate Bonds then outstanding;

(5) the Cash Sweep Bonds Issuer, the Company or any restricted subsidiary defaults in the performance of or breaches any other covenant or agreement in the trust deed or under the Cash Sweep Real Estate Bonds (other than a default specified in clause (1), (2), (3) or (4) above) and such default or breach continues for a period of 30 consecutive days after written notice by the trustee or the holders of 25.0% or more in aggregate principal amount of the Cash Sweep Real Estate Bonds;

(6) there occurs with respect to any indebtedness of the Cash Sweep Bonds Issuer, the Company or any restricted subsidiary having an outstanding principal amount of US$15.0 million (or the dollar equivalent of such indebtedness) or more in the aggregate for all such indebtedness of all such persons, whether such indebtedness now exists or shall hereafter be created, (a) an event of default that has caused the holder thereof to declare such indebtedness to be due and payable prior to its stated maturity and/or (b) the failure to make a principal payment when due; provided, that, the foregoing shall not apply to any default or event of default arising or resulting from or related to any onshore indebtedness;

(7) one or more final judgments or orders for the payment of money are rendered against the Cash Sweep Bonds Issuer, the Company or any restricted subsidiary and are not paid or discharged, and there is a period of 60 consecutive days following entry of the final judgment(s) or order(s) that causes the aggregate amount for all such final judgment(s) or order(s) outstanding and not paid or discharged against all such persons to exceed US$15.0 million (or the dollar equivalent thereof) (in excess of amounts which the Company's insurance carriers have agreed to pay under applicable policies) during which a stay of enforcement, by reason of a pending appeal or otherwise, is not in effect; provided, that, the foregoing shall not apply to any judgments or orders arising or resulting from or related to any onshore indebtedness;

(8) an involuntary case or other proceeding is commenced against the Cash Sweep Bonds Issuer, the Company or any significant restricted subsidiary with respect to it or its debts under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect seeking the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official of the Cash Sweep Bonds Issuer, the Company or any significant restricted subsidiary or for any substantial part of the property and assets of the Cash Sweep Bonds Issuer, the Company or any significant restricted subsidiary and such involuntary case or other proceeding remains undismissed and unstayed for a period of 60 consecutive days; or an order for relief is entered against the Cash Sweep Bonds Issuer, the Company or any significant restricted subsidiary under any applicable bankruptcy, insolvency or other similar law as now or hereafter in effect; provided, that, the foregoing shall not apply to any involuntary case or other proceeding arising or resulting from or related to any onshore indebtedness;

(9) the Cash Sweep Bonds Issuer, the Company or any significant restricted subsidiary (a) commences a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or consents to the entry of an order for relief in an involuntary case under any such law, (b) consents to the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official of the Cash Sweep Bonds Issuer, the Company or any significant restricted subsidiary or for all or substantially all of the property and assets of the Cash Sweep Bonds Issuer, the Company or any significant restricted subsidiary or (c) effects any general assignment for the benefit of creditors (other than, in each case under paragraph (b), any of the foregoing that arises from any solvent liquidation or restructuring of a significant restricted subsidiary in the ordinary course of business that shall result in the net assets of such significant restricted subsidiary being transferred to or otherwise vested in the Company or any restricted subsidiary); provided, that, the foregoing shall not apply to any voluntary case or other proceeding set forth in (a), (b) and (c) above arising or resulting from or related to any onshore indebtedness;

(10) the Company or any other guarantor which is a subsidiary of the Company denies or disaffirms its obligations under the applicable note guarantee or, except as permitted by the trust deed, a note guarantee of the Company or any other guarantor which is a subsidiary of the Company is determined to be unenforceable or invalid or shall for any reason cease to be in full force and effect;

(11) any default by the Offshore Secured Account Chargor or the Onshore Secured Account Pledgor in the performance of any of their respective obligations under the security documents, the tripartite account control agreement or the collateral trust agreement which adversely affects the enforceability, validity, perfection or priority of the lien on the collateral or which adversely affects the condition or value of the collateral, taken as a whole, in any material respect or any denial, disaffirmation or repudiation by the Offshore Secured Account Chargor or the Onshore Secured Account Pledgor of any of their respective obligations under the security documents, the tripartite account control agreement or the collateral trust agreement;

(12) any material breach by the Company of the terms of the monitoring agent engagement letter or any material amendment of the terms of the monitoring agent engagement letter without the consent of at least 50% in aggregate principal amount of the Cash Sweep Real Estate Bonds then outstanding;

(13) If an event of default (other than an event of default specified in clause (8) or (9) above) occurs and is continuing, the trustee or the holders of at least 25.0% in aggregate principal amount of the Cash Sweep Real Estate Bonds then outstanding, by written notice to the Cash Sweep Bonds Issuer (and to the trustee if such notice is given by the holders), may, and the trustee at the written request of holders of at least 25.0% in aggregate principal amount of the Cash Sweep Real Estate Bonds then outstanding (subject in any case where the trustee is the party giving the declaration of acceleration, to the trustee being indemnified and/or secured and/or pre-funded to its satisfaction), shall, declare the principal of, premium, if any, and accrued and unpaid interest on the Cash Sweep Real Estate Bonds to be immediately due and payable. Upon a declaration of acceleration, such principal of, premium, if any, and accrued and unpaid interest shall be immediately due and payable. If an event of default specified in clause (8) or (9) above occurs with respect to the Cash Sweep Bonds Issuer, the Company or any significant restricted subsidiary, the principal of, premium, if any, and accrued and unpaid interest on the Cash Sweep Real Estate Bonds then outstanding shall automatically become and be immediately due and payable without any declaration or other act on the part of the trustee or any holder; or

(14) In addition, if an Event of Default occurs and is continuing, subject to the collateral trust agreement and the security documents, the trustee may, and shall upon the written request of holders of at least 25.0% in aggregate principal amount of outstanding Cash Sweep Real Estate Bonds (subject to the trustee being indemnified and/or secured and/or pre-funded to its satisfaction), and the holders of at least 25.0% in aggregate principal amount of the Cash Sweep Real Estate Bonds then outstanding may, instruct the security trustee to take enforcement action with respect to the collateral in accordance with the terms of the collateral trust agreement and the security documents and take such further action on behalf of the holders with respect to the collateral as the trustee deems appropriate.

Sale of Stabilisation Shares and Application of Proceeds:

Upon the termination of the Trust Declaration as a result of an acceleration event, the trustee shall, upon the written request of holders of at least 25% in aggregate principal amount of the outstanding Cash Sweep Real Estate Bonds (subject to the trustee being indemnified and/or secured and/or pre-funded to its satisfaction), direct the Stabilisation Shares SPV to use commercially reasonable efforts to sell, transfer or dispose of all of the Stabilisation Shares in one or more arm's length transactions.

	The Stabilisation Shares SPV shall pay any sale proceeds received by it to the trustee within the prescribed timeframe. Upon receipt of any sale proceeds from the Stabilisation Shares SPV, the trustee shall, subject to certain conditions, apply such sale proceeds in accordance with the waterfall set out in the trust deed.
Governing Law:	The Cash Sweep Real Estate Bonds shall be governed by English law.
Listing:	Application will be made for the listing and quotation of Cash Sweep Real Estate Bonds on the Singapore Stock Exchange.

The terms of the Cash Sweep Real Estate Bonds were determined after arm's length negotiation between the Company and the AHG having considered (i) the distressed financial condition of the Company; (ii) the prevailing market conditions and sentiment with regard to the real estate industry in the PRC; and (iii) the difficulties faced by the Company in accessing external financing for the repayment of the Existing Debt.

Conditions of the issuance of the Cash Sweep Real Estate Bonds

The issuance of Cash Sweep Real Estate Bonds is conditional upon the fulfilment of each of the following conditions:

(i) the passing of an ordinary resolution by the Independent Shareholders at the SGM to approve the issuance of Cash Sweep Real Estate Bonds and related connected transactions contemplated thereunder;

(ii) the Singapore Stock Exchange granting the approval in principle for the listing of the Cash Sweep Real Estate Bonds; and

(iii) the occurrence of the Restructuring Effective Date.

None of the above conditions is waivable. As at the Latest Practicable Date, none of the above conditions has been fulfilled.

4. PROPOSED DISPOSAL OF EQUITY INTEREST IN RKE

As part of the Proposed Restructuring, New Select, a wholly-owned subsidiary of the Company, will transfer 70% equity interest in RKE to the Liquidating SPV on or around the Restructuring Effective Date. As at the Latest Practicable Date, the Liquidating SPV was in the process of being incorporated and will be incorporated on or prior to the Restructuring Effective Date.

Upon completion of the Proposed Disposal, RKE will cease to be a subsidiary of the Company. The Proposed Disposal is to facilitate the Proposed Restructuring, which involves the Liquidating SPV issuing the Secured Liquidating SPV Toll Road Bonds as the New Select Scheme Consideration

upon completion of the Proposed Restructuring, as the source of payment under the Secured Liquidating SPV Toll Road Bonds is the dividends from the Creditor Interest (prior to a Future Disposal) and net proceeds of a Future Disposal. As the Proposed Disposal is part of the Proposed Restructuring, no proceeds will be received by New Select from the Proposed Disposal.

As at the Latest Practicable Date, RKE is presently the Group's holding company for its Indonesian toll road interests. The Group holds a 75% equity interest in RKE through New Select, while the remaining 25% equity interest is held by a third-party investor. New Select guarantees the Existing Notes and the Existing Perpetual Securities. The 75% interest in RKE is New Select's principal asset and, accordingly it is the primary source of recovery available to New Select Scheme Creditors in respect of the release of New Select's guarantee obligation under the Existing Notes and the Existing Perpetual Securities.

Pursuant to the terms of the New Select Scheme, New Select will transfer a 70% equity interest in RKE to the Liquidating SPV and retain the remaining 5% equity interest. The transfer was determined through commercial negotiations with the AHG and is intended to enable the New Select Scheme Creditors to control the process of any Future Disposal in respect of RKE following completion of the Proposed Restructuring.

The Company and New Select will use commercially reasonable endeavours to facilitate a disposal of the Creditor Interest following the Restructuring Effective Date. New Select's retention of a 5% equity interest in RKE will keep the Company involved in the process of any Future Disposal and align the interests of the Company and the New Select Scheme Creditors. In addition, New Select is one of the guarantors of the Cash Sweep Real Estate Bonds, and 50% of any dividend or other distribution on the 5% equity interest in RKE held by New Select will be deposited into the Offshore Secured Account, which is charged as security for the Cash Sweep Real Estate Bonds.

The Proposed Disposal is conditional upon, among others, the passing of the necessary resolutions by the Shareholders at the SGM and the satisfaction or waiver (as applicable) prior to or on the Restructuring Effective Date of the other conditions to the Proposed Restructuring as disclosed in the section headed "— 2. Background of the Proposed Restructuring — Conditions to the Proposed Restructuring" in this letter from the Board.

Information in relation to the parties involved in the Proposed Disposal

The Company

The Company is an investment holding company incorporated in Bermuda with limited liability. It is principally engaged, through its joint ventures and associates, in the operation of property development, investment and asset management businesses in Mainland China and Hong Kong, and the investment in, development, operation and management of toll road projects in Indonesia.

The Transferor

New Select is a limited liability company incorporated in the BVI and a wholly-owned subsidiary of the Company. It is the holding company of expressway projects in Indonesia.

The Transferee

Liquidating SPV is a limited liability company to be incorporated in the BVI as part of the Proposed Restructuring. 100% of the issued shares in the Liquidating SPV will in turn be held by the Creditor Interest Purpose Trust, a BVI VISTA non-charitable purpose trust established to hold the Creditor Interest on trust. Ascentium Trustees (BVI) Limited, an Independent Third Party and a professional BVI trust licensee holding a Class II Trust Licence issued by the British Virgin Islands Financial Services Commission, is the trustee of the Creditor Interest Purpose Trust; while Aizan Limited, which is wholly owned by an affiliate of Ascentium Trustees (BVI) Limited and an Independent Third Party, is proposed to be the Creditor Interest Purpose Trust's enforcer. As at the Latest Practicable Date, the Creditor Interest Purpose Trust and the Liquidating SPV were in the process of being established or incorporated, and will be fully established or incorporated (as the case may be) on or prior to the Restructuring Effective Date.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, and in light of the Liquidating SPV being controlled by the Creditor Interest Purpose Trust as to 100% of its voting rights, the Liquidating SPV and its ultimate beneficial owner are Independent Third Parties.

Information about the Target Group

RKE is an investment holding company incorporated in Bermuda with limited liability and is an indirect non-wholly owned subsidiary of the Company. The principal businesses of the Target Group are the investment in, development, operation and management of toll road projects in Indonesia.

As at the Latest Practicable Date, the Target Group held minority interests in the Expressways through joint ventures with their respective joint venture partners. Each of such joint ventures has the right to operate the section of the expressway held by it during the concession period in accordance with the relevant joint venture contracts.

Set out below are the further details of the Expressways as at the Latest Practicable Date:

Expressway	Length	Equity interest held by the Target Group	Joint venture concession expiry date
MKTT Expressway	62 km	45%	May 2056
NKK Expressway	87 km[(1)]	40%	May 2066
SB Expressway	75 km	39.77%	July 2066
SN Expressway	91 km	40%	May 2066

Note:

(1) This represents the length of NKK Expressway that is currently in operation, while the relevant joint venture also has the right, during the concession period, to operate an additional planned section of NKK Expressway between Kertosono and Kediri, 20 km in length, which is not yet built.

(a) MKTT Expressway

MKTT Expressway, which is approximately 62 km long, is situated in North Sumatra Province in Indonesia. It is a vital segment of the Trans-Sumatra Expressway, a tolled expressway network designed to connect Aceh in the north to Lampung in the south of Sumatra Island. Recognized as a National Strategic Project (PSN), MKTT Expressway connects the Belawan-Medan-Tanjung Morawa (Belmera) Expressway and the Medan-Binjai Expressway to the north, and the Kuala Tanjung-Tebing Tinggi-Parapat Expressway to the south, serving Medan (the capital city of North Sumatra), Kualanamu International Airport, Belawan Seaport and Kuala Tanjung Seaport.

(b) NKK Expressway

NKK Expressway, which is approximately 87 km long, is situated in East Java Province in Indonesia. It is a component of the Trans-Java Expressway, which is a fully-tolled road running from Merak, the northwestern end of Java, to Banyuwangi, on its eastern end. NKK Expressway is strategically located in the southeast of Java Island and forms a main connector between Central Java and East Java Provinces, connecting various areas with rich industrial and cultural resources along the way. It directly links to other major expressways, the Solo-Ngawi Expressway on its western end, which has on/off-ramp toll plaza located at the Ngawi Toll Station, and the Kertosono-Mojokerto Expressway on its eastern end, which further links to the Surabaya-Mojokerto.

(c) SB Expressway

SB Expressway, which is approximately 75 km long, is situated in Central Java Province in Indonesia. It is a component of the Trans-Java Expressway, which is a fully-tolled road running from Merak, on the northwestern end of Java, to Banyuwangi, on its eastern end. SB Expressway is strategically located in the north-central part of Java Island and forms part of the road network approaching the provincial capital of Semarang, connecting various areas with rich industrial and cultural resources along the way.

(d) SN Expressway

SN Expressway, which is approximately 91 km long, is situated in Central Java and East Java Provinces in Indonesia. It is a component of the Trans-Java Expressway, which is a fully-tolled road running from Merak, on the northwestern end of Java, to Banyuwangi, on its eastern end. SN Expressway is strategically positioned within Java Island, forming part of the expressway network approaching Ngawi and connecting Jakarta with East and Central Java. It is also a key segment of the Jakarta-Surabaya corridor, which is essential for the distribution of passengers, goods and services across Java Island.

For further details of the Expressways, please see the traffic study reports as set out in Appendix VIII to this circular.

For each of the three years ended 31 December 2023, 2024 and 2025 and the six months ended 30 June 2026, the consolidated financial information of the Target Group prepared in accordance with the Hong Kong Generally Accepted Accounting Standards is as follows:

	For the year ended 31 December			For the six months ended 30 June
	2023	**2024**	**2025**	**2026**
	HK$ million	*HK$ million*	*HK$ million*	*HK$ million*
Profit before tax	586	2,215	225	132
Profit after tax	563	1,817	207	125

Note:

2024 figures included HK$1,862.4 million of gains and HK$372.5 million of income tax expenses on the disposal of the Group's entire equity in the toll road business in Mainland China. Further financial information in relation to the disposed PRC expressway joint ventures and the remaining Indonesian expressway joint ventures can be found at note 19 to the consolidated financial statements of the Company included in the Company's annual reports 2024 and 2025.

According to the Board, the unaudited consolidated total assets and net assets of the Target Group were approximately HK$4,190.3 million and HK$4,155.2 million, respectively, as at 30 June 2026.

Valuation

The appraised market value of the 70% equity interest of the Target Company as at 31 August 2026 is approximately HK$2,796.56 million according to the Valuation Report, which was conducted by the Valuer using the income approach by applying the discounted cash flow method. The discounted cash flow method is the most commonly used method for valuing interests in operating toll roads which typically operate under long concessions, as this method focuses on the future economic benefits generated by the income producing capability of toll roads and is able to reasonably take into account the future cash flow of the Target Group with reference to the economy and industry outlook, historical financial and operation results.

For further details of the valuation, and the principal assumptions adopted for such valuation, please see the Valuation Report as set out in Appendix V to this circular.

As the Valuer adopted the income approach which involves the use of discounted cash flow method in arriving at the appraised market value of the 70% equity interest of the Target Company, such valuation constitutes a profit forecast under Rule 14.61 of the Listing Rules and this circular complies with the requirements under Rule 14.60A of the Listing Rules in relation to profit forecast. Please see (i) the report issued by Crowe (HK) CPA Limited in relation to the calculations of the discounted future estimated cash flows in compliance with Rule 14.60A(2) of the Listing Rules, which is set out in Appendix VI to this circular and (ii) the letter from Alvarez & Marsal Corporate Finance Limited, the financial advisor to the Company, in compliance with Rule 14.60A(3) of the Listing Rules, which is included in Appendix VII to this circular.

5. FINANCIAL EFFECT OF THE PROPOSED RESTRUCTURING AND PROPOSED DISPOSAL

Upon completion of the Proposed Disposal, New Select will retain a 5% equity interest in RKE. Thereafter, RKE will cease to be a subsidiary of the Group, and its financial results will no longer be consolidated into the Company's consolidated financial statements. The retained 5% equity interest in RKE will be classified as financial assets at fair value through profit or loss in the consolidated financial statements of the Company. The financial effect of the Proposed Restructuring (of which the Proposed Disposal forms a part) are set out as below.

(i) Effect on total assets, total liabilities and net asset value

According to the 2026 interim report of the Company, the unaudited total liabilities, total assets and net asset value ("**NAV**") of the Group was approximately HK$25.64 billion, HK$39.08 billion and HK$13.44 billion respectively as at 30 June 2026. Assuming the Group will not incur new borrowings and no other settlement will be made on the Group's liabilities from 30 June 2026 to completion of the Proposed Restructuring (of which the Proposed Disposal forms a part), the Group's total liabilities and total assets will be decreased by approximately HK$10.81 billion and HK$4.61 billion to HK$14.83 billion and HK$34.47 billion respectively. The Group's NAV will be increased by HK$6.20 billion to HK$19.64 billion, comprising of a decrease in total assets by HK$4.61 billion and a decrease in total liabilities of HK$10.81 billion. The change in NAV is attributable to (i) increase in NAV by HK$12.73 billion due to cancellation of the Existing Debt; (ii) decrease in NAV by HK$2.34 billion due to the payment of Tender Offer Consideration of approximately US$0.05 billion (equivalent to approximately HK$0.39 billion) and issuance of the Cash Sweep Real Estate Bonds with the principal amount of approximately US$0.25 billion (equivalent to approximately HK$1.95 billion); (iii) decrease in NAV by HK$4.16 billion due to the deconsolidation of RKE; (iv) decrease in NAV by HK$0.23 billion due to payment of the restructuring expenses; and (v) increase in NAV by HK$0.20 billion for accounting the remaining 5% equity interest in RKE at fair value through profit or loss.

(ii) Effect on net gearing ratio

According to the Company's 2026 interim report, the Group's net debt to equity ratio (total interest-bearing borrowings (excluding amounts due to joint ventures, associates and non-controlling interests of subsidiaries) net of bank balances (including pledged bank deposits) and cash divided by total equity) was approximately 95% as at 30 June 2026. Assuming (a) no new borrowings are incurred by the Group; and (b) no other settlement are made on the Group's liabilities, the Group's net debt to equity ratio is expected to improve to approximately 14% as the total interest-bearing borrowings (excluding amounts due to joint ventures, associates and non-controlling interests of subsidiaries) of the Group would decrease by approximately HK$10.78 billion. The total equity of the Group will be enlarged by HK$6.20 billion.

(iii) Effect on working capital

As the Proposed Restructuring will involve the issuance of the New Shares and the Cash Sweep Real Estate Bonds, payment of the Tender Offer Consideration and transferring 70%

equity interest in RKE to the Liquidating SPV to discharge a substantial portion of the Group's existing offshore indebtedness and perpetual capital securities, the Group will be required to make a cash payment in respect of the Tender Offer Consideration. However, the cash payment of the Tender Offer Consideration is expected to be significantly lower than the cash resources that would otherwise have been applied towards repaying its Existing Loan, Existing Notes and Existing Perpetual Securities. As a result, the Group will be able to deploy such cash resources towards its general working capital and business operations. Accordingly, the Proposed Restructuring is expected to alleviate the Group's liquidity pressure and improve its overall cash flow and liquidity position upon completion.

The Directors consider that the transaction contemplated under the Proposed Restructuring (including the Proposed Disposal) is on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

6. REASONS FOR AND BENEFITS OF THE ISSUANCE OF NEW SHARES, CASH SWEEP REAL ESTATE BONDS AND THE PROPOSED DISPOSAL

Overview of the Group's Financial Situation

The Group, like many companies in the PRC real estate sector, has been severely and negatively affected by the downturn of the PRC real estate market since 2021. Prior to this downturn, the Group had consistently met its debt servicing obligations as they became due. However, the Group has been adversely impacted by a confluence of factors beyond its control and its anticipation, including the tightening of financing policies and reduced access to onshore capital, reduced property sales, and adverse reaction by offshore capital markets. Notwithstanding these difficulties, the Group was able to meet all of its major offshore debt repayment obligations until 12 July 2025. During 2024, the Group took a number of steps to manage its liquidity and debt position, including (i) consent solicitations and tender offers extending the maturities of the Existing Notes by approximately 3.5 years, (ii) repaid HK$6,803 million equivalent of borrowings and, from November 2024, suspended distributions on the Existing Perpetual Securities, reducing net gearing to 55%, and (iii) engaged financial advisers and legal counsel to explore liability management options in respect of the Group's offshore indebtedness. Subsequently, on 20 June 2025 and 17 July 2025, with the aim of providing additional time for the disposal of certain Group assets to alleviate short-term liquidity pressures, the Group launched two further consent solicitation exercises with respect to the Existing Notes. However, the requisite consent thresholds of certain series of the Existing Notes were not achieved, primarily because an ad hoc group of holders of the Existing Notes, which held a blocking stake in these series, continued to oppose the proposed amendments. Accordingly, neither of these consent solicitations was completed.

Following the failure of these two consent solicitations, the Group made a decision to suspend payment of all principal and interest falling due on its offshore indebtedness in order to preserve funds for daily operations and to ensure fair and equitable treatment of all creditors of such offshore indebtedness. As a result and as disclosed by the Company on 21 November 2025 (with the latest update on 2 September 2026), a liquidation application was filed against New Select in the BVI

courts in relation to a series of the Existing Notes. In opposition to such application, New Select applied for the appointment of joint provisional liquidators and a stay of the relevant BVI proceedings and any other proceedings against it. With the significant progress made in the Proposed Restructuring (as articulated in this circular), both applications have been adjourned to 15 March 2027.

As set out in the interim report of the Group for the six months ended 30 June 2026, as of 30 June 2026, the Group had unaudited bank and other borrowings in carrying amount of HK$15,522.2 million (approximately US$1,990.0 million), of which (i) HK$2,097.2 million (or approximately US$268.9 million) were classified as non-current borrowings and (ii) HK$13,425.0 million (or approximately US$1,721.2 million) were classified as current borrowings. The carrying amount of the Existing Debt recognized in the Company's financial statements as at 30 June 2026 was approximately HK$20,794 million, details of which are as follows:

	HK$'million
Existing Loan (included in bank and other borrowings)	935
Existing Notes (included in bank and other borrowings)	11,791
Existing Perpetual Securities (included in equity)	8,068
Total Existing Debt	**20,794**

Further details of the indebtedness situation of the Company as at 30 June 2026 are set out in the interim report of the Group for the six months ended 30 June 2026 and published on the websites of the Stock Exchange and the Company on 9 September 2026.

The Proposed Restructuring

The scope of the Proposed Restructuring covers the Existing Debt, with an aggregate outstanding principal of approximately US$2.4 billion. The Existing Debt, being the Group's principal offshore financial indebtedness, consists of: (i) five series of senior notes guaranteed by the Company, New Select and 75 other Existing Subsidiary Guarantors (in aggregate outstanding principal of approximately US$1,400.7 million); (ii) three series of senior perpetual capital securities guaranteed by the Company, New Select and 75 other Existing Subsidiary Guarantors (in aggregate outstanding principal of approximately US$890.5 million); and (iii) a syndicated bank loan guaranteed by the Company and 15 of the Existing Subsidiary Guarantors (in aggregate outstanding principal of approximately US$114.2 million). More details of such indebtedness are set out in the section headed "12. Existing Debt Instruments subject to the Schemes" below.

As mentioned above, all claims of the Scheme Creditors against, in the case of the RKI Scheme, the Company, Joint Treasure Limited, the Issuer SPVs and the Existing Subsidiary Guarantors (excluding New Select) and, in the case of the New Select Scheme, against New Select, arising out of or in connection with the Existing Debt will be fully released and discharged upon the distribution of the Scheme Consideration to the Scheme Creditors on the Restructuring Effective Date in accordance with the Schemes, consisting of (i) in respect of the RKI Scheme Creditors, the Tender Offer Consideration, the Cash Sweep Real Estate Bonds and the New Shares and (ii) in respect of the New Select Scheme Creditors, the Secured Liquidating SPV Toll Road Bonds. In addition, all accrued and unpaid interest and distributions under the Existing Debt up to and including the Restructuring Effective Date will be waived in full.

The Group believes that a successful implementation of the Proposed Restructuring through the RKI Scheme and the New Select Scheme is the best outcome available to all stakeholders, for the following reasons:

(a) **Strengthening the Group's consolidated balance sheet**: the Group's offshore indebtedness will be reduced by an aggregate amount of approximately US$2.4 billion upon the Restructuring Effective Date, which will improve the Group's debt-to-equity ratio upon the Restructuring Effective Date. The improvement in debt relative to the Group's capital base is expected to allow the Group to satisfy its debt obligations and continue to trade as a going concern.

(b) **Alleviating immediate liquidity pressures faced by the Group**: The Schemes would result in reducing the Group's annual offshore debt servicing costs and lowering the interest rates on offshore indebtedness of the Group. The interest rates on the Existing Debt would be lowered to 3.0% after the Restructuring Effective Date occurs. After the Proposed Restructuring, the aggregate annual interest payable in respect of the Cash Sweep Real Estate Bonds in the first year after the Restructuring Effective Date will be approximately USD7.5 million, representing more than 90% reduction in annual interest expenses.

(c) **Maximises creditor value**: The Schemes preserve the going-concern value of the Group, with the Group retaining a small equity interest in RKE's toll roads business in Indonesia after implementation of the New Select Scheme. This de minimis interest is a feature which commands a price premium during past sale process for RKE and ensures the Company's continued management involvement in RKE post-sale, which is in the best interest of creditors post-Proposed Restructuring. The Company expects to provide general management services to RKE upon completion of the Proposed Restructuring. Furthermore, the Company and New Select will undertake to use commercially reasonable endeavours to facilitate the disposal of the Creditor Interest (namely, the 70% interest in RKE). The Company will receive a performance fee if the sale values 100% of RKE at more than US$600 million in such Future Disposal. Scheme Creditors participating in the New Select Scheme that separately receive the Secured Liquidating SPV Toll Road Bonds also have the benefit of a structured mechanism to participate in the proceeds of the Future Disposal of, and dividends from, the Creditor Interest, with robust monitoring and security over the Creditor Interest in RKE that secures the Secured Liquidating SPV Toll Road Bonds. To the extent the Scheme Creditors are allocated Cash Sweep Real Estate Bonds under the RKI Scheme's Option 2, they have the benefit of a structured mechanism to participate in the Group's cash flows from certain of its real estate assets and other assets in Hong Kong and in the PRC, with robust monitoring and security over the cash flows that are agreed to be deposited into a bank account, which will be provided as security in respect of the Cash Sweep Real Estate Bonds. The Cash Sweep Real Estate Bonds are secured over the Offshore Secured Account, which will receive the Specified Asset Allocation Amount which includes (among others) the net proceeds from certain real estate projects in Hong Kong and the PRC.

(d) **Avoiding liquidation**: A winding-up of the Company, the borrower of the Existing Loan, the Issuer SPVs, the Existing Subsidiary Guarantors and/or New Select (the most likely alternative outcome if the Proposed Restructuring fails) would be significantly adverse for all Scheme Creditors and the Shareholders. A winding-up of both the Company and New Select would be followed by a protracted process of the appointed liquidators taking control of the Company and New Select and attempting to gain control over their operating subsidiaries and realise their assets, many of which are held onshore and which would result in forced sales (if any) at distressed valuations.

In terms of the Share Stabilisation Plan in the Proposed Restructuring, the Board is of the view that:

(a) The Share Stabilisation Plan provides a stable shareholding of the Company post the Restructuring. Without the Share Stabilisation Plan, Wai Kee's stake would be heavily diluted. Keeping Wai Kee's shareholding at 30% gives the Company a stable anchor shareholder while it carries out its post-Restructuring business plan to maximize value for all stakeholders. The Share Stabilisation Plan is essential to ensure the relative stability in the equity structure of the Company during the recovery period;

(b) The Share Stabilisation Plan ensures management continuity and leadership during the recovery period, which is expected to strengthen the confidence of minority shareholders in the Company's long-term development and to support the recognition by institutional investors and the capital markets of the Company's equity value;

(c) The terms of the Cash Sweep Real Estate Bonds give each bondholder the right, upon the occurrence of a Change of Control, to require the Cash Sweep Bonds Issuer to repurchase all or any part of such bondholder's Cash Sweep Real Estate Bonds at 101% of their principal amount plus accrued and unpaid interest, if any, to (but excluding) the date of purchase. A Change of Control would occur if the Permitted Holders (Wai Kee and its qualifying affiliates) collectively beneficially own less than 30% of the voting power. Without the Share Stabilisation Plan, the issuance of the New Shares to the Scheme Creditors would trigger a Change of Control, entitling holders to exercise this put right; and

(d) The Share Stabilisation Plan incorporates a robust creditor protection mechanism. While the Cash Sweep Real Estate Bonds remain subsisting and prior to any acceleration thereof, legal title to the Stabilisation Shares is held by the Stabilisation Shares SPV and cannot be freely disposed of, encumbered or otherwise dealt with. The value of the Stabilisation Shares is therefore preserved for the benefit of the holders of the Cash Sweep Real Estate Bonds as an additional pool of realisable assets. If the Company's post-Proposed Restructuring recovery efforts ultimately prove unsuccessful and a Stabilisation Shares Trigger Event occurs, the trust over the Stabilisation Shares will automatically terminate, and the Stabilisation Shares SPV will be obligated to use commercially reasonable efforts to sell the Stabilisation Shares on the open market and to transfer the net sale proceeds to the trustee of the Cash Sweep Real Estate Bonds to be applied in accordance with the payment waterfall under the trust deed in respect of the Cash Sweep Real Estate Bonds for the benefit of the holders of the Cash Sweep Real Estate Bonds. This aligns the interests of the Company, Scheme Creditors and Shareholders to ensure that the obligations under the Cash Sweep Real Estate Bonds will be met after the Restructuring in order to protect and improve the Company's equity value.

Having considered the above, the Directors consider that the terms of the Proposed Restructuring, including those in relation to the issuance of New Shares, Cash Sweep Real Estate Bonds and the Proposed Disposal, are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

7. LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the Proposed Disposal exceeds 75%, the Proposed Disposal constitutes a very substantial disposal of the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

As at the Latest Practicable Date, Wai Kee (through its subsidiaries) is interested in 336,608,428 Shares, representing approximately 44.92% of the Shares in issue. Accordingly, Wai Kee is a substantial shareholder of the Company and therefore a connected person of the Company under the Listing Rules. As at the Latest Practicable Date, Wai Kee held US$31,632,900 in the aggregate outstanding principal amount of the Existing Notes via its wholly owned subsidiary, WKF Overseas 2020 Limited.

Mr. Zen Wei Peu, Derek is the chairman of the Board, an executive Director and a Shareholder, and is also the chairman of the board of directors, chief executive officer, an executive director and a controlling shareholder of Wai Kee. Therefore, he is a connected person of the Company. As at the Latest Practicable Date, Mr. Zen Wei Peu, Derek, together with his spouse and a company wholly owned by him, is interested in the Existing Notes and Existing Perpetual Securities in the aggregate outstanding principal amount of US$64,657,344 (equivalent to HK$504,327,283).

Mr. Wong Wai Ho, as the independent non-executive Director, is a connected person of the Company. As at the Latest Practicable Date, Mr. Wong Wai Ho is interested in the Existing Perpetual Securities in the aggregate outstanding principal amount of US$200,000 (equivalent to HK$1,560,000).

Accordingly, in the event that Wai Kee, Mr. Zen Wei Peu, Derek, Mr. Wong Wai Ho and their respective associates validly elect or are assigned or reallocated to Option 2 of the RKI Scheme Consideration as part of the Proposed Restructuring, the issuance of New Shares and the Cash Sweep Real Estate Bonds to them constitutes connected transactions of the Company and therefore will be subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules. Wai Kee, Mr. Zen Wei Peu, Derek and their respective associates, which hold an aggregate of 361,257,428 Shares (representing approximately 48.21% of the Company's issued share capital) as at the Latest Practicable Date, will be required to abstain from voting at the SGM in relation to the issuance of the New Shares (including the Stabilisation Shares) and the Cash Sweep Real Estate Bonds.

For the reasons stated above, Mr. Zen Wei Peu, Derek and Mr. Wong Wai Ho are interested in the issuance of the New Shares (and in the case of Mr. Wong Wai Ho excluding the Stabilisation Shares) and the Cash Sweep Real Estate Bonds, and accordingly have abstained from voting on the resolutions of the Directors approving the said transactions. Save for Mr. Zen Wei Peu, Derek and Mr. Wong Wai Ho, no other Director is materially interested in the said transactions and accordingly no other Director is required to abstain from voting on the resolutions of the Directors approving such matters.

Save as disclosed above, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no other Shareholder is required to abstain from voting at the SGM in relation to the issuance of the New Shares (including the Stabilisation Shares) and the Cash Sweep Real Estate Bonds.

8. EQUITY FUNDRAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has not carried out any equity fundraising activities in the twelve months immediately preceding the Latest Practicable Date.

9. EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

As at the Latest Practicable Date, the Company has 749,336,566 Shares in issue. The following table illustrates the shareholding structure of the Company:

(i) as at the Latest Practicable Date;

(ii) immediately upon the full issuance of New Shares under two scenarios: (a) Scenario 1 assumes that each of Wai Kee, Mr. Zen Wei Peu, Derek and Mr. Wong Wai Ho receives 0% allocation to Option 2 of the RKI Scheme Consideration; and (b) Scenario 2 assumes that each of Wai Kee, Mr. Zen Wei Peu, Derek and Mr. Wong Wai Ho receives 100% allocation to Option 2 of the RKI Scheme Consideration).

	Before the Proposed Restructuring		**After completion of the Proposed Restructuring**		**After completion of the Proposed Restructuring**	
	As at the Latest Practicable Date		**Immediately upon the full issuance of New Shares (Scenario 1)**		**Immediately upon the full issuance of New Shares (Scenario 2)**	
	No. of Shares	*Approximate %*	*No. of Shares*	*Approximate %*	*No. of Shares*	*Approximate %*
Wai Kee and its subsidiaries	336,608,428	44.92%	336,608,428	20.28%	349,047,367	21.03%
The Stabilisation Shares SPV	—	—	161,360,444	9.72%	161,360,442	9.72%
Subtotal for Shares controlled by Wai Kee	336,608,428	44.92%	497,968,872	30.00%	510,407,809	30.75%
Zen Wei Peu, Derek	24,649,000	3.29%	24,649,000	1.48%	50,074,069	3.02%
Wong Wai Ho	—	0.00%	—	0.00%	78,645	0.00%
Other Shareholders	388,079,138	51.79%	388,079,138	23.38%	388,079,138	23.38%
Other Scheme Creditors	—	0.00%	749,251,548	45.14%	711,308,893	42.85%
Total	749,336,566	100.00%	1,659,948,558	100.00%	1,659,948,554	100.00%

10. ESTABLISHMENT OF INDEPENDENT BOARD COMMITTEE

The Independent Board Committee comprising all the independent non-executive Directors who do not have a material interest in the matters to be considered at the SGM has been established to advise the Independent Shareholders on (i) whether the terms of the proposed issuance of New Shares (including the Stabilisation Shares) and Cash Sweep Real Estate Bonds are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole; and (ii) how to vote at the SGM.

11. INDEPENDENT FINANCIAL ADVISER

The Board has appointed Opus Capital as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard. A letter from Opus Capital containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 41 to 80 of this circular.

12. EXISTING DEBT INSTRUMENTS SUBJECT TO THE SCHEMES

PART A
RKI Scheme Debt

Item	Description of instrument	Capacity of the Company
1	**Existing Notes**	
a.	5.125% Guaranteed Senior Notes due 2030 (ISIN: XS2356173406)	Guarantor
b.	5.2% Guaranteed Senior Notes due 2029 (ISIN: XS2281039771)	Guarantor
c.	5.9% Guaranteed Senior Notes due 2028 (ISIN: XS2127855711)	Guarantor
d.	6.0% Guaranteed Senior Notes due 2029 (ISIN: XS2223762209)	Guarantor
e.	6.7% Guaranteed Senior Notes due 2028 (ISIN: XS2057076387)	Guarantor
2	**Existing Perpetual Securities**	
a.	7.00% Senior Guaranteed Perpetual Capital Securities (ISIN: XS1635996603)	Guarantor
b.	7.75% Senior Guaranteed Perpetual Capital Securities (ISIN: XS2079096884)	Guarantor
c.	7.95% Senior Guaranteed Perpetual Capital Securities (ISIN: XS1567389728)	Guarantor
3	**Existing Loan**	
a.	Facility Agreement dated 11 March 2021 relating to the dual currency transferable term loan facilities based on an original commitment of US$367,461,539 (or its equivalent in HK$), as amended and supplemented by the Supplemental Agreement dated 28 June 2023, and as further amended and restated by the Amendment and Restatement Deed dated 19 July 2024, entered into between, among others, Joint Treasure Limited as the borrower, the Company as a guarantor and The Hongkong and Shanghai Banking Corporation Limited as agent.	Guarantor

PART B
New Select Scheme Debt

Item	Description of instrument	Capacity of New Select
1	**Existing Notes**	
a.	5.125% Guaranteed Senior Notes due 2030 (ISIN: XS2356173406)	Guarantor
b.	5.2% Guaranteed Senior Notes due 2029 (ISIN: XS2281039771)	Guarantor
c.	5.9% Guaranteed Senior Notes due 2028 (ISIN: XS2127855711)	Guarantor
d.	6.0% Guaranteed Senior Notes due 2029 (ISIN: XS2223762209)	Guarantor
e.	6.7% Guaranteed Senior Notes due 2028 (ISIN: XS2057076387)	Guarantor
2	**Existing Perpetual Securities**	
a.	7.00% Senior Guaranteed Perpetual Capital Securities (ISIN: XS1635996603)	Guarantor
b.	7.75% Senior Guaranteed Perpetual Capital Securities (ISIN: XS2079096884)	Guarantor
c.	7.95% Senior Guaranteed Perpetual Capital Securities (ISIN: XS1567389728)	Guarantor

Each holder of the Existing Debt will only be entitled to participate in the Scheme applicable to the entity against which its claims lie, and does not have the right to elect to participate in the other Scheme. Accordingly, a holder of the Existing Notes and/or the Existing Perpetual Securities, being a Scheme Creditor under both the RKI Scheme and the New Select Scheme, shall be entitled to participate in both Schemes in respect of the same claim, whereas a holder or lender whose claims lie against the Company (and the other Issuer SPVs and Existing Subsidiary Guarantors excluding New Select) will only be entitled to participate in the RKI Scheme, as New Select is not a party to the Existing Loan.

13. SPECIAL GENERAL MEETING

The SGM will be held at Suite 502, 5th Floor, Tower 6, The Gateway, 9 Canton Road, Tsimshatsui, Kowloon, Hong Kong on 9 December 2026 at 8:30 a.m. to consider and, if thought fit, approve (i) the proposed issuance of New Shares under the Specific Mandate, Cash Sweep Real Estate Bonds and related connected transactions; and (ii) the very substantial disposal in relation to the Proposed Disposal.

Set out on pages SGM-1 to SGM-3 of this circular is the Notice. A form of proxy for use by the Shareholders in respect of the SGM is also enclosed. Whether or not you are able to attend the SGM, you are requested to complete the enclosed form of proxy and return it to the Branch Share Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the SGM or adjourned meeting. Completion and return of the form of proxy will not preclude you from attending and voting at the SGM or any adjournment should you wish to do so.

No souvenirs, drinks or refreshment will be served at the SGM.

Pursuant to Rule 14A.36 of the Listing Rules, any Shareholder with a material interest in the transaction and its associates will abstain from voting on the relevant resolutions at the SGM. Accordingly, Wai Kee, Mr. Zen Wei Peu, Derek and their respective associates, which hold an aggregate of 361,257,428 Shares (representing approximately 48.21% of the Company's issued share capital) as at the Latest Practicable Date, will be required to abstain from voting at the SGM in relation to the issuance of the New Shares (including the Stabilisation Shares) and the Cash Sweep Real Estate Bonds.

14. VOTING BY POLL

Pursuant to Rule 13.39 of the Listing Rules and Bye-law 66, any votes of the Shareholders at a general meeting must be taken by poll. The Company will appoint scrutineers to handle vote-taking procedures at the SGM. The results of the poll will be published on the Company's website (www.roadking.com.hk) and the HKEXnews website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) as soon as possible in accordance with Rule 13.39 of the Listing Rules.

15. RECOMMENDATION

The Directors are of the opinion that the proposed resolutions set out in the Notice are in the best interests of the Company and the Shareholders as a whole and recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the SGM.

16. GENERAL

Your attention is drawn to the additional information set out in Appendix IX to this circular.

Shareholders and potential investors should note that the proposed transactions set out in this circular are subject to fulfilment of certain conditions precedent set out in this circular or under the respective definitive transaction documentation and these transactions may or may not become unconditional or be completed.

The implementation of the Proposed Restructuring will be subject to many factors outside of the control of the Company, and there is no assurance that the Proposed Restructuring will be successfully implemented. Shareholders, holders of securities and other investors of the Company are (i) advised not to rely solely on the information contained in this circular and (ii) reminded to consider the related risks and exercise caution when dealing in the shares and other securities of the Company. When in doubt, the shareholders, holders of other securities and other investors of the Company are advised to seek professional advice from their own professional or financial advisors.

Yours faithfully,
For and on behalf of the Board
Zen Wei Peu, Derek
Chairman

ROAD KING INFRASTRUCTURE LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1098)

23 November 2026

To the Independent Shareholders

Dear Sir or Madam,

POSSIBLE TRANSACTIONS IN CONNECTION WITH THE PROPOSED RESTRUCTURING INVOLVING PROPOSED ISSUANCE OF NEW SHARES UNDER SPECIFIC MANDATE, CASH SWEEP REAL ESTATE BONDS AND RELATED CONNECTED TRANSACTIONS

We refer to the circular dated 23 November 2026 issued by the Company (the "**Circular**") of which this letter forms part. Terms defined in the Circular shall have the same meanings when used herein, unless the context otherwise requires.

We have been appointed by the Board as the members of the Independent Board Committee to advise the Independent Shareholders on whether, in our opinion, the connected transactions in relation to issuance of New Shares (including the Stabilisation Shares) and Cash Sweep Real Estate Bonds are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole so far as the Independent Shareholders are concerned.

Opus Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on the connected transactions in relation to issuance of New Shares (including the Stabilisation Shares) and Cash Sweep Real Estate Bonds. We wish to draw your attention to the "Letter from the Board" as set out on pages 1 to 38 of this circular and the "Letter from the Independent Financial Adviser" as set out on pages 41 to 80 of this circular.

Having taken into account the factors and reasons considered by, and the advice of, the Independent Financial Adviser, we concur with the view of the Independent Financial Adviser and consider that, although the connected transactions in relation to issuance of New Shares (including the Stabilisation Shares) and Cash Sweep Real Estate Bonds are not in the ordinary and usual course of business of the Group, the said transactions are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole so far as the Independent Shareholders are concerned. Accordingly, we recommend the Independent Shareholders to vote in favour of the resolutions to be proposed at the SGM to approve the issuance of New Shares (including the Stabilisation Shares) and Cash Sweep Real Estate Bonds.

Yours faithfully
For and on behalf of
the Independent Board Committee of
ROAD KING INFRASTRUCTURE LIMITED

Cheung Hon Kit, Edwin	**Ho Tai Wai, David**	**Lam Man Kuen, Phyllis**
Independent non-executive Director	*Independent non-executive Director*	*Independent non-executive Director*

Set out below is the full text of a letter of advice from Opus Capital, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to issuance of New Shares (including the Stabilisation Shares) and Cash Sweep Real Estate Bonds and related connected transactions for the purpose of inclusion of this circular.

Opus Capital Limited 創富融資有限公司

18th Floor, EC Healthcare Tower (Central)
19-20 Connaught Road Central
Central, Hong Kong

23 November 2026

To: The Independent Board Committee and the Independent Shareholders of Road King Infrastructure Limited

Dear Sir or Madam,

POSSIBLE TRANSACTIONS IN CONNECTION WITH THE PROPOSED RESTRUCTURING INVOLVING PROPOSED ISSUANCE OF NEW SHARES UNDER SPECIFIC MANDATE, CASH SWEEP REAL ESTATE BONDS AND RELATED CONNECTED TRANSACTIONS

INTRODUCTION

We refer to our appointment by the Company as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on the connected transactions in relation to issuance of New Shares (including the Stabilisation Shares) and Cash Sweep Real Estate Bonds to Wai Kee, Mr. Zen Wei Peu, Derek ("**Mr. Zen**") and Mr. Wong Wai Ho ("**Mr. Wong**"), details of which are set out in the letter from the Board (the "**Letter from the Board**") contained in the circular of the Company to the Shareholders dated 23 November 2026 (the "**Circular**"), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as those defined in the Circular unless otherwise defined.

References are made to the Announcements in relation to the Proposed Restructuring. The Proposed Restructuring is to be principally implemented by way of the RKI Scheme and the New Select Scheme, which are inter-conditional on each other. As at the Latest Practicable Date, creditors holding approximately 81.7% of the aggregate outstanding principal amount of the Existing Debt have acceded to the RSA. By orders of the Hong Kong Court on 26 October 2026, the Scheme Meetings were convened to be held on 23 November 2026. The hearing for the sanction of the Schemes is scheduled to be heard on 10 December 2026.

The Proposed Restructuring comprises, among other things, the implementation of:

(i) the RKI Scheme, in exchange for the full release and discharge of the relevant claims against, in the case of the RKI Scheme, the Company, Joint Treasure Limited, the Issuer SPVs and the Existing Subsidiary Guarantors;

(ii) the Share Stabilisation Plan;

(iii) the New Select Scheme, in exchange for the full release and discharge of the relevant claims against New Select; and

(iv) the Proposed Disposal, which refers to the proposed transfer of the 70% equity interest in RKE by New Select to the Liquidating SPV. 100% of the issued shares in the Liquidating SPV will be held by the Creditor Interest Purpose Trust, a purpose trust established to hold the Creditor Interest on trust.

RKI Scheme

Under the RKI Scheme, the RKI Scheme Creditors were entitled to elect, between one or a combination of the options below, subject to the applicable Option Caps (as defined below) and reallocation mechanism:

Option 1 — Tender Offer

- For each US$1.00 of the RKI Scheme Consideration Claims allocated to Option 1, the RKI Scheme Creditor will receive US$0.10 in cash consideration (the "**Tender Offer Consideration**"). The remaining US$0.90 will be waived in full.

- Allocation of the RKI Scheme Consideration Claims to Option 1 is subject to a cap (the "**Option 1 Cap**") in the amount of US$500,000,000, which means that the aggregate Tender Offer Consideration payable across all RKI Scheme Creditors electing Option 1 shall not exceed US$50,000,000.

Option 2 — Cash Sweep Real Estate Bonds and New Shares

For each US$1.00 of the RKI Scheme Consideration Claims allocated to Option 2, the RKI Scheme Creditor will receive:

(i) Cash Sweep Real Estate Bonds with a face value of US$0.131; and

(ii) New Shares with a value equivalent to US$0.344 (at a conversion price of HK$5.60 per Share), subject to the Share Stabilisation Plan.

The remaining US$0.525 will be waived in full.

Allocation of the RKI Scheme Consideration Claims to Option 2 is subject to a cap (the "**Option 2 Cap**" and together with the Option 1 Cap, the "**Option Caps**") in the amount of US$1,905,387,680. Furthermore, issuance of the New Shares to RKI Scheme Creditors under Option 2 is subject to the Share Stabilisation Plan. In light of the Option 2 Cap of US$1,905,387,680, the maximum number of New Shares to be issued under the Proposed Restructuring will be 910,611,992, calculated based on US$1,905,387,680 (being the Option 2 Cap) multiplied by US$0.344 (being the value of New Shares

for each US$1.00 of the RKI Scheme Consideration Claims allocated to Option 2) and converted into the corresponding HK dollar amount at a US$:HK$ exchange rate of 1:7.78 as provided for in the RKI Scheme, divided by the conversion price of HK$5.60 per Share and rounded down to the nearest whole number of Shares.

Share Stabilisation Plan

As part of the RKI Scheme, 17.72% of the New Shares (rounded down to the nearest whole number) that would otherwise be issued to the RKI Scheme Creditors electing to receive Option 2 as their RKI Scheme Consideration (the New Shares rounded down to the nearest whole number) will instead be issued to a special purpose vehicle, namely the Stabilisation Shares SPV, with the beneficial interest in the Stabilisation Shares vesting in Wai Kee.

New Select Scheme

Under the New Select Scheme, the New Select Scheme Creditors will release and discharge their claims against New Select to be eligible under the New Select Scheme in exchange for the issuance of the Secured Liquidating SPV Toll Road Bonds by the Liquidating SPV, a BVI special purpose vehicle to be incorporated on or prior to the Restructuring Effective Date, which will be wholly and directly owned by the Creditor Interest Purpose Trust (a purpose trust established to hold the shares of Liquidating SPV on trust), on the Restructuring Effective Date.

Connected Transactions

As at the Latest Practicable Date, Wai Kee held US$31,632,900 in the aggregate outstanding principal amount of the Existing Notes via its wholly owned subsidiary, WKF Overseas 2020 Limited. Mr. Zen is the chairman of the Board, an executive Director and a Shareholder. He is also the chairman of the board of directors, chief executive officer, an executive director and a controlling shareholder of Wai Kee. Mr. Zen, together with his spouse and a company wholly owned by him, is interested in the Existing Notes and Existing Perpetual Securities in the aggregate outstanding principal amount of US$64,657,344 (equivalent to HK$504,327,283). Mr. Wong, an independent non-executive Director, is interested in the Existing Perpetual Securities in the aggregate outstanding principal amount of US$200,000 (equivalent to HK$1,560,000).

As at the Latest Practicable Date, Wai Kee (through its subsidiaries) is interested in 336,608,428 Shares, representing approximately 44.92% of the Shares in issue. Accordingly, Wai Kee is a substantial shareholder of the Company and therefore a connected person of the Company under the Listing Rules. Mr. Zen and Mr. Wong are Directors and each is a connected person of the Company.

Accordingly, in the event that Wai Kee, Mr. Wong, Mr. Zen and their respective associates validly elect or are assigned or reallocated to Option 2 of the RKI Scheme Consideration as part of the Proposed Restructuring, the issuance of New Shares and the Cash Sweep Real Estate Bonds to them constitute connected transactions of the Company (the "**Connected Transactions**") and therefore will be subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules. Wai Kee, Mr. Zen and their respective

associates, who hold an aggregate of 361,257,428 Shares (representing approximately 48.21% of the Company's issued share capital) as at the Latest Practicable Date, will be required to abstain from voting at the SGM in relation to the issuance of the New Shares (including the Stabilisation Shares) and the Cash Sweep Real Estate Bonds.

Save as disclosed above, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no other Shareholder is required to abstain from voting at the SGM in relation to the issuance of the New Shares (including the Stabilisation Shares) and the Cash Sweep Real Estate Bonds.

For the reasons stated above, Mr. Zen and Mr. Wong are interested in the issuance of the New Shares (and in the case of Mr. Wong excluding the Stabilisation Shares) and the Cash Sweep Real Estate Bonds, and accordingly have abstained from voting on the resolutions of the Directors approving the said transactions. Save for Mr. Zen and Mr. Wong, no other Director is materially interested in the said transactions and accordingly no Director is required to abstain from voting on the resolutions of the Directors approving such matters.

THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee, comprising three (3) out of four (4) independent non-executive Directors who do not have a material interest in the matters to be considered at the SGM, namely Mr. Cheung Hon Kit, Edwin, Mr. Ho Tai Wai, David and Ms. Lam Man Kuen, Phyllis, has been formed to advise the Independent Shareholders on (a) whether the connected transactions in relation to issuance of New Shares (including the Stabilisation Shares) and Cash Sweep Real Estate Bonds (i) are conducted in the ordinary and usual course of business of the Group; (ii) are in the interests of the Company and the Shareholders as a whole; and (iii) whose terms are on normal commercial terms and fair and reasonable so far as the Independent Shareholders are concerned; and (b) how to vote on the resolutions at the SGM.

Our appointment as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders has been approved by the Independent Board Committee in this respect.

OUR INDEPENDENCE

We do not have any relationship with, or interest in, the Group, Wai Kee, Mr. Zen, Mr. Wong or other parties that could reasonably be regarded as relevant to our independence. During the two years immediately prior to this appointment, we have not (i) acted in the capacity as financial adviser or independent financial adviser to the Company; (ii) provided any services to the Company; or (iii) had any relationship with the Company. Apart from normal independent financial advisory fee paid or payable to us in connection with this appointment, no arrangements exist whereby we had received or will receive any fees or benefits from the Group, Wai Kee, Mr. Zen, Mr. Wong or any other parties that could reasonably be regarded as relevant to our independence. Accordingly, we consider that we are independent pursuant to Rule 13.84 of the Listing Rules.

BASIS OF OUR OPINION

In formulating our advice and recommendation to the Independent Board Committee and the Independent Shareholders, we have reviewed, amongst other things:

(i) the Company's annual reports for the year ended 31 December ("**FY**") 2024 (the "**2024 Annual Report**") and 2025 (the "**2025 Annual Report**");

(ii) the Company's interim report for the six months ended 30 June ("**HY**") 2026 (the "**2026 Interim Report**");

(iii) Restructuring Document and RSA; and

(iv) other information as set out in the Circular.

We have relied on the truth, accuracy and completeness of the statements, information, opinions and representations contained or referred to in the Circular and the information and representations made to us by the Company, the Directors and the management of the Group (collectively, the "**Management**"). We have assumed that all information and representations contained or referred to in the Circular and provided to us by the Management, for which they are solely and wholly responsible, are true, accurate and complete in all respects and not misleading or deceptive at the time when they were provided or made and will continue to be so up to the Latest Practicable Date. Shareholders will be notified of material changes as soon as possible, if any, to the information and representations provided and made to us after the Latest Practicable Date and up to and including the date of the SGM.

We have also assumed that all statements of belief, opinion, expectation and intention made by the Management in the Circular were reasonably made after due enquiries and careful consideration and there are no other facts not contained in the Circular, the omission of which would make any such statement contained in the Circular misleading. We have no reason to suspect that any relevant information has been withheld, or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Management, which have been provided to us.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. However, we have not carried out any independent verification of the information provided by the Management, nor have we conducted any independent investigation into the business, financial conditions and affairs of the Group or its future prospects.

The Directors jointly and severally accept full responsibility for the accuracy of the information disclosed and confirm, having made all reasonable enquiries that to the best of their knowledge and belief, there are no other facts not contained in this letter, the omission of which would make any statement herein misleading.

This letter is issued to the Independent Board Committee and the Independent Shareholders solely in connection for their consideration of the Connected Transactions and except for its inclusion in the Circular, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purpose without our prior written consent.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and recommendation in respect of the Connected Transactions, we have taken into consideration the following principal factors and reasons:

1. Background information of the Group

Business profile

The Company is a company incorporated in Bermuda with limited liability. The principal activities of the Group are the operation of property development and investment, investment and asset management businesses in Hong Kong and Mainland China; and the development, operation and management of toll roads through the infrastructure joint ventures in Indonesia.

Financial information

The following is a summary of the audited financial results of the Group for FY2024, FY2025 and unaudited financial results of the Group for HY2025, HY2026, as extracted from the 2024 Annual Report, the 2025 Annual Report and the 2026 Interim Report:

Table 1: Highlights of the financial results of the Group

	HY2026	**HY2025**	**FY2025**	**FY2024**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
	(unaudited)	*(unaudited)*	*(audited)*	*(audited)*
Revenue	4,452,202	1,784,898	5,321,879	5,536,911
- Property sales	*3,939,825*	*1,293,923*	*4,235,099*	*4,333,692*
- Property management and service income	*395,005*	*388,411*	*866,295*	*959,874*
- Rental income from commercial properties and other revenue	*117,372*	*102,564*	*220,485*	*243,345*
Cost of sales	(5,054,491)	(2,481,116)	(7,668,942)	(6,927,009)
Gross loss	(602,289)	(696,218)	(2,347,063)	(1,390,098)
Other gains and losses	101,586	(557,612)	(1,567,173)	(2,294,989)
Gains on disposal of subsidiaries	—	—	—	1,869,286
Loss for the period/year attributable to Owners of the Company	(1,849,167)	(2,034,386)	(5,981,508)	(4,121,870)

Source: 2026 Interim Report, 2025 Annual Report and 2024 Annual Report

HY2026 vs HY2025

During HY2026, the Group recorded revenue of approximately HK$4.45 billion, representing an increase of approximately 149.44% from approximately HK$1.79 billion in HY2025. Revenue from property sales, constituting the majority of the total revenue at approximately 88.49%, increased by approximately 204.49% from approximately HK$1.29 billion to HK$3.94 billion. As compared to HY2025, the revenue from property management and service income increased slightly by a mere 1.70% to approximately HK$0.40 billion from approximately HK$0.39 billion while rental income from commercial properties and other revenue increased by approximately 14.44% to approximately HK$0.12 billion from HK$0.10 billion.

The increase in revenue from property sales was primarily attributable to a higher amount of revenue recognised from the delivery of certain sizeable property development projects, mainly located in Tianjin and Guangzhou, which had been pre-sold in prior years and were recognised as revenue in HY2026. In HY2026, the Group's property segment continued to derive its revenue primarily from property deliveries, with an overall average delivery price of approximately RMB23,000 per square metre ("**sqm**"). Despite the decrease in contracted sales for HY2026 as a result of the continued downturn in the real estate market, the increase in delivery of pre-sold and completed properties during the period led to higher recognised revenue. As revenue from property sales is generally recognised upon delivery of completed properties rather than at the time of contracted sales, the revenue recognised in a given period may not directly correspond to the property sales or delivery volumes recorded in the same period.

The approximate 14.44% increase in rental income from commercial properties and other revenue was mainly due to the increase in rental income from the commercial properties in Tianjin.

Gross loss reduced by approximately 13.49% to HK$0.60 billion from HK$0.70 billion mainly from the reduced loss from the investment and asset management segment due to continued streamlining of its operations through the closure of non-core businesses and disposal of non-core assets following the restructuring and rectification process. The gross loss from property segment nevertheless remained stable. Despite the substantial increase in revenue, the Group continued to record a gross loss as the profitability of its real estate projects remained under pressure amid the prolonged downturn in the property market and intense price competition.

The Group recorded a loss attributable to owners of the Company at approximately HK$1.85 billion for HY2026, representing an improvement of approximately 9.10% from a loss of HK$2.03 billion for HY2025. The reduction in loss was mainly attributable to a turnaround in other gains and losses, which reversed a net loss position of approximately HK$0.56 billion in HY2025 to a net gain of approximately HK$0.10 billion in HY2026. The increase in other gains and losses of approximately HK$0.66 billion was due to (i) net exchange gains increased by HK$0.35 billion due to the appreciation of Renminbi; and (ii) nil impairment loss on amounts due from joint ventures was recognised in HY2026, as compared to the previously recorded amount of HK$0.27 billion.

FY2025 vs FY2024

During FY2025, the Group recorded revenue of approximately HK$5.32 billion, representing a small decrease of approximately 3.88% from approximately HK$5.54 billion in FY2024. Revenue from property sales, constituting the majority of the total revenue at approximately 79.58%, decreased by approximately 2.28% to approximately HK$4.24 billion from HK$4.33 billion. The property management and service income contracted by approximately 9.75% from approximately HK$0.96

billion to HK$0.87 billion whilst rental income from commercial properties and other revenue also reduced by approximately 9.39% to HK$0.22 billion. The above revenue decline was mainly due to the real estate market continued to deteriorate in both average selling price and property pre-sold volume. Most property developers made property sales regardless of the loss, with the main aim to obtain cash flow to sustain operations. The Group was also faced with the same predicament and had to trim its sales price and accordingly recorded a lower revenue from property sales.

Gross loss increased by approximately 68.84% to approximately HK$2.35 billion from approximately HK$1.39 billion. This was mainly attributable to the loss recognised in the property segment increased by approximately 51.88% to approximately HK$1.86 billion from approximately HK$1.23 billion due to the deterioration in profitability of the Group's property projects as a result of the challenging market environment.

Although revenue decreased by approximately 3.88% in FY2025, cost of sales increased by approximately 10.71% to HK$7.67 billion. The increase in cost of sales was primarily attributable to higher impairment provisions and write-downs recognised on properties as a result of the continued downturn in the real estate market which further increased the costs recognised upon delivery.

The Group recorded a loss attributable to owners of the Company at approximately HK$5.98 billion for FY2025, representing a deterioration of approximately 45.12% from a loss of HK$4.12 billion for FY2024. The loss was aggravated mainly due to the absence of gains on disposal of subsidiaries in FY2025, compared with gains on disposal of subsidiaries recorded at approximately HK$1.87 billion in FY2024. Such gains were recognised from the disposal of the Group's entire equity interest in the toll road business in Mainland China in FY2024.

The following is a summary of the audited financial positions of the Group as at 31 December 2024 and 31 December 2025 respectively, and the unaudited financial positions of the Group as at 30 June 2026, as extracted from the 2024 Annual Report, the 2025 Annual Report and the 2026 Interim Report:

Table 2: Highlights of the financial positions of the Group

	As at 30 June	**As at 31 December**	
	2026	**2025**	**2024**
	HK$'000	*HK$'000*	*HK$'000*
	unaudited	*audited*	*audited*
Non-current assets	16,538,853	18,456,576	22,936,711
Current assets	22,542,840	26,695,728	34,576,424
Total assets	**39,081,693**	**45,152,304**	**57,513,135**
Non-current liabilities	3,082,333	3,010,522	14,350,791
Current liabilities	22,555,820	27,108,964	22,262,165
Total liabilities	**25,638,153**	**30,119,486**	**36,612,956**
Total equity	**13,443,540**	**15,032,818**	**20,900,179**

Source: 2026 Interim Report and 2025 Annual Report

As at 30 June 2026

As at 30 June 2026, total non-current assets of the Group were approximately HK$16.54 billion, as compared to approximately HK$18.46 billion as at 31 December 2025, representing a decrease of approximately 10.39%. The decrease was mainly attributable to a drop in interests in joint ventures of approximately 12.83% to HK$8.64 billion from HK$9.92 billion. Interests in joint ventures mainly represented interests in infrastructure joint ventures and interests in property joint ventures. The drop was mainly from the decrease in interests in property joint ventures due to the disposals of the Group's 20% equity interest in 無錫溪勝房地產開發有限公司 and 36% equity interest in 南京招盈房地產開發有限公司, as well as the capital reduction in other joint ventures, which were offset by amounts due to joint ventures during HY2026.

Total current assets of the Group continued to record a decline of approximately 15.56% to HK$22.54 billion, as compared to approximately HK$26.70 billion as at 31 December 2025. The decrease was mainly attributable to an approximate 21.65% reduction in inventory of properties to HK$15.01 billion from HK$19.16 billion. This was largely due to (i) the concentrated completion and delivery of the Group's projects during HY2026; and (ii) the Group suspended participation in land auctions in order to reserve funds to support its daily operations, and therefore did not acquire new projects or land parcels during HY2026.

Total non-current liabilities of the Group registered a minor increase of 2.39% to approximately HK$3.08 billion, as compared to approximately HK$3.01 billion as at 31 December 2025.

Total current liabilities of the Group reduced to HK$22.56 billion from HK$27.11 billion as at 31 December 2025, representing a decrease of approximately 16.80%. The Group witnessed a drastic drop of approximately 79.33% in contract liabilities, mainly representing the deposits from pre-sale of properties at HK$0.78 billion compared to HK$3.75 billion as at 31 December 2025. The drop was mainly due to the fact that Group's pre-sold properties of wholly-owned projects are concentrated for completion and delivery in HY2026. As at 30 June 2026, the total area of properties pre-sold but yet to be delivered (including joint venture and associate projects) was approximately 240,000 sqm compared to 310,000 sqm as at 31 December 2025.

As at 31 December 2025

As at 31 December 2025, total non-current assets of the Group saw a drop of approximately 19.53% to approximately HK$18.46 billion, as compared to HK$22.94 billion as at 31 December 2024. The decline was mainly from the reduction in interests in joint ventures of approximately 20.78% to HK$9.92 billion from HK$12.52 billion. Interests in joint ventures mainly represented interests in infrastructure joint ventures and interests in property joint ventures. The drop was mainly from the decrease in interests in property joint ventures as a result of the disposals of interests in four (4) joint ventures, as well as capital reduction in other joint ventures, which were offset by amounts due to joint ventures during FY2025.

Total current assets of the Group were approximately HK$26.70 billion, as compared to approximately HK$34.58 billion as at 31 December 2024, representing a decrease of approximately 22.79%. The contraction was mainly from the decrease in (i) inventory of properties of approximately 19.27% due to the Group' suspended participation in land auctions in order to reserve funds to support

its daily operations, and therefore did not acquire new projects or land parcels during FY2025; and (ii) bank balances and cash of approximately 39.96% to HK$2.57 billion as the Group repaid various bank loans of approximately HK$1.54 billion and redeemed approximately HK$0.4 billion of sale loan during FY2025.

Total non-current liabilities of the Group registered a major reduction of approximately 79.02% to approximately HK$3.01 billion, as compared to HK$14.35 billion as at 31 December 2024. The decrease was mainly attributable to a substantial drop of approximately 84.85% in bank and other borrowings. Bank and other borrowings mainly represented offshore guaranteed senior notes, syndicated bank loans and project development loans of the Group. The decrease in non-current bank and other borrowings was due to the fact that the Group's non-current bank and other borrowings were reclassified as current bank and other borrowings as the Group suspended payment of all principal and interest of bank loans, triggering events of default.

Total current liabilities of the Group increased to approximately HK$27.11 billion from HK$22.26 billion as at 31 December 2024, representing a hike of approximately 21.77%. The increase was mainly due to the increase in bank and other borrowings of approximately 349.69% to HK$13.10 billion, due to the fact that the Group's bank and other borrowings became repayable on demand as the Group suspended payment of all principal and interest of bank loans, triggering events of default.

Material uncertainty related to going concern and the need for the Proposed Restructuring

It was noted from the 2025 Annual Report that, while the Board has prepared the consolidated financial statements of the Company as at 31 December 2025 on a going concern basis, the Company's auditor, Deloitte Touche Tohmatsu ("**Deloitte**"), has drawn attention to material uncertainty related to going concern, the condition indicating the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern (the "**Going Concern Issue**") and the fact that the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Therefore, Deloitte has issued a disclaimer of opinion, details of which are summarised as follows:

(i) the Group incurred a loss of HK$5.30 billion and a net operating cash outflow of HK$0.49 billion for FY2025 and, as at 31 December 2025, the Group had net current liabilities of HK$0.41 billion;

(ii) in August 2025, the Group suspended its repayment of all principal and interest on its senior notes, offshore bank loans and perpetual capital securities, which has triggered events of default;

(iii) in October 2025, certain creditors of the Group have exercised the rights to accelerate repayment of the Group's offshore bank and other borrowings and took enforcement actions; and

(iv) as at 31 December 2025, all of the Group's senior notes and offshore bank loans with an aggregate carrying amount of HK$11.33 billion and HK$0.91 billion respectively, were repayable on demand and classified as current liabilities.

With reference to the 2026 Interim Report, the Group incurred a loss of HK$1.44 billion and a net operating cash outflow of HK$0.23 billion for HY2026 and, as at 30 June 2026, the Group had net current liabilities of HK$0.01 billion. As at 30 June 2026, all of the Group's senior notes and offshore bank loans with an aggregate carrying amount of HK$11.79 billion and HK$0.94 billion respectively, were repayable on demand and were classified as current liabilities. The aforementioned condition indicates the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern.

The Group changed its auditor from Deloitte to Crowe (HK) CPA Limited ("**Crowe**") on 22 May 2026. Crowe's conclusion was not modified in respect of this matter, i.e. Crowe has also issued a disclaimer of conclusion for the condensed consolidated statement of financial position as of 30 June 2026 and the related condensed consolidated statement of profit or loss for the six-month period ended 30 June 2026.

Our assessment

We note that the Group has been registering consecutive losses for the year/period since FY2023 coupled with Going Concern Issue for HY2026 and FY2025. The Company is facing significant pressure on its working capital and liquidity position. The challenging financial position also casts doubt on the Company as a going-concern. With the existence of the Going Concern Issue, it would be difficult for the Group to raise funds of a significant amount through equity or debt financing. It is critically important for the Group to reduce its gearing level such that it could strengthen the financial position of the Group and alleviate the Going Concern Issue. This will in turn place the Group in a better position to negotiate and obtain fundraising arrangements or debt financing for its business operations when necessary. Accordingly, the Proposed Restructuring represents a feasible solution for the Group to achieve the above-mentioned objectives and provides a lifeline in preventing the Group from going into a liquidation scenario.

2. Background and reasons for the Proposed Restructuring

As disclosed in the Letter from the Board, the Group has been severely and negatively affected by the downturn in the PRC real estate market since 2021. Notwithstanding these difficulties, the Group was able to meet all of its major offshore debt repayment obligations until 12 July 2025. During 2024, the Group extended the maturities of the Existing Notes by approximately 3.5 years, repaid HK$6,803 million equivalent of borrowings, suspended distributions on the Existing Perpetual Securities from November 2024, reduced net gearing to 55%, and engaged financial advisers and legal counsel to explore liability management options. Subsequently, on 20 June 2025 and 17 July 2025, the Group launched two further consent solicitation exercises with respect to the Existing Notes. However, the requisite consent thresholds of certain series were not achieved, primarily because an ad hoc group of holders, which held a blocking stake in these series, continued to oppose the proposed amendments, and neither consent solicitation was completed. Following the failed consent solicitations, the Group suspended payments on its offshore indebtedness to preserve liquidity and ensure fair and equitable treatment of all such creditors. A liquidation application was filed against New Select in the BVI courts but, with progress on the Proposed Restructuring, that application and related stay proceedings as well as provisional liquidator appointment applications have been adjourned to 15 March 2027.

As at 30 June 2026, the Group's unaudited borrowings were HK$15,522.2 million (or approximately US$1,990.0 million), of which HK$13,425.0 million (or approximately US$1,721.2 million) were current. The Proposed Restructuring covers approximately US$2.4 billion of Existing Debt, comprising five series of senior notes of approximately US$1,400.7 million, three series of senior perpetual capital securities of approximately US$890.5 million and a syndicated bank loan of approximately US$114.2 million. On the Restructuring Effective Date, Scheme Creditors' claims will be fully released in exchange for the Scheme Consideration, namely the Tender Offer Consideration, the Cash Sweep Real Estate Bonds and the New Shares for RKI Scheme Creditors, and the Secured Liquidating SPV Toll Road Bonds for New Select Scheme Creditors, with all accrued interest and distributions waived.

The Proposed Restructuring should right-size the balance sheet by reducing offshore indebtedness by approximately US$2.4 billion, ease liquidity pressure and improve the Group's debt-to-equity ratio upon the Restructuring Effective Date. After the Proposed Restructuring, the aggregate annual interest payable in respect of the Cash Sweep Real Estate Bonds in the first year after the Restructuring Effective Date will be approximately US$7.5 million, representing more than 90% reduction in annual interest expenses. It also seeks to maximise creditor value by preserving the Group's going-concern value and giving creditors structured and secured exposure to the RKE toll-road disposal and dividends, and to cash flows from certain Hong Kong and PRC real estate and other assets.

For the reasons set out above, the Directors consider that the terms of the Proposed Restructuring, are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. The Board further believes that avoiding liquidation is critical, since a winding-up would be significantly adverse for Scheme Creditors and Shareholders and could lead to protracted enforcement and forced sales of onshore assets (if any) at distressed valuations.

Our assessment

We consider the Proposed Restructuring, which involves, inter-alia, the issuance of New Shares and Cash Sweep Real Estate Bonds, to be a necessary and suitable option to resolve the Group's liquidity pressure, after taking into account the following:

(i) the Proposed Restructuring is crucial for the Group to achieve a sustainable capital structure with substantially reduced offshore debts and insolvency risks, secured shareholding structure, steady workforce, and stable operating environment to support its long-term business recovery;

(ii) the New Share price represents a significant premium over the closing price per Share as quoted on the Stock Exchange on the Latest Practicable Date and the five consecutive trading days of the Shares up to and including the Latest Practicable Date; as well as significant premia over the highest, lowest and the average closing prices respectively during the Review Period (as defined below), further details of which are set out in the section headed "5. Evaluation of the New Shares and the key terms of Cash Sweep Real Estate Bonds" below;

(iii) it is a practicable and expeditious way to reduce debts of the Group under adverse market conditions after obtaining the consensus of the Scheme Creditors, since raising funds externally by a financially-distressed company with Going Concern Issue will prove to be very difficult and challenging;

(iv) any alternative form of equity financing, such as a rights issue, open offer, or specific mandate, would be impracticable under current circumstances as it requires the Company to set the issue price of the securities at an attractive discount, as compared to a premium currently represented by the New Share Price (as defined below) under the Proposed Restructuring. Raising funds externally by a financially distressed company with going concern issues would prove exceptionally difficult. Any underwritten exercise would also attract prohibitive underwriting commissions given the Group's distressed condition. This would result in significantly less net proceeds and require the issuance of an even greater number of Shares, thereby aggravating the potential dilutive effect on Shareholders; and

(v) the Going Concern Issue will definitely bring uncertainty to the success of any form of equity financing in view of the vulnerability of the financial position of the Group. Investors typically have strict investment mandates that prohibit or heavily restrict investment in companies with unresolved going concern risks. Consequently, the Company would likely struggle to secure any reputable underwriter willing to guarantee a fundraising, and any investors willing to participate would demand a prohibitive risk premium. This would not only make the fundraising highly uncertain but could also result in an extremely low valuation, which would be highly value-destructive and deeply dilutive to existing Shareholders.

In view of the above factors, we are of the view that the Proposed Restructuring and the related connected transactions thereunder, though not conducted in the ordinary and usual course of business of the Group, is in the interests of the Company and the Shareholders as a whole.

3. Principal terms of the New Shares

Subject to the occurrence of the Restructuring Effective Date, the Company will issue up to 910,611,992 New Shares. 17.72% of such New Shares (subject to rounding down as detailed below) will be issued to the Stabilisation Shares SPV under the Share Stabilisation Plan as further detailed below.

We outlined below the principal terms of the issuance of the New Shares as extracted from the Letter from the Board under the section headed "3.A. Proposed Issuance of New Shares under the Specific Mandate":

Issuer:	The Company.
Subscribers:	(i) RKI Scheme Creditors who have validly elected or been assigned or reallocated to Option 2 of the RKI Scheme Consideration; and (ii) The Stabilisation Shares SPV in respect of the Stabilisation Shares to be issued pursuant to the arrangements as contemplated under the Share Stabilisation Plan.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries after taking into account publicly available information, other than Wai Kee (through its subsidiaries), Mr. Zen and his close associates and Mr. Wong, each of the Scheme Creditors was independent of the Company and its connected persons as at the Latest Practicable Date.

For details of the Share Stabilisation Plan, please refer to the section headed "2. Background of the Proposed Restructuring — Key Features of the Proposed Restructuring — Share Stabilisation Plan" in the Letter from the Board.

Issue price:

HK$5.60 per New Share, representing:

(i) a premium of approximately 1,300% to the closing price of HK$0.400 per Share as quoted on the Stock Exchange on the Latest Practicable Date; and

(ii) a premium of approximately 1,227% to the average closing price of HK$0.422 per Share as quoted on the Stock Exchange for the five consecutive trading days of the Shares up to and including the Latest Practicable Date.

Number of Shares:

Up to 910,611,992 New Shares, representing:

(i) approximately 122% of the number of issued Shares as at the Latest Practicable Date; and

(ii) approximately 55% of the number of issued Shares as enlarged by the issuance of New Shares.

The aggregate nominal value of the New Shares is up to HK$91,061,199.2.

These New Shares comprise:

(i) up to 749,251,548 New Shares to be allotted and issued to RKI Scheme Creditors who have validly elected or been assigned or reallocated to Option 2 of the RKI Scheme Consideration; and

(ii) as part of the Share Stabilisation Plan, up to 161,360,444 New Shares will be allotted and issued as Stabilisation Shares to the Stabilisation Shares SPV, which holds the entire legal and beneficial ownership of such Stabilisation Shares on trust for Wai Kee or its designated subsidiary.

All New Shares (including the Stabilisation Shares) may not necessarily be allotted and issued on the Restructuring Effective Date. Any New Shares attributable to RKI Scheme Creditors that remain unallocated as at the Restructuring Effective Date will only be allotted and issued to the relevant Scheme Creditors and the Stabilisation Shares SPV (as the top-up Stabilisation Shares under the Share Stabilisation Plan) on or before the expiry of the Holding Period or (in respect of any Blocked Scheme Creditor) the expiry of the Blocked Escrow Period in accordance with the RKI Scheme.

Ranking of the New Shares

The New Shares allotted and issued will rank *pari passu* in all respects with the Shares in issue, including the right to any dividend or distribution, the record date of which falls on or after the date of allotment.

Share Stabilisation Plan:

In order to ensure continuity and stability in the shareholding structure of the Company by maintaining Wai Kee's proforma beneficial shareholding in the Company at approximately 30% following the completion of the Proposed Restructuring, a block of New Shares will be issued to the Stabilisation Shares SPV, with the beneficial interest of the Stabilisation Shares vesting in Wai Kee, the controlling shareholder of the Company.

The number of Stabilisation Shares (being 17.72% of the aggregate New Shares issued, rounded down to the nearest whole number) to be issued to the Stabilisation Shares SPV will be in such number so as to maintain Wai Kee's pro forma beneficial shareholding in the Company at no less than 30% upon completion of the Proposed Restructuring. While the percentage of 17.72% is fixed, the actual number of Stabilisation Shares will therefore depend on the number of Scheme Creditors that elect, and are allocated, New Shares under Option 2. This reflects the possibility that some New Shares are either attributable to Unadmitted Scheme Creditors or Blocked Scheme Creditors and only issued after the Restructuring Effective Date at a different point in time or may not ultimately be issued if the applicable requirements for establishing entitlement are not satisfied within the prescribed periods. By way of illustration, if the maximum number of New Shares were to be issued to Scheme Creditors, 17.72% of such New Shares, rounded down to the nearest whole number) (being a maximum of 161,360,444 New Shares, assuming all New Shares will be issued on the Restructuring Effective Date) shall instead be issued to the Stabilisation Shares SPV (rather than to the Scheme Creditors who would have otherwise been entitled to receive such New Shares).

For the avoidance of doubt, the Stabilisation Shares shall be funded entirely from the New Shares to be issued pursuant to Option 2 of the Scheme Consideration and will not result in any additional dilution beyond that already contemplated under Option 2 of the Scheme Consideration.

(a) To give effect to the Share Stabilisation Plan, on the Restructuring Effective Date, the initial Stabilisation Shares (equal to 17.72% of the aggregate number of New Shares to be issued to the relevant Scheme Creditors under the RKI Scheme on the same date) will be issued in physical form to the Stabilisation Shares SPV concurrently with the issuance of New Shares to those creditors. The Stabilisation Shares SPV which will be wholly owned by a purpose trust without beneficiaries. The Stabilisation Shares SPV and the Cash Sweep Bonds Issuer will, on the Restructuring Effective Date, enter into a declaration of trust (the "**Trust Declaration**") pursuant to which the Stabilisation Shares SPV will declare that it holds the Stabilisation Shares beneficially in favour of Wai Kee (or a nominee designated by Wai Kee). In tandem with the Trust Declaration, a voting proxy arrangement and power of attorney will be granted in favour of Wai Kee (or its nominee) to execute certain documents on behalf of the Stabilisation Shares SPV in respect of the Stabilisation Shares.

(b) Prior to the occurrence of an event of default (as set out in details in the section headed "— B. Proposed Issuance of Cash Sweep Real Estate Bonds — Events of default" in the Letter from the Board) leading to an acceleration of the Cash Sweep Real Estate Bonds (the "**Stabilisation Shares Trigger Event**"), under the Trust Declaration and power of attorney, Wai Kee (or a nominee designated by Wai Kee) would be entitled to exercise the right to vote and receive dividends and other distributions in respect of the Stabilisation Shares, and will not be required to account for (or turn over) any dividends and other distributions in respect of the Stabilisation Shares or the exercise of its voting rights to the Stabilisation Shares SPV; and

(c) on or before the expiry date of the Holding Period or the Blocked Escrow Period (as applicable), the top-up Stabilisation Shares (equal to 17.72% of the aggregate number of New Shares to be issued to the Unadmitted Scheme Creditors or the Blocked Scheme Creditors (as applicable) on the same date) will be issued to the Stabilisation Shares SPV concurrently with the issuance of New Shares to such Unadmitted Scheme Creditors or the Blocked Scheme Creditors.

Conditions of the issuance of New Shares

The allotment and issuance of New Shares is conditional upon the fulfilment of each of the following conditions:

(i) the passing of an ordinary resolution by the Independent Shareholders at the SGM to approve the issuance of New Shares and related connected transactions contemplated thereunder;

(ii) the Listing Committee granting the listing of, and permission to deal in, the New Shares; and

(iii) the occurrence of the Restructuring Effective Date upon satisfaction (or waiver) of the Restructuring Conditions as defined and set out in the RKI Scheme, further details of which are set out in the section headed "2. Background of the Proposed Restructuring" in the Letter from the Board.

None of the above conditions is waivable. As at the Latest Practicable Date, none of the above conditions has been fulfilled.

Specific Mandate

The New Shares (including the Stabilisation Shares) will be issued under the Specific Mandate proposed to be sought from the Shareholders at the SGM.

An application will be made to the Stock Exchange for the listing of, and permission to deal in, the New Shares (including the Stabilisation Shares).

4. Principal terms of the Cash Sweep Real Estate Bonds

Subject to the occurrence of the Restructuring Effective Date, the Cash Sweep Bonds Issuer will issue Cash Sweep Real Estate Bonds to the RKI Scheme Creditors who have validly elected or been assigned or reallocated to Option 2 of the RKI Scheme Consideration.

We outlined below the principal terms of the issuance of the Cash Sweep Real Estate Bonds as extracted from the Letter from the Board under the section headed "3.B. Proposed Issuance of Cash Sweep Real Estate Bonds":

Cash Sweep Bonds Issuer: RKPF 2027 Limited

Subscribers:

Scheme Creditors (not less than six in number) who have validly elected or been assigned or reallocated to Option 2 of the RKI Scheme Consideration.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries after taking into account publicly available information, the Scheme Creditors and their ultimate beneficial owners (other than Wai Kee (through its subsidiaries), Mr. Zen and his close associates and Mr. Wong) are independent of the Company and its connected persons as at the Latest Practicable Date.

Principal Amount:

Up to US$249,605,786 (equivalent to approximately HK$1,946,925,131), of which Cash Sweep Real Estate Bonds in the principal amount of up to US$4,143,909 (equivalent to approximately HK$32,322,490) will be issued to Wai Kee (through its subsidiary), Cash Sweep Real Estate Bonds in the principal amount of up to US$8,470,111 (equivalent to approximately HK$66,066,866) will be issued to Mr. Zen and his close associates and Cash Sweep Real Estate Bonds in the principal amount of up to US$26,200 (equivalent to approximately HK$204,360) will be issued to Mr. Wong.

Interest:

Each Cash Sweep Real Estate Bond shall bear interest at the rate of 3.00% per annum from (and including) the Reference Day, payable semi-annually in arrears on each Interest Payment Date, provided that:

(a) with respect to any accrued and unpaid interest from (and including) the Reference Day to (but excluding) 31 December 2028, interest at a rate of 2.0% per annum shall be paid in the form of payment-in-kind interest (such interest, "**PIK Interest**") by increasing the principal amount of the Cash Sweep Real Estate Bonds by the amount of such PIK Interest accrued for such interest period, and the remaining interest at a rate of 1.0% per annum shall be paid in cash (such interest, "**Cash Interest**"), unless for any interest period the Cash Sweep Bonds Issuer elects, by giving notice in writing to the trustee, the relevant agent and the holders (a "**Cash Interest Notice**") not less than five business days prior to the relevant Interest Payment Date, to pay a greater portion of such interest as Cash Interest instead of PIK Interest;

	(b) with respect to any accrued and unpaid interest from (and including) 31 December 2028 to (but excluding) 31 December 2030, interest at a rate of 1.0% per annum shall be paid in the form of PIK Interest by increasing the principal amount of the Cash Sweep Real Estate Bonds by the amount of such PIK Interest accrued for such interest period, and the remaining interest at a rate of 2.0% per annum shall be paid in the form of Cash Interest, unless for any interest period the Cash Sweep Bonds Issuer elects by giving a Cash Interest Notice not less than five business days prior to the relevant Interest Payment Date to pay a greater portion of such interest in Cash Interest instead of PIK Interest; and (c) with respect to any accrued and unpaid interest from (and including) 31 December 2030, interest at a rate of 3.0% per annum shall be paid in the form of Cash Interest.
Interest Payment Date:	30 June and 31 December of each year, commencing on 30 June 2027
Maturity date:	31 December 2032
Guarantee:	The Cash Sweep Real Estate Bonds will be jointly and severally guaranteed by the Company, each of the subsidiary guarantors, any JV subsidiary guarantors (if and when created) and Stabilisation Shares SPV (whose guarantee is a limited recourse guarantee), in each case on the terms set out in the trust deed constituting the Cash Sweep Real Estate Bonds.
Mandatory redemption at Maturity Date	Unless previously redeemed, or purchased and cancelled, the Cash Sweep Bonds Issuer will redeem the Cash Sweep Real Estate Bonds at their principal amount plus accrued and unpaid interest, if any, on 31 December 2032.

Repayment on Specified Dates:

On each Early Redemption Date, the Cash Sweep Bonds Issuer shall redeem at least the Minimum Principal Amount (as defined in the Terms and Conditions of the Cash Sweep Real Estate Bonds) of the Cash Sweep Real Estate Bonds at a redemption price equal to 100.0% of the principal amount of the Cash Sweep Real Estate Bonds being redeemed plus accrued and unpaid interest, if any, to (but not including) the relevant Early Redemption Date on a pro rata basis by way of a proportional reduction in the principal amount of each Cash Sweep Real Estate Bond (each such obligation, an "**Early Redemption Obligation**"); provided, that, the Cash Sweep Bonds Issuer may, at its sole discretion, elect to defer any Early Redemption Obligation, in whole or in part, subject to the satisfaction of certain conditions set out in the terms and conditions of the Cash Sweep Real Estate Bonds. The Company shall, and shall procure the Cash Sweep Bonds Issuer to, use commercially reasonable efforts to reserve cash to satisfy any Early Redemption Obligation.

Early Redemption Date	Applicable Percentage (on cumulative basis)
31 December 2030	10.0%
31 December 2031	30.0%

Issuer's optional redemption:

At any time and from time to time, the Cash Sweep Bonds Issuer may, at its option, redeem the Cash Sweep Real Estate Bonds in whole or in part on a pro rata basis from all holders upon not less than 15 nor more than 30 days' notice, at a redemption price equal to 105.0% (or, following the occurrence of a Redemption Step-Up Event, 106.0%) of the principal amount of the Cash Sweep Real Estate Bonds being redeemed plus accrued and unpaid interest, if any, to (but excluding) the redemption date.

Security:

The Cash Sweep Real Estate Bonds will be secured by (i) a security by way of charge granted by the Company as the offshore secured account chargor (the "**Offshore Secured Account Chargor**") in favour of Kroll Trustee Services (HK) Limited as security trustee (the "**Security Trustee**") over the Offshore Secured Account and all rights, title and interest in connection therewith; and (ii) a pledge granted by the Onshore Secured Account Pledgor in favour of the Security Trustee over the Onshore Secured Account and all rights, title and interest in connection therewith, in each case to secure, among others, the obligations of the Cash Sweep Bonds Issuer under the Cash Sweep Real Estate Bonds and the trust deed and the obligations of the guarantors under their respective guarantees, on the terms of the trust deed, the security documents and the collateral trust agreement.

Key covenants:

The Cash Sweep Real Estate Bonds will contain certain restrictive covenants limiting the Company and its restricted subsidiaries from the incurrence of indebtedness, the making of restricted payments including investments and dividends, the granting of liens, the disposal of assets outside of the ordinary course of business and transactions with affiliates, among other covenants customary for similarly situated issuers, in each case subject to various customary exceptions and permissions.

The Cash Sweep Real Estate Bonds will also include certain affirmative obligations concerning the provision of financial statements and other reports (including quarterly financial statements if the Company ceases to be listed on a recognised exchange) and the maintenance of qualified independent auditors.

The Cash Sweep Real Estate Bonds will also include a cash sweep covenant pursuant to which: (i) neither the Company nor any of its restricted subsidiaries may consummate any disposal of specified real estate projects unless the disposal is on commercially reasonable terms, is conducted on an arm's length basis and, while the Company's common stock remains listed on the Stock Exchange, in compliance with the Listing Rules, the consideration is at least equal to the fair market value of the asset being disposed of, and 100% of the consideration is received in cash (or in temporary cash investments that are promptly converted to cash); (ii) the specified proportion of the net cash proceeds, dividends, distributions and other net proceeds derived from the specified real estate projects (the "**Specified Asset Allocation Amount**") must be deposited, as soon as reasonably practicable and in any event within ten business days of receipt, into either the Onshore Secured Account (where the proceeds are received by a PRC subsidiary in respect of a PRC project) or the Offshore Secured Account (in all other cases), each of which forms part of the collateral for the Cash Sweep Real Estate Bonds; (iii) whenever the balance of the Onshore Secured Account exceeds US$20.0 million (or its dollar equivalent), the Company must procure the remittance of such balance to the Offshore Secured Account, subject to the satisfaction of applicable regulatory, judicial and governmental approvals and conditions required for such remittance; (iv) the balance of the Offshore Secured Account may be applied by the Company only in the following order of priority: (a) to pay, or reserve for, outstanding trustee, agent and security trustee costs, fees and expenses; (b) to pay, or reserve for, outstanding amounts due and payable under the Cash Sweep Real Estate Bonds; (c) to pay, or reserve for, any outstanding deferred Early Redemption Obligation; (d) at the Company's discretion, to reserve for future amounts payable under the Cash Sweep Real Estate Bonds (including future Early Redemption Obligations); (e) at the Company's discretion, to redeem the Cash Sweep Real Estate Bonds pursuant to the Cash Sweep Bonds Issuer's optional redemption; (f) to make permitted withdrawals for operating and capital expenditure of the Group of up to a specified annual cap (being US$20.0 million per annum for the calendar years from 2027 to 2030 and US$17.0 million per annum thereafter, in each case with any shortfall carried forward on a cumulative basis to the following year); and (g) to apply any remaining Specified Asset Allocation Amount in permitted open-market purchases or a permitted tender offer for the Cash Sweep Real Estate Bonds, subject to specified conditions (including that the Company has elected to pay all interest due on the most recent scheduled Interest Payment Date in cash and has paid that interest in full in cash, no deferred Early Redemption Obligation is outstanding and sufficient cash has been reserved for upcoming Early Redemption Obligations); provided that paragraphs (e) to (g) may not be applied while an event of default is continuing; and (h) no withdrawal may be made from the Offshore Secured Account for any purpose other than in accordance with the cash sweep covenant.

The terms of the Cash Sweep Real Estate Bonds were determined after arm's length negotiation between the Company and the AHG (as defined below) having considered (i) the distressed financial condition of the Company; (ii) the prevailing market conditions and sentiment with regard to the real estate industry in the PRC; and (iii) the difficulties faced by the Company in accessing external financing for the repayment of the Existing Debt.

Conditions of the issuance of the Cash Sweep Real Estate Bonds

The issuance of Cash Sweep Real Estate Bonds is conditional upon the fulfilment of each of the following conditions:

(i) the passing of an ordinary resolution by the Independent Shareholders at the SGM to approve the issuance of Cash Sweep Real Estate Bonds and related connected transactions contemplated thereunder;

(ii) the Singapore Stock Exchange granting the approval in principle for the listing of the Cash Sweep Real Estate Bonds; and

(iii) the occurrence of the Restructuring Effective Date.

None of the above conditions is waivable. As at the Latest Practicable Date, none of the above conditions has been fulfilled.

5. Evaluation of the New Shares and the key terms of Cash Sweep Real Estate Bonds

(i) Share price comparisons

As set out in the Letter from the Board, the issue price of the New Shares of HK$5.60 (the "**New Share Price**") was determined after arm's length negotiations between the Company and members of an ad hoc group of holders of the Existing Notes and Existing Perpetual Securities (the "**AHG**"), having considered:

(i) the RKI Scheme Consideration Claims to be discharged and the discount applied to the principal amount;

(ii) the balancing of the dilution impact of the issuance of New Shares on the Restructuring Effective Date, taking into account the commercial ask that New Shares issued to the RKI Scheme Creditors under the Proposed Restructuring collectively make up a considerable portion of ownership of the Company to reflect the value of the compromise made by the RKI Scheme Creditors; and

(iii) the potential future upside in the share price as and when its business operations improve upon completion of the Proposed Restructuring.

The New Share Price of HK$5.60 represents:

(i) a premium of approximately 1,300.00% to the closing price of HK$0.400 per Share as quoted on the Stock Exchange on the Latest Practicable Date;

(ii) a premium of approximately 1,227.01% to the closing price of HK$0.422 per Share as quoted on the Stock Exchange for the five consecutive trading days of the Shares up to and including the Latest Practicable Date; and

(iii) a premium of approximately 1,172.73% to the closing price of HK$0.440 per Share as quoted on the Stock Exchange for the ten consecutive trading days of the Shares up to and including the Latest Practicable Date.

(ii) Historical share price performance

In order to assess the fairness and reasonableness of the New Share Price at HK$5.60, we have reviewed the daily closing prices of the Shares from 3 November 2025, being approximately one year prior to and including the Latest Practicable Date (the "**Review Period**"). We consider that the Review Period is adequate to illustrate the recent price movement of the Shares for conducting a reasonable comparison between the New Share Price and the historical closing prices of the Shares and having factored in the capital market assessment of the Company for the Review Period. Such comparison is relevant for the assessment of the fairness and reasonableness of the New Share Price. The following diagram sets out the daily closing prices of the Shares on the Stock Exchange during the Review Period:

Chart 1: Movement of the closing prices of the Shares during the Review Period



Source: website of the Stock Exchange

During the Review Period, the Shares traded between a range of the lowest of HK$0.395 on 17 November 2026 to the highest of HK$0.740 on 3 November 2025 with an average closing Share price of approximately HK$0.592 per Share. The New Share Price represents a premium of approximately 656.76%, 1,317.72% and 846.57% over the highest, lowest and the average closing Share prices respectively during the Review Period. The New Share Price represents a premium of 1,300.00% over the closing Share price as at the Latest Practicable Date of HK$0.400.

Apart from the customary announcements made by the Company in terms of its interim and/or annual results announcements, and the issue of interim and/or annual reports and circular for its annual general meeting during the Review Period, other notable events included announcements on the Proposed Restructuring and the negotiation progress and update with the RKI Scheme Creditors on the terms of the Proposed Restructuring that spanned over 17 months from June 2025 to the Latest Practicable Date.

As illustrated in chart 1 above, the closing prices entered into a continuously declining trend from HK$0.74 on 3 November 2025, which was the highest closing Share price, to HK$0.475 on 30 July 2026, which was the lowest closing price of the Shares during the Review Period. We note that during this period, the Company released (i) the profit warning announcement dated 19 March 2026 in relation to the expected net loss ranging from approximately HK$5,200 million to HK$5,500 million for FY2025; (ii) the annual result announcement dated 26 March 2026 in relation to the continuing deterioration on the financial position of the Company from FY2024 to FY2025; and (iii) the Annual Report 2025, pursuant to which we noted the Company recorded a significant deterioration of approximately 60.3% in the loss for FY2025 as compared to FY2024. Thereafter the closing Share prices slowly climbed from HK$0.48 on 31 July 2026 to HK$0.545 on 26 August 2026. We noted that during this period, the Company published: (i) the inside information announcement dated 19 August 2026 indicating that over 75% of the holders of an aggregate principal amount of the Existing Notes and Existing Perpetual Securities had acceded to the RSA; (ii) the inside information announcement dated 21 August 2026 in relation to the confirmation of the occurrence of the RSA accession milestone date and the scheme hearing date; and (iii) the interim results announcement for the six months ended 30 June 2026, pursuant to which the Company registered an improvement of approximately 9.1% in the loss attributable to the owners of the Company for the six months ended 30 June 2026, as compared to the similar period in 2025. The closing Share prices subsequently fluctuated between HK$0.395 to HK$0.535 from the period from 27 August 2026 to the Latest Practicable Date.

As advised by the Management, other than the events mentioned above, the Management were not aware of any events that led to the fluctuation trend in the closing prices of the Shares during the Review Period.

In conclusion, the New Share Price represents significant premiums over the closing Share prices during the Review Period and the proposed debt-equity conversion will lead to a significant reduction of the principal amounts of the Existing Debt which enables the Company to achieve de-leveraging in a shorter period of time and retain a relatively sustainable and healthier capital structure. Accordingly this is considered a favourable feature to the Independent Shareholders.

(iii) Trading liquidity of the Shares

The following table sets out the trading volume of the Shares during the Review Period:

Table 3: Trading volume of the Company

	Total trading volume *(No. of Shares)*	**No. of trading days**	**Average daily trading volume** *(No. of Shares)*	**Average daily trading volume to the total number of Shares in issue** *(Approximate)* Note 1	**Average daily trading volume to the number of Shares held by public Shareholders** *(Approximate)* Note 2
2025					
November	3,168,516	20	158,426	0.0211%	0.0753%
December	1,820,386	21	86,685	0.0116%	0.0412%
2026					
January	5,195,000	21	247,381	0.0330%	0.1176%
February	2,576,000	17	151,529	0.0202%	0.0720%
March	3,960,000	22	180,000	0.0240%	0.0856%
April	1,374,000	19	72,316	0.0097%	0.0344%
May	1,881,000	19	99,000	0.0132%	0.0471%
June	2,595,000	21	123,571	0.0165%	0.0587%
July	2,870,000	22	130,455	0.0174%	0.0620%
August	1,301,000	21	61,952	0.0083%	0.0294%
September	1,496,000	22	68,000	0.0091%	0.0323%
October	1,615,000	20	80,750	0.0108%	0.0384%
November (up to and including the Latest Practicable Date)	939,000	13	72,231	0.0096%	0.0343%

Source: website of the Stock Exchange

Notes:

1. The calculation is based on the average of the daily trading volume of the Shares divided by the total number of Shares in issue in the relevant period.

2. The calculation is based on the average daily trading volume of the Shares divided by the number of Shares held by the public Shareholders (i.e. Shareholders other than the substantial shareholders of the Company).

As illustrated in the table above, the average daily trading volume for the respective month/period during the Review Period ranged from approximately 61,952 Shares to approximately 247,381 Shares, representing: (i) approximately 0.0083% to approximately 0.0330% of the total number of issued Shares; and (ii) approximately 0.0294% to approximately 0.1176% of the number of Shares held by public Shareholders. The average daily trading volume during the Review Period was 119,345 Shares, representing approximately 0.0567% of the Shares held by the public Shareholders. The highest daily trading volume was recorded on 21 January 2026, where trading volume reached approximately 2.81 million Shares, representing approximately 1.3356% of the number of Shares held by the public Shareholders.

According to the Management, given the relatively low trading volume of the Shares, it may pose difficulties for the Company to pursue other equity financing alternatives without providing incentives such as discount on issue price to investors, or to achieve sustainable capital structure that allow the Group to comply with its debt obligations and liabilities and to trade on a going-concern basis. In view of the limited trading activity of the Shares, we concur with the Management's views and consider that the issuance of New Shares at a significant premium over the average closing Share price during the Review Period is favourable to the Independent Shareholders.

(iv) Comparable transactions analysis of issuance of the New Shares

To further assess the fairness and reasonableness of the New Share Price, we have conducted an independent research, using our best endeavours, of recent debt-equity conversion and/or restructuring transactions involving issuance/subscription of new shares to connected persons under specific mandate by companies listed on the Main Board of the Stock Exchange (the "**Comparable Share Issuance**"). The selection criteria of the Comparable Share Issuance is based on the following: (i) debt-equity conversion and/or restructuring transactions during the Review Period; (ii) companies listed on GEM of the Stock Exchange were excluded. Given that the Company is listed on the Main Board of the Stock Exchange, we are of the view that a list of Comparable Share Issuance which is listed on the same market, with similar business scale, investor appetite and market capitalisation, is able to provide a fair and representative sample; and (iii) relevant transactions involving the issuance/subscription of A shares and domestic shares that are not traded on the Stock Exchange were excluded.

Based on our best endeavours and as far as we are aware, an exhaustive list of a total of thirteen (13) Comparable Share Issuance which met the said criteria in which the respective circulars were published during the Review Period (i.e. approximately one year from 3 November 2025 and up to and including the Latest Practicable Date) was identified. This will provide a general reference for and to compare with the market practice in relation to the debt-equity conversion and restructuring transactions involving issuance/subscription of new shares during the Review Period.

Details of the Comparable Share Issuance are set out in the table below.

Table 4: Analysis of the Comparable Share Issuance

Date of circular	Company Name	Stock Code	Issue/ Subscription Price *(HK$)*	Premium/(discount) of the issue/subscription price over/(to) Last trading day prior to/on the date of the relevant announcement/ agreement	Last 5 consecutive trading days prior to/on the date of the relevant announcement/ agreement	Last 10 consecutive trading days prior to/on the date of the relevant announcement/ agreement	Dilution effect of public shareholders
31 Aug 2026	Risecomm Group Holdings Limited	1679	0.46	(11.54)%	(13.21)%	(18.87)%	11.60%
10 Aug 2026	China NT Pharma Group Company Limited	1011	0.365	(20.65)%	(20.13)%	(22.30)%	17.84%
28 Apr 2026	China HK Power Smart Energy Group Limited	931	0.36	0.00%	(0.27)%	2.17%	4.37%
25 Aug 2026	China Changbaishan International Holdings Limited	989	0.15	(79.10)%	(80.21)%	(80.89)%	19.53%
26 May 2026	China Ecotourism Group Limited	1371	1.50	(19.79)%	(18.03)%	(18.03)%	47.84%
29 Apr 2026	Fantasia Holdings Group Co., Limited *(Note)*	1777	0.30	275.00%	264.08%	264.52%	10.80%
29 Apr 2026	Fantasia Holdings Group Co., Limited *(Note)*	1777	1.52	1,800.00%	1,744.66%	1,746.90%	11.80%
27 Apr 2026	CA Cultural Technology Group Limited	1566	0.1772	(78.39)%	(77.63)%	(78.02)%	54.99%
29 Jan 2026	JX Energy Ltd.	3395	0.30	(1.64)%	(1.32)%	(1.96)%	11.53%
29 Dec 2025	Central Development Holdings Limited	475	0.40	(3.61)%	(8.05)%	(8.68)%	7.65%
11 Dec 2025	Chuanglian Holdings Limited	2371	0.38	8.57%	8.57%	8.57%	8.52%
26 Nov 2025	GoFintech Quantum Innovation Limited	290	1.28	4.92%	2.56%	1.75%	3.07%
17 Nov 2025	Country Garden Holdings Company Limited	2007	0.60	39.53%	44.93%	36.05%	17.89%
			Maximum	**1,800.00%**	**1,744.66%**	**1,746.90%**	**54.99%**
			Minimum	**(79.10)%**	**(80.21)%**	**(80.89)%**	**3.07%**
			Average	**147.18%**	**142.00%**	**140.86%**	**17.49%**
	New Share Price		**5.60**	**1,300.00%**	**1,227.01%**	**1,172.73%**	**28.41%**

Source: website of the Stock Exchange

Note: As disclosed in the circular dated 29 April 2026 of Fantasia Holdings Group Co., Limited (stock code: 1777), as a part of the restructuring transactions, the company issued (i) the scheme creditor shares under specific mandate to the scheme creditors (comprising independent creditors and connected persons) at an issue price of HK$1.52; and (ii) the capitalisation shares to capitalise the shareholders loan at an issue price of HK$0.30 respectively.

As shown in the table above, the issue/subscription prices of the Comparable Share Issuance ranged from:

(i) a discount of approximately 79.10% to a premium of approximately 1,800.00% to/over the respective closing prices of their shares on the last trading day prior to/on the date of the announcement/agreement in relation to the relevant share issuance/subscription (the "**Last Trading Day Range**"), with an average premium of approximately 147.18% the ("**Last Trading Day Average**");

(ii) a discount of approximately 80.21% to a premium of approximately 1,744.66% to/over the average closing prices of their shares on the last five (5) consecutive trading days prior to/on the date of the announcement/agreement in relation to the relevant share issuance/subscription (the "**Five Days Range**"), with an average premium of approximately 142.00% (the "**Five Days Average**"); and

(iii) a discount of approximately 80.89% to a premium of approximately 1,746.90% to/over the average closing prices of their shares on the last ten (10) consecutive trading days prior to/on the date of the announcement/agreement in relation to the relevant share issuance/subscription (the "**Ten Days Range**"), with an average premium of approximately 140.86% (the "**Ten Days Average**").

We noted that the New Share Price represents a premium of approximately 1,300.00%, 1,227.01% and 1,172.73% to the closing price of the Shares (a) on 18 November 2026, being the Latest Practicable Date, (b) for the last five (5) consecutive trading days immediately prior to and including the Latest Practicable Date; and (c) for the last ten (10) consecutive trading days immediately prior to and including the Latest Practicable Date, respectively. The respective premiums represented by the New Share Price is within the Last Trading Day Range, Five Days Range and Ten Days Range respectively, and are significantly higher than the Last Trading Day Average, Five Days Average and Ten Days Average, respectively.

We also noted from the Comparable Share Issuance that the relevant potential dilution effect to the public shareholders ranged from approximately 3.07% to approximately 54.99% with an average dilution effect of approximately 17.49%. The potential dilution effect of approximately 28.41% to the existing public Shareholders as contemplated under the issuance of New Share falls within the range and is slightly higher than the average dilution effect to the public shareholders of the Comparable Share Issuance.

Having considered the fact that:

(i) the New Share Price of HK$5.60 is significantly above the range of the closing prices of the Shares and represents a premium of approximately 656.76% over the highest closing price of approximately HK$0.740 during the Review Period;

(ii) the premium of the New Share Price is within the range of the Comparable Share Issuance and each of the premiums of the New Share Price is significantly higher than the Last Trading Day Average, Five Days Average and Ten Days Average respectively;

(iii) the potential dilution effect of the issuance of the New Share to the shareholding of the existing public Shareholders is within the range of the Comparable Share Issuance; and

(iv) the issuance of the New Share is a preferred solution to satisfactorily solve the current indebtedness issues faced by the Group given the Company's predicament circumstances, comparing to other fundraising methods,

we consider that the New Share Price is fair and reasonable so far as the Independent Shareholders are concerned.

(v) Comparable transactions analysis of the Cash Sweep Real Estate Bonds

To further assess the fairness and reasonableness of the issuance of the Cash Sweep Real Estate Bonds, we have conducted an independent research, using our best endeavours, of recent restructuring transactions involving issuance/subscription of the bonds/notes by companies listed on the Main Board of the Stock Exchange (the "**Comparable Bonds**"). The selection criteria of the Comparable Bonds is based on the following: (i) restructuring transactions during the period from 1 November 2024 up to the Latest Practicable Date, being a period of approximately two (2) years prior to the Latest Practicable Date (the "**Comparison Period**") in which the respective circulars were published during the Comparison Period; (ii) information of the Comparable Bonds are disclosed in the respective circulars; (iii) the term to maturity of the Comparable Bonds ranged from 4 years to 8 years, which we consider provide a similar reference to the Cash Sweep Real Estate Bonds with the term to maturity of approximately 6 years; and (iv) companies listed on GEM of the Stock Exchange were excluded. Given that the Company is listed on the Main Board of the Stock Exchange, we are of the view that a list of Comparable Bonds which is listed on the same market is able to provide a fair and representative sample.

Based on our best endeavours and as far as we are aware, an exhaustive list of a total of seven (7) Comparable Bonds, which met the said criteria in which the respective circulars were published during the Comparison Period, have been identified to provide a general reference on the market practice in relation to the restructuring transactions involving issuance/subscription of bonds/notes during the Comparison Period. In order to maintain the sufficient sample size of the Comparable Bonds, we chose a period of approximately two years prior to the Latest Practicable Date as the Comparison Period, which is a longer period as compared to the Review Period. We consider that the Comparison Period is appropriate since it provided, in our opinion, a reasonable and meaningful number of samples for our analysis purpose and the Comparable Bonds as a whole provides a fair and representative sample.

Details of the Comparable Bonds are set out in the table below:

Table 5: Analysis of the Comparable Bonds

Date of circular	Stock code	Name of company	Issue to connected person	Principal amount	Term to maturity	Interest rate per annum	Nature of Collateral
				(approx.)	*(year)*	*(%)*	
29 Apr 2026	1777	Fantasia Holdings Group Co., Limited	Yes				Secured by securities and bank accounts
		— Short Term Notes		US$632,473,681	6.00	3.00	
17 Nov 2025	2007	Country Garden Holdings Company Limited	Yes				Secured by shares pledges
		— New Medium Term Instrument		Up to US$2,709,300,000	7.0-7.5	2.50-5.00%	
10 Jul 2025	1233	Times China Holdings Limited	No				Secured by capital stock and charge over a cash sweep account
		— Medium Term Notes		US$825,000,000	7.00	4.20%	
		— Long Term Notes		US$400,000,000	8.00	4.50%	
31 Mar 2025	1232	Golden Wheel Tiandi Holdings Company Limited	Yes	US$506,662,503	5.00	1.00%	Secured by shares pledges
29 Nov 2024	1638	Kaisa Group Holdings Ltd.	No				Secured by shareholder loan, offshore allocation account, designated onshore account and shares pledges
		— Tranche C		US$1,000,000,000	4.29 *(Note 1)*	5.50% or 6.50% *(Note 2)*	
		— Tranche D		US$1,200,000,000	5.29 *(Note 1)*	5.75% or 6.75% *(Note 2)*	
		— Tranche E		US$1,800,000,000	6.29 *(Note 1)*	6.00% or 7.00% *(Note 2)*	
		— Tranche F		US$1,686,210,005	7.29 *(Note 1)*	6.25% or 7.25% *(Note 2)*	
5 Nov 2024	1238	Powerlong Real Estate Holdings Limited	No				Secured by shares pledges and designated account
		— New Medium Term Notes		Depends on selection	5.00	2.75-3.50%	
		— New Long Term Notes		up to US$238,558,389	7.50	2.0-2.75%	
1 Nov 2024	3377	Sino-Ocean Group Holding Limited	Yes	up to US$2,200,000,000	4.0-6.0 *(Note 3)*	3.00%	Secured by receivables, shares, partnership interests, properties and other assets
				Maximum	**8.00**	**7.25%**	
				Minimum	**4.00**	**1.00%**	
				Average	**6.16**	**4.20%**	
	1098	**The Company**		**Cash Sweep Real Estate Bonds (US$249,605,786)**	**6.0**	**3.00%**	**Secured by Offshore Secured Account Chargor and Onshore Secured Account Pledgor**

Source: website of the Stock Exchange

Notes:

1. The terms to maturity of the new notes of Kaisa Group Holdings Ltd. were calculated based on the issue date of the new notes of Kaisa Group Holdings Ltd., which is the restructuring effective date (i.e. 15 September 2025) announced in the announcement of Kaisa Group Holdings Ltd. dated 15 September 2025.

2. The interest rates of the notes of Kaisa Group Holdings Ltd. vary due to (i) whether all interest with respect to such interest payment period is paid in cash or whether any portion of interest with respect to such interest payment period is paid in kind; and/or (ii) whether the original maturity is extended or not (if applicable).

3. The circular of Sino-Ocean Group Holding Limited only disclosed the entire new notes amount of US$2,200,000,000 with the redemption date commencing from 36 months after the restructuring effective date with a 12 months interval up to 120 months, with no specific notes amount relating to specific redemption period.

Interest rate

As shown in the table above, we note that the interest rates of the Comparable Bonds ranged from 1.00% to 7.25% per annum, with an average interest rate of approximately 4.20% per annum. The interest rate of the Cash Sweep Real Estate Bonds, being 3.00% per annum, therefore falls within the range of the Comparable Bonds and is below the average interest rate of the Comparable Bonds. In addition, the Company has the option to pay a portion of interest accrued in paid-in-kind interest instead of paying all interest accrued in cash in the first four years, which will help in preserving the cashflow of the Group. Accordingly we consider the interest rate of the Cash Sweep Real Estate Bonds is in the interests of the Company and the Shareholders as a whole.

Term to maturity

As the term of the Cash Sweep Real Estate Bonds is six (6) years, it will not be classified as current liabilities of the Group upon issuance. The Cash Sweep Real Estate Bonds will not result in immediate cash outflow for the Group, which in turn will help in relieving any immediate liquidity pressure to the Company. This will assist the Group in planning its financial resources efficiently. Accordingly we consider that the term to maturity of the Cash Sweep Real Estate Bonds is fair and reasonable.

Security

The description of the security provided by the Company for Cash Sweep Real Estate Bonds is set out in the sub-section titled "4. Principal terms of the Cash Sweep Real Estate Bonds - Security" in this letter.

We understand from the Company that, the security over the Cash Sweep Real Estate Bonds relates to the Specified Asset Allocation Amount derived from the specific real estate projects, which must be deposited into either of the Onshore Secured Account or the Offshore Secured Account within 10 business days of receipt. Furthermore, if the balance of the Onshore Secured Account exceeds US$20.0 million, the remittance balance must be procured by the Company to the Offshore Secured Account, and the amount in the Offshore Secured Account will be applied primarily to pay or reserve for the outstanding amount due and payable under the Cash Sweep Real Estate Bonds. We are of the view that such arrangement of the Specified Asset Allocation Amount is ringfenced for the purpose of settling amounts due under the Cash Sweep Real Estate Bonds. In case of enforcement by the Scheme Creditors, there are no relevant risks and potential impact to the Company's operational conditions, since no withdrawal could be made from the Offshore Secured Account for any other purpose except for the specific circumstance stated under the cash sweep covenant.

As all the seven (7) Comparable Bonds are secured by collateral (i.e. securities and bank accounts), we consider the collateral for the Cash Sweep Real Estate Bonds (i.e. the Onshore Secured Account Pledgor or the Offshore Secured Account Chargor) are in line with the normal market practices. Each of the subsidiary guarantors, JV subsidiary guarantors and Stabilisation Shares SPV will also provide corporate guarantees to the Cash Sweep Real Estate Bonds which will safeguard the rights and interest of the Scheme Creditors. Therefore, we are of the view that the collateral of the Cash Sweep Real Estate Bonds provided are on normal commercial terms, fair and reasonable.

6. Evaluation of the Share Stabilisation Plan

As stated in the Letter from the Board, as part of the RKI Scheme, of the total New Shares to be issued to RKI Scheme Creditors who receive Option 2 as their RKI Scheme Consideration (rounded down to the nearest whole number), 17.72% of such New Shares will instead be issued to the Stabilisation Shares SPV, with the beneficial interest of the Stabilisation Shares vesting in Wai Kee. The percentage of 17.72% has been determined so as to maintain Wai Kee's pro forma beneficial shareholding in the Company at no less than 30% upon completion of the Proposed Restructuring. While the percentage of 17.72% is fixed, the actual number of Stabilisation Shares will therefore depend on the number of Scheme Creditors that elect, and are allocated, the New Shares under Option 2.

The Share Stabilisation Plan is an integral component of the Proposed Restructuring, serving two inter-connected objectives for the benefit of Scheme Creditors:

(i) first, during the post-Proposed Restructuring period, the Stabilisation Shares ensure continuity and stability in the shareholding structure of the Company by maintaining Wai Kee's pro forma beneficial shareholding in the Company at no less than 30%. This stable anchor shareholding preserves market and stakeholder confidence in the Company's ability to execute its post-Proposed Restructuring business plan, including continued property development and construction of real estate assets and continued involvement in the disposal of the Creditor Interest, both of which are essential to maximising recoveries for Scheme Creditors.

(ii) second, in the event that the post-Proposed Restructuring recovery efforts are unsuccessful and unable to repay creditors on the restructured Cash Sweep Real Estate Bonds, the Stabilisation Shares would constitute additional realisable assets that can be sold and applied towards repayment of the outstanding amounts under the Cash Sweep Real Estate Bonds for the benefit of their holders.

Our assessment

(i) Preservation of controlling shareholder status and mitigation of destabilising change of control

The Stabilisation Shares are taken out of the New Shares otherwise issuable under Option 2 and do not represent an additional issue, such that it would not result in any further dilution to the shareholding structure of the Company. As illustrated in the shareholding table in the Letter from the Board, the aggregate number of New Shares to be issued remains at up to 910,611,992 New Shares, resulting in an enlarged share capital of up to 1,659,948,558 Shares. Consequently, the shareholding

interests of the public Shareholders remain unchanged at approximately 23.38% under both Scenario 1 and Scenario 2. Accordingly, the Share Stabilisation Plan reallocates a portion of the New Shares and does not impose any additional dilution on the public Shareholders beyond that already contemplated by the issuance of the New Shares under the RKI Scheme.

More importantly, the Share Stabilisation Plan addresses the significant dilution of Wai Kee's shareholding that would otherwise arise from the Proposed Restructuring. Without the Share Stabilisation Plan, Wai Kee's shareholding would fall to approximately 20.28% to 21.03% of the enlarged share capital. With the Share Stabilisation Plan in place, Wai Kee's pro forma beneficial shareholding in the Company is maintained at approximately 30.00% to 30.75%. In particular, this 30% threshold is consistent with the threshold under the Listing Rules and Takeovers Code at which a shareholder is regarded as a "controlling shareholder". As such, the Share Stabilisation Plan mitigates the risk of a destabilising change of control and preserves the integrity of the restructuring package.

(ii) Market precedents of the shares stabilisation plan

To further assess whether it is normal commercial terms to include the Shares Stabilisation Plan, we have conducted a market search, using our best endeavours, covering the period from 1 January 2025 to the Latest Practicable Date, of companies listed on the Stock Exchange that (i) are principally engaged in property development in the PRC; (ii) have published announcements and/or circulars in relation to offshore debt restructurings; and (iii) have also adopted shareholding stabilisation or stability arrangements in its restructuring. We note that shareholding stabilisation or stability arrangements are not unprecedented and based on our best endeavours and as far as we are aware, an exhaustive list of three (3) companies have been identified that adopted shareholding stabilisation or stability arrangements in recent restructuring transactions of comparable PRC property developers, namely Sunac China Holdings Limited ("**Sunac**"), KWG Group Holdings Limited ("**KWG**") and Logan Group Company Limited ("**Logan**").

- According to the circular of Sunac dated 22 August 2025, its shareholding structure stability arrangement was intended to enable its controlling shareholder to retain a material shareholding interest following completion of its restructuring. The arrangement sought to support the controlling shareholder's continued contribution to the home delivery programme, debt risk resolution, and long-term business recovery. After taking into account the arrangement, the shareholding of Sunac's controlling shareholder remained stable at approximately 23%, which is the same shareholding prior to the restructuring plan of Sunac. As disclosed in the announcement of Sunac dated 23 December 2025, Sunac completed the offshore debt restructuring and the restructuring effective date occurred on 23 December 2025.

- According to the announcement of KWG dated 15 June 2026, its proposed offshore restructuring also involved a shareholding structure stability arrangement that intended to maintain a stable shareholding structure following the restructuring. However, the announcement did not provide information on the changes in its shareholding structure

resulting from the proposed restructuring or disclose any minimum post-restructuring shareholding threshold. As at the Latest Practicable Date, KWG's circular in respect of its proposed offshore restructuring has not yet been published and KWG is in the process of inviting its debt holders to accede to the restructuring support agreement.

- As referred to the circular of Logan dated 5 November 2026, as part of its restructuring, Logan implemented a shareholding structure stability arrangement where a certain portion of the creditors' mandatory convertible bonds entitlement was redirected to their controlling shareholder's nominee, such that the controlling shareholders would hold not less than 42% of the issued share capital of Logan on a fully diluted basis. Similar to the Share Stabilisation Plan, this stabilisation arrangement of Logan was implemented to avoid excessive dilution of their controlling shareholder's shareholding, maintain a stable management workforce and align the interests of the controlling shareholder with those of the creditors and minority shareholders. Furthermore, Logan's controlling shareholder is also subject to a lock-up undertaking preventing the disposal of the redirected shares until the share price reaches a specific threshold or 42 months have passed. As at the Latest Practicable Date, Logan's extraordinary general meeting is scheduled to be held on 20 November 2026 to consider and approve its restructuring plan (including a shareholding structure stability arrangement).

We note that the structural mechanism of the Share Stabilisation Plan (i.e., carving out a portion of the New Shares otherwise issuable to Scheme Creditors to maintain a minimum beneficial shareholding for the controlling shareholder) is broadly consistent with the market practice observed in the above precedents. We noted that all of the precedents demonstrated that such arrangements are typically negotiated as an integral part of the overall commercial framework between the company, the controlling shareholder and the creditors. In all these cases, the stabilisation arrangements were intended to provide continuity in ownership and management during the implementation of the restructuring and the subsequent business recovery phase. More importantly, the 30% threshold adopted by the Company is reasonable and appropriate for the following reasons:

(a) as illustrated above, the post-restructuring controlling shareholder thresholds in recent PRC property restructurings ranged from approximately 23% to not less than 42%. The Company's proposed 30.00% or 30.75% threshold falls comfortably within the market range. This demonstrates that the percentage of 17.72% Stabilisation Shares is intended to achieve a market-standard level of control, rather than being an excessive allocation;

(b) as previously mentioned, we note that 30% is the specific threshold at which a shareholder is regarded as a "controlling shareholder" under the Listing Rules and the Takeovers Code. By setting the Share Stabilisation Plan to maintain Wai Kee's shareholding at no less than 30%, the arrangement is intended to preserve Wai Kee's status as a controlling shareholder under the Listing Rules and the Takeovers Code. This provides the continuity in management and ownership structure that is essential for the Group's post-restructuring business recovery; and

(c) even with the implementation of the Share Stabilisation Plan, Wai Kee's proforma shareholding will be diluted from approximately 44.92% to 30.00% or 30.75%, representing a substantial reduction. This is similar to the situation in the Logan precedent

and confirms that the Share Stabilisation Plan is not an arrangement that disproportionately benefits Wai Kee. Instead, it is a necessary mechanism to preserve a minimum anchor shareholding, while the controlling shareholder still absorbs significant dilution along with the public Shareholders.

(iii) No additional dilution and allocation of economic cost to Option 2 Scheme Creditors

We noted that the Stabilisation Shares are not newly created in addition to the Option 2 consideration but are carved out of the New Shares that would otherwise be issued to the RKI Scheme Creditors who received Option 2 as their RKI Scheme Consideration ("**Option 2 Scheme Creditors**"). Accordingly, the Share Stabilisation Plan requires no cash outlay by the Company or the Independent Shareholders, and the economic cost is borne by the Option 2 Scheme Creditors. We have taken into account that this allocation of cost was accepted by the Consenting Creditors (as defined in the Letter from the Board), who held approximately 81.7% of the aggregate outstanding principal amount of the Existing Debt as at the Latest Practicable Date and who have acceded to the RSA. The terms of the RKI Scheme, including the Share Stabilisation Plan, are therefore the product of negotiation with the creditor constituency, rather than an arrangement imposed on Scheme Creditors by the Company or by the controlling shareholder.

(iv) Deferred benefit and substantive protections for bondholders

As discussed with the Company, under the Share Stabilisation Plan, Wai Kee holds the beneficial interest and is entitled to exercise the voting rights attached to the Stabilisation Shares through a voting proxy or power of attorney, while legal title to the Stabilisation Shares remains with the Stabilisation Shares SPV under the Trust Declaration. Wai Kee does not hold legal title to the Stabilisation Shares while the Cash Sweep Real Estate Bonds remain outstanding. This separation of legal and beneficial ownership ensures that Wai Kee cannot freely realise the value of the Stabilisation Shares while the holders of the Cash Sweep Real Estate Bonds remain exposed.

We noted that maintaining Wai Kee's shareholding at 30% or above is significant as 30% is the threshold at which a shareholder is regarded as a "controlling shareholder" under the Listing Rules. It is also the threshold if the Permitted Holders would cease to hold 30% or more of total voting power, it will trigger a 'Change of Control' under the Cash Sweep Real Estate Bonds and giving holders a right to require repurchase at 101% of principal amount plus accrued and unpaid interest. Furthermore, preserving Wai Kee's status as the controlling shareholder is intended to provide stability and continuity to the Company's shareholding structure. As stated in the Letter from the Board, the terms of the Cash Sweep Real Estate Bonds were determined after arm's length negotiation between the Company and the AHG. As discussed with the Company, we understand that keeping a stable anchor shareholder is a key commercial term negotiated and agreed between the Company and the AHG, both of whom view it to be in the best interests of the Scheme Creditors and the Company as a whole. During the negotiations, the AHG considered that a stable shareholding was crucial to ensure management continuity and leadership during the recovery period, which would facilitate the consistent implementation of the Company's long-term recovery strategy and thereby maximise value for all stakeholders. Furthermore, this Change of Control threshold is also consistent with the threshold at which a shareholder is regarded as a "controlling shareholder" under the Listing Rules and the Takeovers Code.

The Share Stabilisation Plan directly achieves this creditor requirement by preserving Wai Kee's continued commitment of management resources to the Group's property business. This stable shareholding structure reinforces stakeholder confidence and enhances the alignment of interests among the Company, the Scheme Creditors, the Shareholders and Wai Kee, thereby supporting the Group's long-term business recovery. Accordingly, we are of the view that since the 30% Change of Control threshold under the Cash Sweep Real Estate Bonds is a negotiated term between the Company and the Scheme Creditors, intended to preserve a controlling shareholder to support the Group's long-term recovery and aligned with current regulatory standards, the inclusion of the Share Stabilisation Plan to satisfy this threshold is on normal commercial terms.

As discussed with the Company, while the Cash Sweep Real Estate Bonds remain outstanding, the Company is subject to restrictive covenants limiting restricted payments, including dividends. As such, no dividends are expected to be declared by the Company on the Stabilisation Shares during that period. The dividend-related provision therefore does not give Wai Kee any practical dividend advantage during the bond tenure; it is consistent with Wai Kee's residual beneficial interest, which only becomes realisable after the Cash Sweep Real Estate Bonds are fully repaid. While the Cash Sweep Real Estate Bonds remain outstanding and have not been accelerated, legal title to the Stabilisation Shares is held by the Stabilisation Shares SPV and the Stabilisation Shares cannot be disposed of, encumbered or otherwise dealt with by Wai Kee. These restrictions preserve the Stabilisation Shares as an additional pool of realisable assets for the Option 2 Scheme Creditors. A Stabilisation Shares Trigger Event means an event of default leading to acceleration of the Cash Sweep Real Estate Bonds. On a Stabilisation Shares Trigger Event, the trust over the Stabilisation Shares terminates automatically, and the Stabilisation Shares SPV must sell the Stabilisation Shares and transfer the net proceeds to the trustee for application under the payment waterfall to the Scheme Creditors. Although the sale mechanism operates only on such acceleration, the restrictions on disposal and encumbrance apply at all times during the life of the Cash Sweep Real Estate Bonds, and we consider these restrictions substantive. After the Cash Sweep Real Estate Bonds are fully repaid, resulting in the trust and the restrictions should fall away, legal title be transferred to Wai Kee. By that time, Wai Kee should be entitled to dividends declared and able to deal with the Stabilisation Shares at its discretion. We consider this appropriate because, by that stage, the holders of the Cash Sweep Real Estate Bonds will have been paid in full and this also preserves Wai Kee's incentive to support the Company's post-restructuring business plan.

In light of the above and having considered that (i) the Stabilisation Shares are carved out of the New Shares otherwise issuable under Option 2, such that the economic cost of the Share Stabilisation Plan is borne by the Option 2 Scheme Creditors who have accepted that cost through the RSA process; (ii) the Share Stabilisation Plan would not have any additional dilution effect on the existing public Shareholders, given that the aggregate number of New Shares to be issued and their resulting shareholding interests remain the same whether or not the Share Stabilisation Plan is implemented; (iii) the 30% threshold aligns with the Listing Rules' definition of a controlling shareholder and falls within the range of recent market precedents, thereby maintaining Wai Kee's status as the controlling shareholder of the Company and preserving the incentive and commitment of the controlling shareholder to the Group's post-restructuring business plan and long-term recovery, and avoiding triggering the bondholders' Change of Control repurchase right; (iv) Wai Kee's benefit is deferred and restricted, with legal title held by the Stabilisation Shares SPV, no disposal or encumbrance while the Cash Sweep Real Estate Bonds remain outstanding, and sale of the Stabilisation Shares for the

bondholders on a Stabilisation Shares Trigger Event; and (v) similar shares stabilisation arrangements are not uncommon in offshore restructurings of listed PRC property developers, we are of the view that the Share Stabilisation Plan is justifiable and is in the interests of the Company and the Shareholders as a whole.

7. Effect on the Shareholding Structure of the Company

With reference to the shareholding table contained under the section headed "9. Effect on the Shareholding Structure of the Company" in the Letter from the Board,

(i) the shareholding interests of the existing public Shareholders as at the Latest Practicable Date (being members of the public as defined in Rule 8.24 of the Listing Rules) would be diluted by approximately 28.41% immediately after the issuance of the New Shares under Scenario 1, assuming no other change in the number of issued Shares; and

(ii) the shareholding interests of the existing public Shareholders as at the Latest Practicable Date (being members of the public as defined in Rule 8.24 of the Listing Rules) would similarly be diluted by approximately 28.41% immediately after the issuance of the New Shares under Scenario 2, assuming no other change in the number of issued Shares.

In this regard, taking into account: (i) the reasons for the issuance of the New Shares as discussed in the section above; (ii) the New Share Price of HK$5.60 represents a significant premium of approximately 833.33%, 1,300.00% and 1,227.01% over the closing price of HK$0.60 per Share on 27 May 2026 (being the date of the RSA), the closing price of HK$0.400 per Share as quoted on the Stock Exchange on the Latest Practicable Date and over the average closing price of HK$0.422 per Share as quoted on the Stock Exchange for the five consecutive trading days of the Shares up to and including the Latest Practicable Date respectively; and (iii) the preservation of shareholder value by resolving the carrying amount of Company's offshore indebtedness of approximately US$2.67 billion, thereby mitigating insolvency risk and avoiding forced sales of assets at distressed valuations.

While we noted that the dilution to the public Shareholders is approximately 28.41%, in the absence of the Proposed Restructuring, the Company would face a highly likely liquidation scenario, under which the public Shareholders would likely receive little to no value for their Shares. Taking all these factors into account, we are of the view that the impact of such level of dilution to the shareholding interests of the existing public Shareholders is acceptable.

8. Financial effects of the Proposed Restructuring and Proposed Disposal

(i) Effect on total assets, total liabilities and net asset value

According to the 2026 Interim Report, the unaudited total liabilities, total assets and net asset value ("**NAV**") of the Group was approximately HK$25.64 billion, HK$39.08 billion and HK$13.44 billion respectively as at 30 June 2026. Assuming the Group will not incur new borrowings and no other settlement will be made on the Group's liabilities from 30 June 2026 to completion of the Proposed Restructuring (of which the Proposed Disposal forms a part), the Group's total liabilities and total assets will be decreased by approximately HK$10.81 billion and HK$4.61 billion to HK$14.83 billion and HK$34.47 billion respectively. The Group's NAV will be increased by HK$6.20 billion to

HK$19.64 billion, comprising of a decrease in total assets by HK$4.61 billion and a decrease in total liabilities of HK$10.81 billion. The change in NAV is attributable to (i) increase in NAV by HK$12.73 billion due to cancellation of the Existing Debt; (ii) decrease in NAV by HK$2.34 billion due to the payment of Tender Offer Consideration of approximately US$0.05 billion (equivalent to approximately HK$0.39 billion) and issuance of the Cash Sweep Real Estate Bonds with the principal amount of approximately US$0.25 billion (equivalent to approximately HK$1.95 billion); (iii) decrease in NAV by HK$4.16 billion due to the deconsolidation of RKE; (iv) decrease in NAV by HK$0.23 billion due to payment of the restructuring expenses; and (v) increase in NAV by HK$0.20 billion for accounting the remaining 5% equity interest in RKE at fair value through profit or loss. We consider that the issuance of the New Shares and the Cash Sweep Real Estate Bonds will result in an overall improvement on the Group's net assets position.

(ii) Effect on net gearing ratio

According to the 2026 Interim Report, the Group's net debt to equity ratio (total interest-bearing borrowings (excluding amounts due to joint ventures, associates and non-controlling interests of subsidiaries) net of bank balances (including pledged bank deposits) and cash divided by total equity) was approximately 95% as at 30 June 2026. Assuming (a) no new borrowings are incurred by the Group; and (b) no other settlement are made on the Group's liabilities, the Group's net debt to equity ratio is expected to improve to approximately 14% as the total interest-bearing borrowings (excluding amounts due to joint ventures, associates and non-controlling interests of subsidiaries) of the Group would decrease by approximately HK$10.78 billion. The total equity of the Group will be enlarged by HK$6.20 billion. We therefore consider that the Proposed Restructuring will have an overall improvement on the gearing ratio of the Group.

(iii) Effect on working capital

As the Proposed Restructuring will involve the issuance of the New Shares and the Cash Sweep Real Estate Bonds, payment of the Tender Offer Consideration and transferring 70% equity interest in RKE to the Liquidating SPV to discharge a substantial portion of the Group's existing offshore indebtedness and perpetual capital securities, the Group will be required to make a cash payment in respect of the Tender Offer Consideration. However, the cash payment of the Tender Offer Consideration is expected to be significantly lower than the cash resources that would otherwise have been applied towards repaying its Existing Loan, Existing Notes and Existing Perpetual Securities. As a result, the Group will be able to deploy such cash resources towards its general working capital and business operations. Accordingly, the Proposed Restructuring is expected to alleviate the Group's liquidity pressure and improve its overall cash flow and liquidity position upon completion.

OPINION AND RECOMMENDATION

Having considered the abovementioned principal factors and reasons, in particular:

(i) the reasons for the Proposed Restructuring as discussed in the section headed "Background and reasons for the Proposed Restructuring" above, in particular in preventing the Group from entering into a liquidation scenario as well as assisting the Group to return to a strong financial position with the restructuring of its indebtedness;

(ii) the Proposed Restructuring by way of (a) tender offer; (b) issuance of New Shares; (c) issuance of the Cash Sweep Real Estate Bonds to the Scheme Creditors in the restructuring options; (d) implementation of the Share Stabilisation Plan; and (e) transfer 70% equity interest in RKE to the Liquidating SPV, enables the Group to mitigate substantial cash outflow, allowing the Company to retain working capital to achieve adequate financial flexibility and sufficient runway to stabilise the business and to protect the rights and interest for all stakeholders;

(iii) that the New Share Price is significantly higher than the average closing Share price during the Review Period;

(iv) that the premiums represented by the New Share Price are within the range of the Comparable Share Issuance;

(v) that both the interest rate and term to maturity of the Cash Sweep Real Estate Bonds fall within the range of the Comparable Bonds; and

(vi) that the potential dilutive effect on the shareholding interest of the existing public Shareholders arising from the issuance of the New Shares is acceptable,

we are of the view that although the proposed issuance of the New Shares (including the Stabilisation Shares) and the Cash Sweep Real Estate Bonds are not conducted in the ordinary and usual course of business of the Group, the principal terms of the issuance of the New Shares and the Cash Sweep Real Estate Bonds are on normal commercial terms, fair and reasonable based on current market conditions so far as the Independent Shareholders are concerned and are in the interests of the Company and the Shareholders as a whole.

Accordingly, we advise the Independent Board Committee to recommend, and we ourselves recommend, the Independent Shareholders to vote in favour of the relevant resolutions approving the proposed issuance of the New Shares (including the Stabilisation Shares) and the Cash Sweep Real Estate Bonds at the SGM.

Yours faithfully,
For and on behalf of
Opus Capital Limited
Koh Kwai Yim
Managing Director

Ms. Koh Kwai Yim is the Managing Director of Opus Capital and is licensed under the SFO as a Responsible Officer to conduct Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities. Ms. Koh has over 20 years of corporate finance experience in Asia and has participated in and completed various financial advisory and independent financial advisory transactions.

1. FINANCIAL INFORMATION OF THE GROUP

The annual reports of the Company for the years ended 31 December 2023 (pages F-7 to F-140), 2024 (pages F-7 to F-132) and 2025 (pages F-4 to F-128) published by the Company on 8 April 2024, 7 April 2025 and 28 April 2026 respectively, together contain the consolidated financial statements of the Group for the three years ended 31 December 2023, 2024 and 2025.

The interim report of the Company for the six months ended 30 June 2026 (pages F-3 to F-32) published by the Company on 9 September 2026 contains the condensed consolidated financial statements of the Group for the six months ended 30 June 2026.

The relevant annual reports and the interim report are available on the Company's website (https://www.roadking.com.hk/en/investor_relations/financial/) and on the Stock Exchange's website as set out below.

Annual Report 2023:
https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0408/2024040801064.pdf

Annual Report 2024:
https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0407/2025040701089.pdf

Annual Report 2025:
https://www1.hkexnews.hk/listedco/listconews/sehk/2026/0428/2026042800960.pdf

Interim Report 2026:
https://www1.hkexnews.hk/listedco/listconews/sehk/2026/0909/2026090900412.pdf

2. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

Business Segments

The Group's business is comprised of three major segments namely (i) property development business; (ii) toll road business; and (iii) investment and asset management business.

Property Development Business

Looking forward, the real estate market in Mainland China is expected to continue its divergent adjustment trend, with core cities remaining resilient, but the overall market still in a bottoming-out phase. The Central Government of the PRC is expected to introduce more structural and incremental policies and push for the implementation of existing policies. In the financial sector, the financing environment for real estate enterprises is expected to improve further, while mortgage rates are expected to remain at relatively low levels, with room for moderate optimisation depending on the pace of market recovery. At the same time, the land market, with its continuous trend of "shrinking quantity and improving quality", may see a continued contraction in transaction volumes, intensifying divergence between first- and second-tier cities and third- and fourth-tier cities. Overall, a full market recovery remains dependent on improvements in personal income of resident's expectations and the

resolution of real estate enterprises' debt risks. The industry challenges are expected to remain severe in the short term. In addition, as the Group is in discussions with its creditors regarding the implementation of the offshore debt restructuring, the Group will continue to be prudent in its investment decisions and funding arrangements.

As mentioned above, the economic development in Mainland China is facing challenges, with insufficient domestic demand and operational difficulties faced by enterprises. Coupled with geopolitical tensions and global tariff policies, the economy of Mainland China will continue to be affected in the short term. The outlook for the real estate market is expected to remain challenging, but it is generally believed that the real estate industry in Mainland China still plays an important role in supporting economic development. The Group stays cautious in regard to the outlook of property development business in Mainland China. The Group's property operation team will remain committed to maintaining stable daily operations, prioritising timely property delivery and strictly controlling cash flows.

Investment and Asset Management Business

The business scale of the remaining original investment and asset management businesses, which mainly comprised property fund investments and cultural and tourism businesses, has been significantly reduced after restructuring and rectification, including closure of non-core businesses and disposal of non-core assets. Going forward, the Group will continue to review the operation of its remaining businesses and take appropriate action in due course.

Toll Road Business

Upon completion of the Proposed Disposal, the Company will retain an indirect 5% equity interest in RKE. Therefore, RKE will cease to be a subsidiary of the Group, and the financial results of its toll road business will no longer be consolidated into the Company's consolidated financial statements. The retained 5% equity interest in RKE will be classified as financial assets at fair value through profit or loss in the consolidated financial statements of the Company.

Please refer to the Management Discussion and Analysis section of the Company's interim report for the six months ended 30 June 2026 for more information on the Group.

3. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors confirmed that there was no material adverse change in the financial or trading position of the Group since 31 December 2025, being the date to which the latest published audited financial statements of the Group were made up.

4. INDEBTEDNESS OF THE GROUP

As at the close of business on 30 September 2026, being the latest practicable date for the sole purpose of determining this statement of indebtedness of the Group prior to the date of this Circular, the Group had the total borrowings amounting to approximately HK$19,080.5 million and 65% of the Group's bank and other borrowings bear interest at fixed rate ranging from 6.5% to 8.2%. Details of which are as follows:

	HK$'000
Bank borrowings	
- Secured and guaranteed	1,886,304
- Secured and unguaranteed	716,426
- Unsecured and guaranteed	955,859
	3,558,589
Senior notes	
- Unsecured and guaranteed	12,011,529
Amounts due to joint ventures and associates	
- Unsecured and unguaranteed	3,001,148
Amounts due to other non-controlling interests of subsidiaries	
- Unsecured and unguaranteed	509,186
Total	19,080,452

Mortgage and Charges

As at 30 September 2026, the Group's bank borrowings and other loans of approximately HK$2,602.7 million in total were secured by certain pledged bank deposits, certain inventories of properties, certain investment properties and equity shares of a subsidiary of the Group.

Lease obligations

As at 30 September 2026, the Group had undiscounted lease obligations of approximately HK$14.6 million to the lease of office premises in the PRC and Hong Kong which were unguaranteed and secured by rental deposits of the Group.

Financial guarantee contracts

As at 30 September 2026, the Group had the following financial guarantee contracts:

(a) Guarantees in respect of mortgage facilities of certain property buyers

As at 30 September 2026, the total outstanding guarantee provided by the Group to banks in favour of its customers for the mortgage loans provided by the banks to such customers for purchase of the Group's developed properties was approximately HK$1,803.6 million.

(b) Guarantee given to banks in respect of banking facilities utilised by joint ventures of the Group

As at 30 September 2026, the total outstanding guarantee provided by the Group to banks for the banking facilities granted to joint ventures was approximately HK$746.7 million.

Except as disclosed above and apart from intra-group liabilities, the Group did not have, as at 30 September 2026, any other debt securities issued or outstanding, and authorised or otherwise created but unissued, terms loans, other borrowings and indebtedness, bank overdrafts, liabilities under acceptances (other than normal trade bills), acceptance credits, hire purchases commitments, mortgages, charges, guarantees or other material contingent liabilities.

Save as disclosed above, the Group did not have any debt securities issued and outstanding, and authorised or otherwise created but unissued, term loans, other borrowings or indebtedness in the nature of borrowings including bank overdrafts and liabilities under acceptance (other than normal trade bills), acceptance credits, hire purchase commitments, mortgages, charges or other material contingent liabilities or guarantees.

5. WORKING CAPITAL SUFFICIENCY OF THE GROUP

The Directors are of the opinion that, after taking into account the effects of the Proposed Restructuring (of which the Proposed Disposal forms a part), the internally generated funds available to the Group and the financial resources (including but not limited to financing facilities obtained by the Group from banking institutions in the PRC) presently available to the Group, the Group will have sufficient working capital to satisfy its requirements for at least twelve months from the date of this circular in the absence of any unforeseeable circumstances. The Company has obtained the relevant confirmation required under Rule 14.66(12) of the Listing Rules.

6. MANAGEMENT DISCUSSION AND ANALYSIS OF THE GROUP

The management discussion and analysis of the Group for the three years ended 31 December 2023, 2024 and 2025 and the six months ended 30 June 2026, respectively, have been published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.roadking.com.hk):

(i) annual report of the Company for the year ended 31 December 2023 published on 8 April 2024 (pages 19 to 61);

(ii) annual report of the Company for the year ended 31 December 2024 published on 7 April 2025 (pages 16 to 50);

(iii) annual report of the Company for the year ended 31 December 2025 published on 28 April 2026 (pages 16 to 44); and

(iv) interim report of the Company for the six months ended 30 June 2026 published on 9 September 2026 (pages 4 to 29).

Set out below is the unaudited historical financial information of Road King Expressway International Holdings Limited ("RKE" or "Target Company") and its subsidiaries (collectively, the "Target Group"), which comprises: (i) the audited consolidated statements of financial position of the Target Group as at 31 December 2023, 2024 and 2025 and the audited consolidated statements of comprehensive income, audited consolidated statements of changes in equity and audited statements of cash flows of the Target Group for each of the years ended 31 December 2023, 2024 and 2025, which were audited by Deloitte Touche Tohmatsu ("Deloitte"); and (ii) the unaudited consolidated statements of financial position of the Target Group as at 30 June 2026 and the unaudited consolidated statements of comprehensive income, unaudited consolidated statements of changes in equity and unaudited consolidated statements of cash flows of the Target Group for the six months ended 30 June 2025 and 2026 based on the underlying accounting records of the Target Group, together with certain explanatory notes (collectively, the "Historical Financial Information").

The Historical Financial Information has been prepared in accordance with Rule 14.68(2)(a)(i)(A) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") as set out in note 2 to the Historical Financial Information.

The Historical Financial Information has been prepared by the directors of Road King Infrastructure Limited (the "Company") solely for the purpose of inclusion in the circular to be issued by the Company in connection with the proposed disposal of a 70% equity interest in Target Company (the "Proposed Disposal"). The Company's reporting accountant, Crowe (HK) CPA Limited ("Crowe"), was engaged to review the Historical Financial Information in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and with reference to Practice Note 750 "Review of Financial Information under the Hong Kong Listing Rules for a Very Substantial Disposal" issued by the HKICPA. Crowe's review engagement relates to the Historical Financial Information as presented in this Appendix II. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable the reporting accountant to obtain assurance that it would become aware of all significant matters that might be identified in an audit. Accordingly, Crowe does not express an audit opinion on the Historical Financial Information as presented in this Appendix II.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Year ended 31 December			Six months ended 30 June	
	2023	2024	2025	2025	2026
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Revenue	—	—	—	—	—
Other income	34,105	14,495	4,400	2,068	2,032
Other gains and losses	(26,586)	9,967	6,699	(1,677)	44
Gains on disposal of subsidiaries	—	1,862,396	—	—	—
Administrative expenses	(92,198)	(88,897)	(37,549)	(29,351)	(30,700)
Finance costs	(118,217)	(39,617)	(39)	(23)	(12)
Share of results of joint ventures	788,750	456,771	251,298	130,766	161,006
Profit before taxation	585,854	2,215,115	224,809	101,783	132,370
Income tax expense	(22,704)	(398,507)	(17,624)	(6,144)	(7,647)
Profit for the year/period	563,150	1,816,608	207,185	95,639	124,723
Other comprehensive income (expense)					
Items that may be subsequently reclassified to profit or loss:					
Exchange differences arising on translation of foreign operations	128,708	(93,121)	(162,726)	(28)	(267,852)
Share of other comprehensive income (expense) of joint ventures	11,146	(4,053)	(147)	(496)	(312)
	139,854	(97,174)	(162,873)	(524)	(268,164)
Item that will not be subsequently reclassified to profit or loss:					
Exchange differences arising on translation to presentation currency	(194,289)	(158,529)	—	—	—
Total comprehensive income (expense) for the year/period	508,715	1,560,905	44,312	95,115	(143,441)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Non-current assets				
Property, plant and equipment	1,837	1,301	1,068	939
Right-of-use asset	735	695	386	259
Interests in joint ventures	4,368,851	4,338,630	4,253,454	4,042,913
	4,371,423	4,340,626	4,254,908	4,044,111
Current assets				
Debtors, deposits and prepayments	5,231	2,867	7,371	118
Amounts due from joint ventures	—	—	—	15,235
Bank balances and cash	546,660	125,228	142,887	130,804
	551,891	128,095	150,258	146,157
Assets classified as held for sale	2,930,045	—	—	—
	3,481,936	128,095	150,258	146,157
Current liabilities				
Other payables and accruals	37,331	15,173	7,237	7,846
Amount due to the ultimate holding company	—	—	9,119	6,199
Lease liabilities	763	276	224	219
Bank and other borrowings	813,529	—	—	—
Financial liabilities at fair value through profit or loss ("FVTPL")	60,155	23,654	—	—
	911,778	39,103	16,580	14,264
Liabilities classified as held for sale	18,462	—	—	—
	930,240	39,103	16,580	14,264
Net current assets	2,551,696	88,992	133,678	131,893
Total assets less current liabilities	6,923,119	4,429,618	4,388,586	4,176,004
Non-current liabilities				
Deferred tax liabilities	816	14,903	19,804	20,786
Lease liabilities	—	425	180	57
	816	15,328	19,984	20,843
Net assets	6,922,303	4,414,290	4,368,602	4,155,161
Capital and reserves				
Share capital	66,667	66,667	66,667	66,667
Reserves	6,855,636	4,347,623	4,301,935	4,088,494
Total equity	6,922,303	4,414,290	4,368,602	4,155,161

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For each of the years ended 31 December 2023, 2024 and 2025

	Share capital *HK$'000*	Share premium *HK$'000*	Contributed surplus *HK$'000*	Foreign currency translation reserve *HK$'000*	Other reserve *HK$'000*	Cash flow hedging reserve *HK$'000*	Retained profits *HK$'000*	Total *HK$'000*
At 1 January 2023	66,667	1,983,333	526,433	342,235	(11,853)	(8,116)	3,514,889	6,413,588
Profit for the year	—	—	—	—	—	—	563,150	563,150
Exchange differences arising on translation of foreign operations	—	—	—	128,708	—	—	—	128,708
Share of other comprehensive income of joint ventures	—	—	—	—	—	11,146	—	11,146
Exchange differences arising on translation to presentation currency	—	—	—	(194,289)	—	—	—	(194,289)
Total comprehensive (expense) income for the year	—	—	—	(65,581)	—	11,146	563,150	508,715
Transfer of equity interest in a subsidiary under common control	—	—	—	—	11,853	—	(11,853)	—
At 31 December 2023	66,667	1,983,333	526,433	276,654	—	3,030	4,066,186	6,922,303
Profit for the year	—	—	—	—	—	—	1,816,608	1,816,608
Exchange differences arising on translation of foreign operations	—	—	—	(93,121)	—	—	—	(93,121)
Share of other comprehensive income of joint ventures	—	—	—	—	—	(4,053)	—	(4,053)
Exchange differences arising on translation to presentation currency	—	—	—	(158,529)	—	—	—	(158,529)
Exchange differences released upon deregistration/disposal of subsidiaries and joint ventures	—	—	—	(523,874)	—	—	523,874	—
Total comprehensive (expense) income for the year	—	—	—	(775,524)	—	(4,053)	2,340,482	1,560,905
Dividend	—	—	—	—	—	—	(4,068,918)	(4,068,918)
At 31 December 2024	66,667	1,983,333	526,433	(498,870)	—	(1,023)	2,337,750	4,414,290
Profit for the year	—	—	—	—	—	—	207,185	207,185
Exchange differences arising on translation of foreign operations	—	—	—	(162,726)	—	—	—	(162,726)
Share of other comprehensive expense of joint ventures	—	—	—	—	—	(147)	—	(147)
Total comprehensive (expense) income for the year	—	—	—	(162,726)	—	(147)	207,185	44,312
Dividend	—	—	—	—	—	—	(90,000)	(90,000)
At 31 December 2025	66,667	1,983,333	526,433	(661,596)	—	(1,170)	2,454,935	4,368,602

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the six months ended 30 June 2025 and 2026

	Share capital	Share premium	Contributed surplus	Foreign currency translation reserve	Other reserve	Cash flow hedging reserve	Retained profits	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 1 January 2026	66,667	1,983,333	526,433	(661,596)	—	(1,170)	2,454,935	4,368,602
Profit for the period	—	—	—	—	—	—	124,723	124,723
Exchange differences arising on translation to foreign operations	—	—	—	(267,852)	—	—	—	(267,852)
Share of other comprehensive expense of joint ventures	—	—	—	—	—	(312)	—	(312)
Total comprehensive (expense) income for the period	—	—	—	(267,852)	—	(312)	124,723	(143,441)
Dividend	—	—	—	—	—	—	(70,000)	(70,000)
At 30 June 2026	66,667	1,983,333	526,433	(929,448)	—	(1,482)	2,509,658	4,155,161
At 1 January 2025	66,667	1,983,333	526,433	(498,870)	—	(1,023)	2,337,750	4,414,290
Profit for the period	—	—	—	—	—	—	95,639	95,639
Exchange differences arising on translation to foreign operations				(28)				(28)
Share of other comprehensive expense of joint ventures	—	—	—	—	—	(496)	—	(496)
Total comprehensive (expense) income for the period	—	—	—	(28)	—	(496)	95,639	95,115
Dividend	—	—	—	—	—	—	(90,000)	(90,000)
At 30 June 2025	66,667	1,983,333	526,433	(498,898)	—	(1,519)	2,343,389	4,419,405

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year ended 31 December			Six months ended 30 June	
	2023	2024	2025	2025	2026
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
OPERATING ACTIVITIES					
Profit before taxation	585,854	2,215,115	224,809	101,783	132,370
Adjustments for:					
Depreciation of property, plant and equipment	513	474	386	180	139
Depreciation of right-of-use assets	5,778	784	226	114	108
Change in fair value of financial liabilities at FVTPL - relating to contingent consideration	—	(34,281)	—	—	—
Net exchange losses (gains)	26,586	24,314	1,767	1,677	(44)
Interest income	(15,734)	(3,033)	(170)	(42)	(282)
Interest on lease liabilities	145	18	39	23	12
Interest on bank borrowing	118,072	39,599	—	—	—
Share of results of joint ventures	(788,750)	(456,771)	(251,298)	(130,766)	(161,006)
Gain on write-off a joint venture	—	—	(8,466)	—	—
Gain on disposal of subsidiaries, net of direct transaction costs	—	(1,862,396)	—	—	—
Operating cash flows before movements in working capital	(67,536)	(76,177)	(32,707)	(27,031)	(28,703)
(Increase) decrease in other receivables and prepayments	(1,440)	43,185	(4,504)	2,561	7,253
(Decrease) increase in other payables and accruals	(8,107)	(22,158)	(7,936)	(2,317)	653
Increase (decrease) in amount due to the ultimate holding company	—	—	9,119	3,225	(2,920)
Cash used in operations	(77,083)	(55,150)	(36,028)	(23,562)	(23,717)
Income tax paid	(25,727)	(4,714)	(12,137)	(1,040)	(5,142)
NET CASH USED IN OPERATING ACTIVITIES	(102,810)	(59,864)	(48,165)	(24,602)	(28,859)

	Year ended 31 December			Six months ended 30 June	
	2023	2024	2025	2025	2026
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
INVESTING ACTIVITIES					
Purchase of property, plant and equipment	(417)	—	(151)	(157)	(10)
Settlement of financial liabilities at FVTPL	(29,801)	—	(23,654)	(23,654)	—
Placement of restricted bank balances	(204,590)	—	—	—	—
Withdrawal of restricted bank balances	—	466,439	—	—	—
Cash distributions/dividends received from joint ventures	501,172	97,605	182,417	29,163	90,057
Settlement of investment in a joint venture	(10,526)	—	—	—	—
Interest received from bank deposits	15,734	3,033	170	42	282
Proceeds from disposal of subsidiaries	—	4,901,989	—	—	—
Disposal-related transaction costs and expenses	—	(41,400)	—	—	—
Disposal-related income tax expenses	—	(372,511)	—	—	—
NET CASH GENERATED FROM INVESTING ACTIVITIES	271,572	5,055,155	158,782	5,394	90,329
FINANCING ACTIVITIES					
Repayment of bank borrowing	(401,926)	(803,974)	—	—	—
Interest paid	(99,309)	(49,551)	—	—	—
Repayment of lease liabilities	(6,095)	(811)	(245)	(127)	(115)
Dividend paid to equity shareholder	—	(4,068,918)	(90,000)	(90,000)	(70,000)
NET CASH USED IN FINANCING ACTIVITIES	(507,330)	(4,923,254)	(90,245)	(90,127)	(70,115)

	Year ended 31 December			Six months ended 30 June	
	2023	2024	2025	2025	2026
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(338,568)	72,037	20,372	(109,335)	(8,645)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR/PERIOD	428,256	80,232	125,228	125,228	142,887
Effect of foreign exchange rate changes	(9,456)	(27,041)	(2,713)	(1,723)	(3,438)
CASH AND CASH EQUIVALENTS AT THE END OF YEAR/PERIOD	80,232	125,228	142,887	14,170	130,804
Add: restricted bank balances	466,439	—	—	—	—
TOTAL BANK BALANCES AND CASH	546,671	125,228	142,887	14,170	130,804
Analysis of cash and cash equivalents as at 31 December/30 June, represented by bank balance and cash held by:					
- the Group	546,660	125,228	142,887	14,170	130,804
- the Target Group classified as held-for-sale	11	—	—	—	—
	546,671	125,228	142,887	14,170	130,804

NOTES TO THE HISTORICAL FINANCIAL INFORMATION OF THE TARGET GROUP

1. GENERAL INFORMATION

Road King Expressway International Holdings Limited ("Target Company") is a limited liability company incorporated in Bermuda and is an indirect non-wholly-owned subsidiary of the Company. Immediately before the Proposed Disposal, Road King Infrastructure Limited and its subsidiaries (the "Group") holds an effective economic interest of 75% in Target Company. Target Company and its subsidiaries ("Target Group") hold interests in toll road projects in Indonesia through joint ventures.

The Historical Financial Information is presented in Hong Kong dollars ("HK$") and, unless otherwise indicated, amounts are rounded to the nearest thousand (HK$'000).

2. BASIS OF PREPARATION

The Historical Financial Information of the Target Group has been prepared by the Directors in accordance with Rule 14.68(2)(a)(i)(A) of the Listing Rules, solely for inclusion in the Circular in connection with the Proposed Disposal. The financial information for the years ended 31 December 2023, 2024 and 2025 has been derived from the corresponding audited consolidated financial statements of the Target Group which were audited by Deloitte. The interim financial information as at 30 June 2026 and for the six months ended 30 June 2025 and 2026 is based on the underlying accounting records of the Target Group and has not been audited.

The Historical Financial Information is presented using accounting policies consistent with those of the Group, subject to the functional currency change described in Note 3 below and any other relevant accounting policy disclosures. It does not constitute a complete set of financial statements under HKAS 1 or condensed interim financial statements under HKAS 34. It should be read together with the Group's published annual and interim financial information.

3. PRINCIPAL ACCOUNTING POLICIES

Except as described below and for any accounting policies specifically applicable to the Target Group, the accounting policies applied in preparing the Historical Financial Information are consistent with those adopted by the Group in its relevant published consolidated financial statements.

Basis of measurement and functional currency

The Historical Financial Information is prepared on the historical cost basis. The functional currency of the respective entities within the Target Group was Renminbi ("RMB") prior to 1 January 2025. In 2025, following the Group's disposal of subsidiaries in 2024, the directors reassessed the primary economic environment of the Target Group and determined that it had changed. Accordingly, the functional currency of the relevant entities within the Target Group was changed from RMB to United States Dollar ("USD") with effect from 1 January 2025 and accounted for prospectively in accordance with HKAS 21 "The Effects of Changes in Foreign Exchange Rates", as USD better reflects the economic substance of the Target Group's activities as an investment holding company. For the purpose of presentation of the Historical Financial Information, the results and financial position of the Target Group are expressed in HK$, which is the presentation currency of the Target Group.

A. UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP

The following unaudited pro forma financial information (the "Unaudited Pro Forma Financial Information") has been prepared by the directors of Road King Infrastructure Limited (the "Company") (the "Directors") for illustrative purposes only to show the financial effects on the Company and its subsidiaries (the "Group") arising from the proposed disposal of a 70% equity interest in Road King Expressway International Holdings Limited ("RKE" or "Target Company") and its subsidiaries (the "Target Group") (the "Proposed Disposal") and those components of the proposed offshore debt restructuring which are directly attributable to, and interconditional with, the Proposed Disposal (together, the "Transactions").

The Unaudited Pro Forma Financial Information comprises (i) an unaudited pro forma consolidated statement of financial position of the Remaining Group as at 30 June 2026, prepared as if the Transactions had been completed on that date; and (ii) unaudited pro forma consolidated statements of profit or loss and other comprehensive income and the unaudited pro forma consolidated statement of cash flows for the year ended 31 December 2025, prepared as if the Transactions had been completed on 1 January 2025.

The Unaudited Pro Forma Financial Information has been prepared in accordance with Rules 4.27, 4.29 and 14.68(2)(a)(ii) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). The basis of preparation and the pro forma adjustments are described in the accompanying notes.

The Unaudited Pro Forma Financial Information is prepared for illustrative purposes only and, because of its hypothetical nature, may not give a true picture of the financial position of the Remaining Group as at 30 June 2026 or any future date, or of its results and cash flows for the year ended 31 December 2025 or any future period. It should be read in conjunction with the relevant published annual and interim financial information of the Group and the historical financial information of the Target Group set out in Appendix II to the Circular.

UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 30 June 2026

		Pro forma adjustments						
	Unaudited consolidated statement of financial position of the Group at 30 June 2026 *HK$'000 (note 1(a))*	**Derecognition of the Target Group** *HK$'000 (note 3)*	**Reversal of consolidation elimination entries due to derecognition of Target Group** *HK$'000 (note 4)*	**Recognition of 70% interest in Target Group** *HK$'000 (note 5)*	**Recognition of 5% interest in Target Group** *HK$'000 (note 6)*	**Recognition of new issued shares at market value** *HK$'000 (note 7)*	**Debt discharged in restructuring** *HK$'000 (note 8(a))*	**Unaudited pro forma consolidated statement of financial position of the Remaining Group at 30 June 2026** *HK$'000*
ASSETS								
Non-current assets								
Property, plant and equipment	191,820	(939)						190,881
Right-of-use assets	14,674	(259)						14,415
Investment properties	4,460,547							4,460,547
Interests in associates	1,036,464							1,036,464
Interests in joint ventures	8,643,895	(4,042,913)						4,600,982
Deferred tax assets	188,348							188,348
Amounts due from joint ventures and associates	1,301,934							1,301,934
Loan receivables	257,543							257,543
Financial assets at fair value through profit or loss ("FVTPL")	443,628				199,754			643,382
	16,538,853	(4,044,111)			199,754			12,694,496
Current assets								
Inventory of properties	15,011,398							15,011,398
Amounts due from joint ventures and associates	663,554	(15,235)						648,319
Amounts due from other non-controlling interests of subsidiaries	583,819							583,819
Assets held for sale								
- Fair value of 70% interest in Target Group	—			2,796,564			(2,796,564)	—
- Market value of newly issued shares	—					519,049	(519,049)	—
Loan receivables	61,181							61,181
Debtors, deposits and prepayments	2,434,053	(118)	6,199					2,440,134
Prepaid income tax	1,012,479							1,012,479
Pledged bank deposits	31,012							31,012
Bank balances and cash	2,745,344	(130,804)					(624,000)	1,990,540
	22,542,840	(146,157)	6,199	2,796,564		519,049	(3,939,613)	21,778,882
Total assets	39,081,693	(4,190,268)	6,199	2,796,564	199,754	519,049	(3,939,613)	34,473,378

		Pro forma adjustments						
	Unaudited consolidated statement of financial position of the Group at 30 June 2026 *HK$'000* *(note 1(a))*	Derecognition of the Target Group *HK$'000* *(note 3)*	Reversal of consolidation elimination entries due to derecognition of Target Group *HK$'000* *(note 4)*	Recognition of 70% interest in Target Group *HK$'000* *(note 5)*	Recognition of 5% interest in Target Group *HK$'000* *(note 6)*	Recognition of new issued shares at market value *HK$'000* *(note 7)*	Debt discharged in restructuring *HK$'000* *(note 8(a))*	Unaudited pro forma consolidated statement of financial position of the Remaining Group at 30 June 2026 *HK$'000*
EQUITY AND LIABILITIES								
Equity attributable to owners of the Company								
Share capital	74,934					91,061		165,995
Reserves	3,444,992	(3,116,371)		2,796,564	199,754	427,988	14,907,582	18,660,509
	3,519,926	(3,116,371)		2,796,564	199,754	519,049	14,907,582	18,826,504
Owners of perpetual capital securities	8,067,987						(8,067,987)	—
Other non-controlling interests of subsidiaries	1,855,627	(1,038,790)						816,837
Total equity	13,443,540	(4,155,161)		2,796,564	199,754	519,049	6,839,595	19,643,341
Non-current liabilities								
Bank and other borrowings	2,097,214						1,946,925	4,044,139
Deferred tax liabilities	977,130	(20,786)						956,344
Lease liabilities	7,989	(57)						7,932
	3,082,333	(20,843)					1,946,925	5,008,415
Current liabilities								
Creditors and accrued charges	3,804,257	(7,846)						3,796,411
Amounts due to related parties	—	(6,199)	6,199					—
Amounts due to joint ventures and associates	2,691,453							2,691,453
Amounts due to other non-controlling interests of subsidiaries	509,186							509,186
Contract liabilities	775,696							775,696
Lease liabilities	8,747	(219)						8,528
Income tax payable	1,341,528							1,341,528
Bank and other borrowings	13,424,953						(12,726,133)	698,820
	22,555,820	(14,264)	6,199				(12,726,133)	9,821,622
Total equity and liabilities	39,081,693	(4,190,268)	6,199	2,796,564	199,754	519,049	(3,939,613)	34,473,378

UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

		Pro forma adjustments					
	Audited consolidated statement of profit or loss and other comprehensive income for the Group for the year ended 31 December 2025 *HK$'000 (note 1(b))*	**Derecognition of the Target Group** *HK$'000 (note 9)*	**Reversal of historical finance costs and perpetual capital securities distributions** *HK$'000 (note 10)*	**Interest expense on the new replacement debt instruments** *HK$'000 (note 11)*	**Derecognition of Target Group** *HK$'000 (note 12)*	**Debt discharged in restructuring** *HK$'000 (note 13)*	**Unaudited pro forma consolidated statement of profit or loss and other comprehensive income for the Remaining Group after the possible disposal for the year ended 31 December 2025** *HK$'000*
Revenue							
Property sales and service income	5,101,394						5,101,394
Other revenue	220,485						220,485
Total revenue	5,321,879						5,321,879
Cost of sales	(7,668,942)						(7,668,942)
Gross loss	(2,347,063)						(2,347,063)
Interest income	16,724	(170)					16,554
Other income	64,370	(4,230)					60,140
Other gains and losses	(1,567,173)	(6,699)					(1,573,872)
Net gain on the debt restructuring and derecognition of the Target Group	—				(194,491)	8,482,483	8,287,992
Selling expenses	(225,412)						(225,412)
Administrative expenses	(568,218)	37,549					(530,669)
Share of results of associates	11,390						11,390
Share of results of joint ventures	(98,489)	(251,298)					(349,787)
Finance costs	(599,248)	39	494,913	(58,408)			(162,704)
Profit (loss) before taxation	(5,313,119)	(224,809)	494,913	(58,408)	(194,491)	8,482,483	3,186,569
Income tax credit	10,955	17,624					28,579
Profit (loss) for the year	(5,302,164)	(207,185)	494,913	(58,408)	(194,491)	8,482,483	3,215,148
Profit (loss) for the year attributable to:							
Owners of the Company	(5,981,508)	(155,389)	1,040,884	(58,408)	(194,491)	8,482,483	3,133,571
Owners of perpetual capital securities	545,971		(545,971)				—
Other non-controlling interests of subsidiaries	133,373	(51,796)					81,577
	(5,302,164)	(207,185)	494,913	(58,408)	(194,491)	8,482,483	3,215,148

		Pro forma adjustments					
	Audited consolidated statement of profit or loss and other comprehensive income for the Group for the year ended 31 December 2025 *HK$'000 (note 1(b))*	**Derecognition of the Target Group** *HK$'000 (note 9)*	**Reversal of historical finance costs and perpetual capital securities distributions** *HK$'000 (note 10)*	**Interest expense on the new replacement debt instruments** *HK$'000 (note 11)*	**Derecognition of Target Group** *HK$'000 (note 12)*	**Debt discharged in restructuring** *HK$'000 (note 13)*	**Unaudited pro forma consolidated statement of profit or loss and other comprehensive income for the Remaining Group after the possible disposal for the year ended 31 December 2025** *HK$'000*
Other comprehensive income (expense)							
Items that may be subsequently reclassified to profit or loss:							
Exchange differences arising on translation of foreign operations	(161,095)	162,726					1,631
Share of other comprehensive expense of joint ventures	(148)	147					(1)
Item that will not be subsequently reclassified to profit or loss:							
Exchange differences arising on translation to presentation currency	241,270		7,830				249,100
Other comprehensive income for the year	80,027	162,873	7,830				250,730
Total comprehensive (expense) income for the year	(5,222,137)	(44,312)	502,743	(58,408)	(194,491)	8,482,483	3,465,878
Total comprehensive income (expense) attributable to:							
Owners of the Company	(5,893,471)	(33,234)	1,048,714	(58,408)	(194,491)	8,482,483	3,351,593
Owners of perpetual capital securities	545,971		(545,971)				—
Other non-controlling interests of subsidiaries	125,363	(11,078)					114,285
	(5,222,137)	(44,312)	502,743	(58,408)	(194,491)	8,482,483	3,465,878

UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 December 2025

		Pro forma adjustments								
	Audited consolidated statement of cash flows of the Group for the year ended 31 December 2025	Derecognition of the Target Group	Reversal of consolidation elimination entries due to loss of control in Target Group	Reversal of dividends received and paid by Target Group	5% dividend paid by the Target Group	Reversal of historical finance costs and perpetual capital securities distributions	Interest expense on the new replacement debt instruments	Derecognition of 70% interest in Target Group and recognition of 5% interest in Target Group	Debt discharged in restructuring	Unaudited pro forma consolidated statement of cash flows for the Remaining Group after the possible disposal for the year ended 31 December 2025
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
	(note 1(c))	*(note 14)*	*(note 15)*	*(note 16)*	*(note 17)*	*(note 10)*	*(note 11)*	*(note 12)*	*(note 13)*	
Operating activities										
(Loss) profit before taxation	(5,313,119)	(224,809)				494,913	(58,408)	(194,491)	8,482,483	3,186,569
Adjustment for:										
Depreciation of property, plant and equipment	25,995	(386)								25,609
Depreciation of right-of-use assets	10,225	(226)								9,999
Impairment loss on loan receivables	204,082									204,082
Impairment loss on amounts due from joint ventures	526,316									526,316
Change in fair value of investment properties	858,956									858,956
Change in fair value of financial asset at FVTPL										
-relating to investment in an unlisted entity	130,634									130,634
Change in fair value of financial liabilities at FVTPL										
-relating to sale loan with redemption right	2,116									2,116
Net exchange gains	(132,941)	(1,767)								(134,708)
Interest income	(16,724)	170								(16,554)
Finance costs	599,248	(39)				(494,913)	58,408			162,704
Net gains on disposal of interests in joint ventures	(21,246)	8,466								(12,780)
Net gain on the debt restructuring and derecognition of the Target Group	—							194,491	(8,482,483)	(8,287,992)
Share of results of associates	(11,390)									(11,390)
Share of results of joint ventures	98,489	251,298								349,787
Net gains on disposals/written off of property, plant and equipment	(744)									(744)
Operating cash flows before movements in working capital	(3,040,103)	32,707								(3,007,396)
Increase in debtors, deposits and prepayments	(27,906)	4,504	(9,119)							(32,521)
Decrease in completed properties held for sale	2,378,306									2,378,306
Decrease in properties under development for sale	2,643,977									2,643,977
Decrease in creditors and accrued charges	(642,547)	7,936								(634,611)
Decrease in contract liabilities	(712,432)									(712,432)
Increase in amount due to the ultimate holding company	—	(9,119)	9,119							—
Cash generated from operations	599,295	36,028	—							635,323
Income tax paid	(1,091,876)	12,137	—							(1,079,739)
Net cash used in operating activities	(492,581)	48,165	—							(444,416)

		Pro forma adjustments								
	Audited consolidated statement of cash flows of the Group for the year ended 31 December 2025	Derecognition of the Target Group	Reversal of consolidation elimination entries due to loss of control in Target Group	Reversal of dividends received and paid by Target Group	5% dividend paid by the Target Group	Reversal of historical finance costs and perpetual capital securities distributions	Interest expense on the new replacement debt instruments	Derecognition of 70% interest in Target Group and recognition of 5% interest in Target Group	Debt discharged in restructuring	Unaudited pro forma consolidated statement of cash flows for the Remaining Group after the possible disposal for the year ended 31 December 2025
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
	(note 1(c))	*(note 14)*	*(note 15)*	*(note 16)*	*(note 17)*	*(note 10)*	*(note 11)*	*(note 12)*	*(note 13)*	
Investing activities										
Cash distributions/dividends received from joint ventures / financial assets at FVTPL	299,007	(182,417)			4,500					121,090
Addition to investment properties	(53,280)									(53,280)
Interest received	346,967	(170)								346,797
Purchase of property, plant and equipment	(4,918)	151								(4,767)
Proceeds on disposal of property, plant and equipment	1,195									1,195
Proceeds on disposal of investment properties	29,833									29,833
Net cash proceeds on disposal of interests in joint ventures	2,165									2,165
Additions to loan receivables	(419)									(419)
Repayment of loan receivables	47,863									47,863
Advances to other non-controlling interests of subsidiaries	(488,382)									(488,382)
Repayment from other non-controlling interests of subsidiaries	152,755									152,755
Advances to joint ventures	(241,127)									(241,127)
Repayment from joint ventures	569,870									569,870
Withdrawal of pledged bank deposits	395,504									395,504
Placement of restricted bank balances	(2,586)									(2,586)
Withdrawal of restricted bank balances	746,713									746,713
Capital reductions in joint ventures	48,133									48,133
Cash paid for contingent consideration designated as at FVTPL	(23,654)	23,654								—
Net cash from investing activities	1,825,639	(158,782)			4,500					1,671,357
Financing activities										
Repayment of borrowings	(1,541,799)					371,516				(1,170,283)
Repayment of lease liabilities including related interests	(10,968)	245								(10,723)
Expenses paid for perpetual capital securities	(235)								235	—
Payment of the estimated debt restructuring costs	—								(234,000)	(234,000)
Payment for the cash tender	—								(390,000)	(390,000)
Reduction in capital of other non-controlling interests of subsidiaries	(2,809)									(2,809)
Repayment to other non-controlling interests of subsidiaries	(363,993)									(363,993)
Advances from joint ventures and associates	751,371									751,371
Repayment to joint ventures and associates	(152,731)									(152,731)
Dividends paid for other non-controlling interests of subsidiaries	(22,500)	90,000		(67,500)						—
Interest paid	(522,557)					344,851	(19,469)			(197,175)
Net cash paid for participation rights designated as at FVTPL	(102,825)									(102,825)
Cash paid for sale loan with redemption right designated as at FVTPL	(400,000)									(400,000)
Net cash used in financing activities	(2,369,046)	90,245		(67,500)		716,367	(19,469)		(623,765)	(2,273,168)

		Pro forma adjustments								
	Audited consolidated statement of cash flows of the Group for the year ended 31 December 2025 *HK$'000 (note 1(c))*	**Derecognition of the Target Group** *HK$'000 (note 14)*	**Reversal of consolidation elimination entries due to loss of control in Target Group** *HK$'000 (note 15)*	**Reversal of dividends received and paid by Target Group** *HK$'000 (note 16)*	**5% dividend paid by the Target Group** *HK$'000 (note 17)*	**Reversal of historical finance costs and perpetual capital securities distributions** *HK$'000 (note 10)*	**Interest expense on the new replacement debt instruments** *HK$'000 (note 11)*	**Derecognition of 70% interest in Target Group and recognition of 5% interest in Target Group** *HK$'000 (note 12)*	**Debt discharged in restructuring** *HK$'000 (note 13)*	**Unaudited pro forma consolidated statement of cash flows for the Remaining Group after the possible disposal for the year ended 31 December 2025** *HK$'000*
Net decrease in cash and cash equivalents	(1,035,988)	(20,372)		(67,500)	4,500	716,367	(19,469)		(623,765)	(1,046,227)
Cash and cash equivalents at beginning of the year	3,061,579	(125,228)								2,936,351
Effect of foreign exchange rate changes	51,778	2,713								54,491
Cash and cash equivalents at end of the year	2,077,369	(142,887)		(67,500)	4,500	716,367	(19,469)		(623,765)	1,944,615
Add: designated bank balances	488,363									488,363
Total bank balances and cash	2,565,732	(142,887)		(67,500)	4,500	716,367	(19,469)		(623,765)	2,432,978

NOTES TO THE UNAUDITED PRO FORMA FINANCIAL INFORMATION

1. Sources of unadjusted historical financial information

(a) The unadjusted amounts in the consolidated statement of financial position of the Group as at 30 June 2026 have been extracted from the unaudited condensed consolidated statement of financial position of the Group included in the published interim report of the Company for the six months ended 30 June 2026.

(b) The unadjusted amounts in the consolidated statement of profit or loss and other comprehensive income of the Group for the year ended 31 December 2025 have been extracted from the corresponding audited consolidated statement of profit or loss and other comprehensive income included in the published annual report of the Company for the year ended 31 December 2025. The independent auditor expressed a disclaimer of opinion arising from going concern on the Group's consolidated financial statements for that year.

(c) The unadjusted amounts in the consolidated statement of cash flows of the Group for the year ended 31 December 2025 have been extracted from the audited consolidated statement of cash flows included in the published annual report of the Company for that year. The disclaimer of opinion arising from going concern referred to in note 1(b) also applies to those consolidated financial statements.

(d) The financial information of Target Company and its subsidiaries (collectively, the "Target Group") used in compiling the relevant pro forma adjustments comprises the consolidated statement of financial position as at 30 June 2026 and the consolidated statements of comprehensive income and of cash flows for the year ended 31 December 2025, as set out in Appendix II to this Circular. The basis of preparation and the scope of the reporting accountant's review are described in Appendix II.

2. Basis of preparation and principal assumptions

The Unaudited Pro Forma Financial Information has been prepared on the assumption that, upon the transfer of a 70% equity interest in Target Company to a creditor special purpose vehicle pursuant to the proposed restructuring, the Group's equity interest in Target Company would decrease from 75% to 5% and the Group would cease to control the Target Group. Accordingly, the assets and liabilities of the Target Group would be derecognised from the consolidated statement of financial position of the Group, and its results and cash flows would be excluded from the consolidated financial information of the Remaining Group. The retained 5% equity interest in Target Company would be recognised at its estimated fair value at the assumed date on which control is lost.

The pro forma adjustments also reflect the assumed extinguishment or settlement of specified senior notes, syndicated bank loan and perpetual capital securities, the issuance of replacement notes and new ordinary shares of the Company, and the related cash tender and restructuring costs, to the extent that these arrangements form part of the transactions being illustrated. The nature and basis of each adjustment are described in the notes below. In preparing the Unaudited Pro Forma Financial Information, the Directors have applied the requirements of Rule 4.29(6) of the Listing Rules concerning the explanation, direct attribution and factual support of adjustments and the disclosure of their expected continuing or non-continuing effects.

For the purpose of the pro forma consolidated statement of financial position as at 30 June 2026, unless otherwise stated, the Directors have assumed an exchange rate of US$1 to HK$7.80 for translation purposes. In addition, the Directors have assumed an equity valuation of the Target Group of HK$3,995,091,000, the issuance of replacement notes with an aggregate principal amount of US$249.6 million, the issuance of 910,611,992 new ordinary shares of the Company (being the maximum number of shares issuable as stipulated in the RKI Scheme), a cash tender payment of US$50 million and estimated restructuring costs of US$30 million. The amounts recognised on actual completion will depend on the definitive terms of the relevant arrangements, the applicable fair values, actual exchange rates and the circumstances prevailing at that time.

3. Derecognition of the Target Group

The adjustment represents the derecognition of the assets and liabilities of the Target Group and the related non-controlling interests as at 30 June 2026, assuming that the Proposed Disposal and the resultant loss of control had taken place on that date. The amounts of assets and liabilities of the Target Group have been derived from the consolidated statement of financial position of the Target Group as set out in Appendix II to this Circular. The adjustment includes the derecognition of non-controlling interests attributable to the Target Group of HK$1,038,790,000 (25% of the Target Group's net assets of HK$4,155,161,000 as at 30 June 2026) which the corresponding adjustments has been made to the Group's consolidated reserves.

4. Reversal of intra-group eliminations upon derecognition of Target Group

The adjustment reflects the reversal of consolidation elimination entries that would no longer be applicable following the derecognition of Target Group, including the reinstatement of an amount due from the Target Group of HK$6,199,000 which had previously been eliminated on consolidation.

5. Recognition of the fair value of the 70% equity interest in Target Company to be disposed of

The adjustment represents the estimated fair value of the 70% equity interest in Target Company to be transferred to the creditor special purpose vehicle as non-cash consideration under the proposed debt restructuring, assuming that the Proposed Disposal had been completed on 30 June 2026. For illustrative purposes, the fair value of the entire equity interest in Target Group is assumed to be HK$3,995,091,000, by reference to the independent valuation performed by ValQuest Advisory (Hong Kong) Limited as set out in Appendix V. Accordingly, the fair value of the 70% equity interest to be disposed of is estimated at HK$2,796,564,000 (HK$3,995,091,000 × 70%, rounded to the nearest HK$1,000), which will be applied to set off part of the consideration payable for discharging the relevant existing senior notes and perpetual capital securities as described in Note 8.

6. Recognition of the retained 5% equity interest in Target Company

Upon completion of the Proposed Disposal, the Group is assumed to retain a 5% equity interest in Target Company. For illustrative purposes, the entire equity interest in Target Group has been assumed to be HK$3,995,091,000, based on an independent professional valuation performed by ValQuest Advisory (Hong Kong) Limited as set out in Appendix V. On this basis, the fair value of the retained 5% interest has been estimated to be HK$199,754,000 (HK$3,995,091,000 x 5%, rounded to the nearest HK$1,000). The retained investment is presented within "Financial assets at fair value through profit or loss" in the pro forma consolidated statement of financial position.

7. Recognition of the estimated market value of the newly issued ordinary shares

The adjustment represents the estimated fair value of 910,611,992 new ordinary shares of the Company proposed to be issued as part of the debt restructuring. Based on the assumed market price of HK$0.57 per share as at 30 June 2026, the aggregate fair value of the new ordinary shares is approximately HK$519,049,000 (910,611,992 shares × HK$0.57 per share, rounded to the nearest HK$1,000) which will be separately reflected in the debt restructuring adjustment by an increase in share capital of approximately HK$91,061,000, based on a par value of HK$0.10 per share, and an increase in share premium of approximately HK$427,988,000.

The newly issued ordinary shares with estimated fair value of HK$519,049,000 will be applied to set off against the debt restructuring consideration payable as described in Note 8 and does not represent a financial asset held by the Remaining Group upon completion of the Transactions.

8. Effect of the debt discharged in restructuring and the Proposed Disposal on the financial position of the Remaining Group

(a) Net gain in restructuring

The adjustment reflects the assumed extinguishment or settlement of the specified outstanding senior notes, syndicated bank loan and perpetual capital securities, together with the transfer of the 70% equity interest in the Target Company, the issuance of replacement debt instruments and ordinary shares of the Company, the cash tender and the estimated restructuring costs, as if the Transactions had been completed on 30 June 2026, in connection with the proposed debt restructuring. The liabilities and equity instruments of the adjustments as at 30 June 2026, are considered separately according to their historical classifications in the Group's financial statements, are summarised below:

	Bank and other borrowings				
	Senior notes	Syndicated bank loan	Subtotal	Perpetual capital securities	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
As at 30 June 2026					
Derecognition of senior notes, syndicated bank loan and perpetual capital securities	11,790,979	935,154	12,726,133	8,067,987	20,794,120
Proposed considerations payable for discharging liabilities in the debt restructuring:					
New Select Scheme					
Transfer of 70% equity interest in Target Group at fair value (HK$3,995 million x 70%) *	(1,663,789)	—	(1,663,789)	(1,132,775)	(2,796,564)
Road King Scheme					
Issuance of new debt instruments with principal amount of US$249.6 million #	(1,106,112)	(87,727)	(1,193,839)	(753,086)	(1,946,925)
Issuance of 910,611,992 new ordinary shares at an assumed value of HK$0.57 per share #	(294,889)	(23,388)	(318,277)	(200,772)	(519,049)
Settlement of a cash tender of US$50 million #	(221,572)	(17,573)	(239,145)	(150,855)	(390,000)
	(3,286,362)	(128,688)	(3,415,050)	(2,237,488)	(5,652,538)
Gross gain arising from debts discharged	8,504,617	806,466	9,311,083	5,830,499	15,141,582
Estimated debt restructuring costs of US$30 million			(143,487)	(90,513)	(234,000)
Net effects in debt discharged			9,167,596	5,739,986	14,907,582
Loss on derecognition of Target Group (Note 8(b))			(71,424)	(48,629)	(120,053)
Net gain on restructuring			9,096,172	5,691,357	14,787,529

* The figures are allocated, in accordance with the respective scheme terms of the proposed debt restructuring, on a pro-rata basis based on the outstanding balances of senior notes and perpetual capital securities in their respective denominated currencies relative to their combined total.

\# The figures are allocated, in accordance with the respective scheme terms of the proposed debt restructuring, on a pro-rata basis based on the outstanding balances of senior notes, syndicated bank loan and perpetual capital securities in their respective denominated currencies relative to their combined total.

For the purpose of the unaudited pro forma financial information, the fair values of the 70% equity interest to be disposed of and the 5% equity interest to be retained in Target Company have been determined by reference to a valuation prepared by an independent professional valuer. The relevant fair values will be reassessed at the actual completion date of the Transactions.

For the proforma illustration purpose, the estimated fair value of the new ordinary shares is based on the closing market price of the Company's shares as at 30 June 2026, and the value of the replacement debt instruments is assumed to approximate their aggregate principal amount. The fair values of the shares and replacement debt instruments will be reassessed at their respective issue dates. The fair value of the replacement debt instruments will be determined, where applicable, by discounting their estimated future cash flows at a market rate appropriate to instruments with comparable terms and credit risk at the actual issue date.

The estimated fair value of the 70% equity interest in Target Company of HK$2,796,564,000 and the estimated market value of the new ordinary shares of HK$519,049,000, as described in Notes 5 and 7 respectively, are included as non-cash settlement consideration within the proposed restructuring. They do not result in additional assets or cash inflows in the final unaudited pro forma consolidated statement of financial position at 30 June 2026.

The net gain on restructuring of HK$9,096,172,000 attributable to senior notes and syndicated bank loan is presented as the illustrative effect of restructuring to be credited to the consolidated statement of profit or loss. The HK$5,691,357,000 attributable to perpetual capital securities classified as equity is presented separately as an equity effect as the perpetual capital securities have been classified and regarded as part of the equity of the Group in accordance with the term of the underlying instrument agreement.

(b) Estimated loss on the derecognition of the Target Group

The estimated loss arising from derecognition of the Target Group, as if the Proposed Disposal had taken place on 30 June 2026. For illustrative purposes, the calculation is based on the Group's 75% effective interest in the carrying amount of the net assets of Target Group at that date, its valuation of 100% equity interest in Target Group of HK$3,995,091,000 based on the valuation prepared by an independent professional valuer, ValQuest Advisory (Hong Kong) Limited as referred to Appendix V, and the estimated fair values of its 70% equity interests transferred to the New Select Scheme creditors and 5% retained interest of HK$2,796,564,000 and HK$199,754,000, respectively. The pro forma adjustment records an estimated loss of HK$120,053,000 as at 30 June 2026, as calculated below.

As at 30 June 2026	**Amount**
	HK$'000
Carrying amount of Target Group's net assets as at 30 June 2026	4,155,161
75% interest of Target Group's net assets carrying amount at 30 June 2026	3,116,371
Less: Deemed consideration	
70% interest of Target Group's valuation (HK$3,995 million x 70%) transferred to the New Select Scheme creditors	(2,796,564)
5% interest of Target Group's valuation (HK$3,995 million x 5%) retained by the Group	(199,754)
Loss on derecognition of Target Group	120,053

9. Exclusion of the financial performance of the Target Group

The adjustment represents the exclusion of the income, expenses and other comprehensive income of the Target Group for the year ended 31 December 2025, as if the Proposed Disposal had been completed on 1 January 2025. The relevant amounts have been extracted from the consolidated statement of comprehensive income of the Target Group included in Appendix II to this Circular. The Target Group recorded profit before tax of HK$224,809,000 and profit for the year of HK$207,185,000 for the year ended 31 December 2025, as disclosed in Appendix II. The corresponding line-item adjustments arising from derecognition of the Target Group have been made in compiling the unaudited pro forma consolidated statement of profit or loss and other comprehensive income of the Remaining Group.

10. Reversal of historical finance costs and perpetual capital securities distributions

The adjustment represents the reversal of finance costs recognised in the Group's consolidated statement of profit or loss for the year ended 31 December 2025 in respect of the existing senior notes and syndicated bank loan which are assumed to be extinguished under the proposed debt restructuring. Assuming the debt restructuring had been completed whereby these existing senior notes and syndicated bank loan were extinguished on 1 January 2025, the related finance costs of HK$494,913,000 on the existing senior notes and syndicated bank loan have been reversed, as these costs would not have been incurred during the year ended 31 December 2025.

For the purposes of the pro forma consolidated statement of cash flows for the year ended 31 December 2025, the adjustment also reverses the historical financing cash outflows attributable to the extinguished senior notes and syndicated bank loan. This comprises the reversal of principal repayments of HK$371,516,000 and interest paid of HK$344,851,000 (resulting in a total net cash outflow reversal of HK$716,367,000), on the basis that these payments would not have been made had the borrowings been extinguished on 1 January 2025.

Separately, profit of HK$545,971,000 attributable to holders of perpetual capital securities in the Group's historical profit attribution for the year ended 31 December 2025 would have been reversed, assuming such perpetual capital securities had been extinguished on 1 January 2025. As these perpetual capital securities are recognised and classified as equity, the adjustment relates to profit attribution to perpetual capital securities rather than finance costs. The reversal of HK$235,000 in cash expenses paid in respect of these perpetual capital securities is set out in Note 13.

11. Interest expense on the new replacement debt instruments

The adjustment represents the estimated finance costs that would have been incurred by the Remaining Group for the year ended 31 December 2025 on the new replacement debt instruments proposed to be issued as part of the debt restructuring, assuming that such instruments had been issued on 1 January 2025.

The new replacement debt instruments will have an aggregate principal amount of up to US$249,605,786 (equivalent to HK$1,946,925,000), mature on 31 December 2032, and bear interest at 3.0% per annum (comprising 2.0% payment-in-kind ("PIK") interest and 1.0% cash interest up to 31 December 2028, unless the issuer elects to pay a greater portion in cash). Accordingly, an estimated annual interest expense of HK$58,408,000 (HK$1,946,925,000 × 3.0%) has been recognised as additional finance costs in the unaudited pro forma consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2025. Assuming the issuer does not elect to pay a greater portion of interest in cash, only the 1.0% cash interest of HK$19,469,000 (HK$1,946,925,000 × 1.0%) is assumed to have been settled in cash during the year and presented as "interest paid" within cash flows from financing activities in the unaudited pro forma consolidated statement of cash flows for the year ended 31 December 2025, whilst the remaining 2.0% PIK interest of HK$38,939,000 is accounted for as a non-cash transaction.

12. Estimated loss on the derecognition of the Target Group

The adjustment reflects the estimated loss arising from the derecognition of the Target Group, as if the Proposed Disposal had taken place on 1 January 2025. For illustrative purposes, the calculation is based on the Group's 75% effective interest in the carrying amount of the net assets of Target Group at that date, its valuation of 100% equity interest in Target Group of HK$3,995,091,000 as set out in Appendix V, and the estimated fair values of its 70% equity interests transferred to the New Select Scheme creditors and 5% retained interest of HK$2,796,564,000 and HK$199,754,000, respectively. The pro forma adjustment records an estimated loss of HK$314,400,000 for the year ended 31 December 2025, as calculated below.

For the year ended 31 December 2025	**Amount**
	HK$'000
Carrying amount of Target Group's net assets as at 1 January 2025	4,414,290
75% interest of Target Group's net assets carrying amount at 1 January 2025	3,310,718
Less: Deemed consideration	
70% interest of Target Group's valuation (HK$3,995 million x 70%) transferred to the New Select Scheme creditors	(2,796,564)
5% interest of Target Group's valuation (HK$3,995 million x 5%) retained by the Group	(199,754)
Loss on derecognition of Target Group	314,400
Attributable to senior notes and syndicated bank loan	194,491
Attributable to perpetual capital securities	119,909
	314,400

For the purpose of the unaudited pro forma financial information, the fair values of 70% equity interests disposed of and 5% interest retained in Target Company have been determined by reference to a valuation prepared by an independent professional valuer. Their respective fair values at the completion date of the Transactions will be reassessed based on the professional valuations upon completion.

The estimated loss of HK$314,400,000 for derecognition of the Target Group comprises loss of HK$194,491,000 attributable to senior notes and syndicated bank loan and HK$119,909,000 attributable to perpetual capital securities. Only the HK$194,491,000 attributable to senior notes and syndicated bank loan is included in the separate pro forma adjustment column and is combined with the net gain on debt restructuring solely for presentation in the line item "Net gain on the debt restructuring and derecognition of the Target Group" in the pro forma consolidated statement of profit or loss and other comprehensive income. The loss of HK$119,909,000 attributable to the perpetual capital securities is recognised directly in reserves, as those instruments are classified as equity part of the Group in accordance with the terms of the underlying instrument agreement.

13. Effect of the debt discharged in restructuring on the results and cash flows of the Remaining Group

The pro forma adjustments for the year ended 31 December 2025 include estimated net debt restructuring gain effects of HK$13,409,380,000, calculated by reference to the carrying amounts of the relevant instruments and the assumed consideration for their settlement. Of this amount, HK$8,482,483,000 relates to the senior notes and syndicated bank loan with carrying amounts of HK$10,998,970,000 and HK$1,255,461,000 respectively, at 1 January 2025 and is presented in the pro forma consolidated statement of profit or loss, while HK$4,926,897,000 relating to perpetual capital securities with carrying amount of HK$7,123,442,000 at 1 January 2025 will be credited to reserve as an movement in equity, because the perpetual capital securities have been regarded and classified as part of the equity of the Group. The estimated loss on derecognition the Target Company of HK$194,491,000 (Note 12) is recognised separately in profit or loss. The component calculations and the net gain on the debt discharged in restructuring and derecognition of the Target Group are set out below:

	Bank and other borrowings				
	Senior notes	Syndicated bank loan	Subtotal	Perpetual capital securities	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
As at 1 January 2025					
Derecognition of senior notes, syndicated bank loan and perpetual capital securities	10,998,970	1,255,461	12,254,431	7,123,442	19,377,873
Proposed considerations payable for discharging liabilities in the debt restructuring:					
New Select Scheme					
Transfer of 70% equity interest in Target Group at fair value (HK$3,995 million x 70%) *	(1,729,979)	—	(1,729,979)	(1,066,585)	(2,796,564)
Road King Scheme					
Issuance of new debt instruments with principal amount of US$249.6 million #	(1,124,952)	(128,406)	(1,253,358)	(693,567)	(1,946,925)
Issuance of 910,611,992 new ordinary shares at an assumed value of HK$0.66 per share #	(347,266)	(39,638)	(386,904)	(214,100)	(601,004)
Settlement of a cash tender of US$50 million #	(225,345)	(25,722)	(251,067)	(138,933)	(390,000)
	(3,427,542)	(193,766)	(3,621,308)	(2,113,185)	(5,734,493)
Gross gain arising from debts discharged	7,571,428	1,061,695	8,633,123	5,010,257	13,643,380
Estimated debt restructuring costs of US$30 million			(150,640)	(83,360)	(234,000)
Net effects in debts discharged			8,482,483	4,926,897	13,409,380
Loss on derecognition of Target Group (Note 12)			(194,491)	(119,909)	(314,400)
Net gain on the restructuring			8,287,992	4,806,988	13,094,980

* The figures are allocated, in accordance with the respective scheme terms of the proposed restructuring, on a pro-rata basis based on the outstanding balances of senior notes and perpetual capital securities in their respective denominated currencies relative to their combined total.

\# The figures are allocated, in accordance with the respective scheme terms of the proposed restructuring, on a pro-rata basis based on the outstanding balances of senior notes, syndicated bank loan and perpetual capital securities in their respective denominated currencies relative to their combined total.

For the purposes of the pro forma consolidated statement of cash flows for the year ended 31 December 2025, the cash-settled components of the proposed debt restructuring comprise a cash tender payment of US$50 million (equivalent to HK$390,000,000) and estimated debt restructuring costs of US$30 million (equivalent to HK$234,000,000), giving an aggregate assumed cash outflow of HK$624,000,000.

In addition, historical cash outflows of HK$235,000 included within "expenses paid for perpetual capital securities" for the year ended 31 December 2025 have been reversed, on the basis that these expenses would not have been incurred had the perpetual capital securities been extinguished on 1 January 2025. This cash flow reversal does not form part of the debt extinguishment gain or the credit to equity described above. Accordingly, the net pro forma adjustment to cash flows from financing activities is a net cash outflow of HK$623,765,000 (comprising the HK$624,000,000, of which cash payments of HK$390,000,000 and HK$234,000,000 for cash tender payment and debt restructuring costs respectively, restructuring cash outflows, offset by the HK$235,000 cash expense reversal).

In aggregate, the net gain on the restructuring is estimated to be approximately HK$13,094,980,000 comprising a net profit-or-loss gain of HK$8,287,992,000 attributable to senior notes and syndicated bank loan and a separate equity effect of HK$4,806,988,000 attributable to perpetual capital securities. Only the HK$8,287,992,000 attributable to senior notes and syndicated bank loan is reflected in the "Net gain on the debt restructuring and derecognition of the Target Group" line item in the pro forma consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2025. The HK$4,806,988,000 associated with the perpetual capital securities is not recognised as income, as those instruments are classified as equity part of the Group in accordance with the terms of the underlying instrument agreement in the historical consolidated financial statements.

14. Exclusion of the cash flows of the Target Group

The adjustment represents the exclusion of the cash flows of the Target Group for the year ended 31 December 2025, as if the Proposed Disposal had been completed on 1 January 2025. The adjustments have been derived from the consolidated statement of cash flows of the Target Group for that year included in Appendix II to this Circular. The Target Group reported net cash used in operating activities of HK$48,165,000, net cash generated from investing activities of HK$158,782,000 and net cash used in financing activities of HK$90,245,000 for the year ended 31 December 2025. The relevant adjustments have been reflected in the corresponding sections of the unaudited pro forma consolidated statement of cash flows of the Remaining Group. The financing cash flows of the Target Group include dividends paid of HK$90,000,000 for the year ended 31 December 2025.

15. Reversal of intra-group eliminations upon derecognition of Target Group

The adjustment represents the reinstatement of cash-flow movements previously eliminated on consolidation between the Group and the Target Group, assuming that the Proposed Disposal and the resulting derecognition of Target Group had occurred on 1 January 2025. In particular, the Target Group's statement of cash flows for the year ended 31 December 2025 records an increase of HK$9,119,000 in the amount due to its ultimate holding company. Upon excluding the Target Group's cash flows, the corresponding intra-group movement is reinstated in the pro forma cash flows of the Remaining Group.

16. Reversal of dividends paid by the Target Group

During the year ended 31 December 2025, Target Company paid dividends of HK$90,000,000, of which, HK$22,500,000 was attributable to the 25% non-controlling shareholders and HK$67,500,000 was attributable to the Group's then 75% interest in Target Company, which was eliminated in the Group's historical consolidated statement of cash flows.

The dividend payments by the Target Group are excluded in the pro forma consolidated statement of cash flows of the Remaining Group for the year ended 31 December 2025 as if the Target Group was derecognised on 1 January 2025.

17. Recognition of 5% sharing of dividends paid by the Target Group

The adjustment represents the illustrative cash dividend that would have been attributable to the Remaining Group's retained 5% equity interest in Target Company for the year ended 31 December 2025, assuming that the Proposed Disposal had been completed on 1 January 2025 and that Target Group had paid the same aggregate dividend of HK$90,000,000 during that year. On this basis, the amount attributable to the retained 5% interest would have been HK$4,500,000 (HK$90,000,000 × 5%) which will be reflected as an additional cash inflow under investing activities in the unaudited pro forma consolidated statement of cash flows of the Remaining Group for the year ended 31 December 2025.

18. Other pro forma adjustments

Other than the adjustments described in the preceding notes, no further pro forma adjustments have been reflected in the Unaudited Pro Forma Financial Information. No adjustment has been made in respect of future events or transactions that are not directly attributable to the Transactions. The actual financial effects of the Transactions will depend on the terms ultimately implemented, the carrying amounts and fair values at the actual completion date and the exchange rates and other circumstances prevailing at that time. Accordingly, the actual results may differ materially from those presented in the Unaudited Pro Forma Financial Information.

B. INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP

The following is the text of a report received from the reporting accountants, Crowe (HK) CPA Limited, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this Circular.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

To the Directors of Road King Infrastructure Limited

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Road King Infrastructure Limited (the "Company") and its subsidiaries (collectively, the "Group") by the directors of the Company (the "Directors") for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma consolidated statement of financial position as at 30 June 2026, and the unaudited pro forma consolidated statement of profit or loss and other comprehensive income and the unaudited pro forma consolidated statement of cash flows for the year ended 31 December 2025, and related notes (the "Unaudited Pro Forma Financial Information") as set out on pages III-1 to III-17 in the Appendix III to the circular dated 23 November 2026 issued by the Company (the "Circular"). The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described on pages III-1 to III-17 in the Appendix III to the Circular.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the Group's debt restructuring, including the proposed disposal of 70% equity interests in Road King Expressway International Holdings Limited (the "Proposed Disposal") on the Group's financial position as at 30 June 2026 as if the Proposed Disposal had taken place on 30 June 2026 and the Group's financial performance and cash flows for the year ended 31 December 2025 as if the Proposed Disposal had taken place on 1 January 2025. As part of this process, information about the Group's financial position, financial performance and cash flows has been extracted by the Directors from the interim report of the Company for the six months ended 30 June 2026 on which a review report has been published; and the annual report of the Company for the year ended 31 December 2025, on which an auditor's report has been published.

Directors' Responsibilities for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with Rule 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 ("AG 7") "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the "Code of Ethics for Professional Accountants" issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Management (HKSQM) 1 "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" issued by the HKICPA, which requires the firm to design, implement and operate a system of quality management including policies and procedures regarding compliance with ethical requirements, requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion, as required by Rule 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus" issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the Unaudited Pro Forma Financial Information in accordance with Rule 4.29 of the Listing Rules, and with reference to AG 7 issued by the HKICPA.

For purpose of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of the Unaudited Pro Forma Financial Information included in a circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had been occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the Proposed Disposal at 30 June 2026 or 1 January 2025 would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related unaudited pro forma adjustments give appropriate effect to those criteria; and
- the Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgement, having regard to the reporting accountants' understanding of the nature of the entity, the event or transaction in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion: (a) the Unaudited Pro Forma Financial Information has been properly compiled on the basis stated; (b) such basis is consistent with the accounting policies of the Group; and (c) the adjustments are appropriate for the purpose of the Unaudited Pro Forma Financial Information as disclosed pursuant to Rule 4.29 (1) of the Listing Rules.

Crowe (HK) CPA Limited
Certified Public Accountants
Hong Kong, 23 November 2026

Chan Wai Dune, Charles
Practising Certificate Number P00712

Set out below is the management discussion and analysis on the continuing operations of the Remaining Group for the years ended 31 December 2023, 2024 and 2025 and the six months ended 30 June 2026 prepared on the basis that the Target Group is not consolidated, and the Company has no material ownership interest in the Target Group. The financial data in respect of the Remaining Group, for the purpose of this circular, is derived from the consolidated financial statements of the Company for the reporting periods. For further financial information of the Group, please refer to the section headed "Management Discussion and Analysis" of the Company's annual report for the years ended 31 December 2023, 2024 and 2025 and the Company's interim report for the six months ended 30 June 2026.

SEGMENTAL INFORMATION

Following the Proposed Disposal, the Remaining Group will continue to engage in property development and investment in the PRC and Hong Kong.

RESULTS OF OPERATION

For the six months ended 30 June 2026

Revenue. The Remaining Group's revenue increased by 149.4% to HK$4,452.2 million for the six months ended 30 June 2026 from HK$1,784.9 million for the same period of 2025, which was mainly due to the increase in GFA delivered during the period.

Cost of sales. The Remaining Group's cost of sales increased by 103.7% to HK$5,054.5 million for the six months ended 30 June 2026 from HK$2,481.1 million for the same period of 2025. The increase in cost of sales was mainly attributable to the increase in GFA delivered during the period.

Gross loss. The Remaining Group's gross loss decreased by 13.5% to HK$602.3 million for the six months ended 30 June 2026 from HK$696.2 million for the same period of 2025. The continuous downturn in the real estate market and throat-cutting promotion of competitive projects resulted in the gross losses for the Remaining Group in both periods.

Other gains and losses. The Remaining Group's other gains for the six months ended 30 June 2026 was HK$101.5 million while the other losses for the same period of 2025 was HK$555.9 million. Other net gains for the current period were mainly attributable to the appreciation of Renminbi, as the Remaining Group recorded a net foreign exchange gain of approximately HK$350.8 million for the current period. Other net losses in the same period of 2025 were mainly attributable to the impairment provision for properties and related assets as a result of the continued downturn in the property market.

Selling expenses. The Remaining Group's selling expenses increased by 32.1% to HK$143.6 million for the six months ended 30 June 2026 from HK$108.7 million for the six months ended 30 June 2025. The increase was primarily attributable to the larger amount of property delivered by certain subsidiaries of the Remaining Group during the current period, which resulted in a corresponding increase in the recognition of sales agency commissions previously deferred during the pre-sale stage.

Operating and other expenses. The Remaining Group's operating and other expenses increased by 48.7% to HK$329.1 million for the six months ended 30 June 2026 from HK$221.3 million for the same period of 2025. The increase in operating and other expenses was primarily attributable to the surcharge for late payment of land appreciation tax for the Suzhou project accrued by the Remaining Group during the current period.

Share of results of joint ventures and associates. The Remaining Group's share of losses of joint ventures and associates was HK$239.5 million for the six months ended 30 June 2026, while the share of profits of joint ventures and associates for the same period of 2025 was HK$148.5 million. Losses recorded by the property joint ventures and associates for the current period were mainly attributable to the continued downturn in the property market, which resulted in declines in both sales volume and selling prices of joint venture and associate projects, leading to losses arising from property delivery of the property joint ventures and associates during the period.

Finance costs. The Remaining Group's finance costs increased by 35.8% to HK$413.2 million for the six months ended 30 June 2026 from HK$304.3 million for the same period of 2025. In the second half of 2025, the Remaining Group suspended payments of all principal and interest in respect of its offshore bank borrowings, senior notes and perpetual capital securities, and formally commenced the debt restructuring. During the current period, pursuant to the relevant terms of the trust deed, the Remaining Group accrued an additional interest rate of 1.5% per annum on the notes during the default period. As a result, the Remaining Group's interest expenses increased during the current period.

Loss for the period. The Remaining Group's loss for the period decreased by 7.4% to HK$1,561.7 million for the six months ended 30 June 2026 from HK$1,685.9 million for the same period of 2025. The decrease was mainly attributable to the net exchange gain arising from the appreciation of the Renminbi, which offset part of the impairment provision incurred during the period.

For the year ended 31 December 2025

Revenue. The Remaining Group's revenue decreased by 3.9% to HK$5,321.9 million in 2025 from HK$5,536.9 million in 2024. The decrease was mainly due to decrease in GFA delivered during the year.

Cost of sales. The Remaining Group's cost of sales increased by 10.7% to HK$7,669.0 million in 2025 from HK$6,927.0 million in 2024. The increase was mainly attributable to the higher amount of impairment provision for properties during the period in relation to the continuous sluggish property market and severe operating environment in the industry.

Gross loss. The Remaining Group's gross loss increased by 68.8% to HK$2,347.1 million in 2025 from HK$1,390.1 million in 2024. The Remaining Group's gross loss margin increased to 44.1% in 2025 compared to 25.1% in 2024. The increase was mainly due to the higher amount of the impairment provision for properties in 2025 in relation to the continuous sluggish property market and severe operating environment in the industry.

Other gains and losses. The Remaining Group's other net losses decreased by 31.7% to HK$1,573.9 million in 2025 from HK$2,305.0 million in 2024. The higher amount of other net losses in 2024 was primarily due to the net exchange loss of approximately HK$583.7 million due to the continuous depreciation of Renminbi in last year.

Selling expenses. The Remaining Group's selling expenses decreased by 8.9% to HK$225.4 million in 2025 from HK$247.4 million in 2024. The decrease was primarily due to the decrease in property sales and the corresponding decrease in sales commission and marketing expenses of the Remaining Group.

Operating and other expenses. The Remaining Group's operating and other expenses decreased by 11.4% to HK$530.7 million in 2025 from HK$598.9 million in 2024. The decrease was primarily due to the proactive optimisation of operating costs and the implementation of cost-saving measures by the Remaining Group.

Share of results of joint ventures and associates. The Remaining Group's share of losses of joint ventures and associates decreased by 32.3% to HK$338.4 million in 2025 from HK$500.2 million in 2024. The decrease was primarily due to the continuous downturn in the real estate market, which resulted in a decrease in property sales and deliveries, leading to a reduction in scale of loss on properties delivered during the year compared to last year.

Finance costs. The Remaining Group's finance costs decreased by 14.0% to HK$599.2 million in 2025 from HK$696.7 million in 2024. The decrease was primarily due to the full-year impact of the debt reduction following the offshore debt management work and early repayment of certain offshore borrowings in the second half of 2024.

Loss for the year. The Remaining Group's loss for the year increased by 7.5% to HK$5,509.3 million in 2025 from HK$5,124.9 million in 2024. The increase was primarily attributable to the increase in impairment provision for properties as compared with last year.

For the year ended 31 December 2024

Revenue. The Remaining Group's revenue decreased by 57.7% to HK$5,536.9 million in 2024 from HK$13,075.3 million in 2023. The decrease was mainly due to the decrease in GFA delivered during the year.

Cost of sales. The Remaining Group's cost of sales decreased by 49.5% to HK$6,927.0 million in 2024 from HK$13,723.3 million in 2023. The decrease was in line with the decrease in revenue.

Gross loss. The Remaining Group's gross loss increased by 114.5% to HK$1,390.1 million in 2024 from HK$648.0 million in 2023. The Remaining Group's gross loss margin increased to 25.1% in 2024 compared to 5.0% in 2023. The increase was primarily driven by higher land premium for properties delivered in 2024 compared to 2023.

Interest income. The Remaining Group's interest income decreased by 63.5% to HK$75.4 million in 2024 from HK$206.4 million in 2023. The decrease was mainly attributable to the decrease in the Remaining Group's interest-bearing loans to joint ventures.

Other gains and losses. Other losses increased by 76.4% to HK$2,305.0 million in 2024 from HK$1,306.9 million in 2023. Such increase was mainly due to the increase in provision for impairment of properties and related assets due to the continuous downturn of the real estate market and the net exchange losses of approximately HK$583.7 million due to the continuous depreciation of Renminbi during the year. These losses were offset by the gains on buyback of the Group's senior notes of approximately HK$591.0 million.

Selling expenses. The Remaining Group's selling expenses decreased by 47.1% to HK$247.4 million in 2024 from HK$467.5 million in 2023. The decrease was primarily due to the decrease in property sales and the corresponding decrease in sales commission and marketing expenses of the Remaining Group.

Operating and other expenses. The Remaining Group's operating and other expenses decreased by 10.2% to HK$598.9 million in 2024 from HK$666.6 million in 2023. The decrease was primarily due to the proactive optimisation of operating costs and the implementation of cost-saving measures by the Remaining Group.

Share of results of joint ventures and associates. The Remaining Group's share of losses of joint ventures and associates increased by 1.9% to HK$500.2 million in 2024 from HK$490.9 million in 2023.

Finance costs. The Remaining Group's finance costs decreased by 25.6% to HK$696.7 million in 2024 from HK$936.0 million in 2023. The decrease was primarily due to the completion of the Remaining Group's offshore debt management work and early repayment of certain offshore borrowings during the year, which resulted in reduction in the overall debt size and hence a decrease in interest expenses.

Loss for the year. The Remaining Group's loss for the year increased by 18.5% to HK$5,124.9 million in 2024 from HK$4,323.7 million in 2023. The increase was mainly due to the increase in impairment provision for properties and related assets due to the continuous downturn of the real estate market.

For the year ended 31 December 2023

Revenue. The Remaining Group's revenue decreased by 23.8% to HK$13,075.3 million in 2023 from HK$17,156.0 million in 2022. The decrease was mainly due to the decrease in GFA delivered during the year.

Cost of sales. The Remaining Group's cost of sales decreased by 3.4% to HK$13,723.3 million in 2023 from HK$14,211.7 million in 2022.

Gross (loss) profit. The Remaining Group's gross loss for 2023 was HK$648.0 million while the gross profit for 2022 was HK$2,944.3 million. The Remaining Group's gross loss margin was 5.0% in 2023 while the gross profit margin was 17.2% in 2022. The gross loss was mainly due to the overall sluggish property market and severe operating environment in the industry, which resulted in the reduction in delivery area and substantial deterioration in profit margin of the property projects and the increase in impairment provision for properties.

Interest income. The Remaining Group's interest income decreased by 45.3% to HK$206.4 million in 2023 from HK$377.2 million in 2022. The decrease was mainly due to the decrease in the Remaining Group's interest bearing loans to joint ventures during the year.

Other gains and losses. Other losses increased by 80.6% to HK$1,306.9 million in 2023 from HK$723.7 million in 2022. Such increase was mainly due to the increase in impairment provision for properties and related assets due to the continuous downturn of the real estate market and the net exchange loss of approximately HK$635.8 million due to the continuous depreciation of Renminbi during the year. These losses were offset by the gains on buyback of the Group's senior notes of approximately HK$605.7 million.

Selling expenses. The Remaining Group's selling expenses decreased by 33.4% to HK$467.5 million in 2023 from HK$702.2 million in 2022. The decrease was primarily due to the decrease in property sales volume and the corresponding decrease in sales commission and marketing expenses of the Remaining Group.

Operating and other expenses. The Remaining Group's operating and other expenses decreased by 19.3% to HK$666.6 million in 2023 from HK$826.5 million in 2022. The decrease was primarily due to the proactive optimisation of operating costs and the implementation of cost-saving measures by the Remaining Group.

Share of results of joint ventures and associates. The Remaining Group's share of losses of joint ventures and associates for 2023 was HK$490.9 million while the share of profit in 2022 was HK$415.6 million. The losses in 2023 were mainly attributable to the downturn in the real estate market and throat-cutting promotion of competitive projects, which led to a decrease in both property sales volume and prices, and therefore resulting in a decrease in profits from the delivery of property joint ventures and associate projects during the year.

Finance costs. The Remaining Group's finance costs decreased by 17.2% to HK$936.0 million in 2023 from HK$1,130.9 million in 2022. The decrease was primarily due to the repayment of bank borrowings during the year, which resulted in reduction in the overall debt size and hence a decrease in interest expenses.

Loss for the year. The Remaining Group's loss for the year increased by 2,464.4% to HK$4,323.7 million in 2023 from HK$168.6 million in 2022. The significant increase was mainly due to the overall sluggish property market and severe operating environment in the industry, which resulted in the reduction in delivery area and substantial deterioration in profit margin of the property projects in Mainland China and Hong Kong and the increase in impairment provision for properties and related assets; and the exchange loss of approximately HK$635.8 million arising from the continuous depreciation of Renminbi during the year.

LIQUIDITY AND CAPITAL RESOURCES

As at 31 December 2023, 2024 and 2025 and 30 June 2026, the Remaining Group's net asset value attributable to owners of the Company amounted to HK$10,503.9 million, HK$7,504.7 million, HK$2,042.7 million and HK$403.6 million, respectively. The Remaining Group's total assets as at 31 December 2023, 2024 and 2025 and 30 June 2026 were HK$65,293.0 million, HK$53,044.4 million, HK$40,756.3 million and HK$34,897.6 million, respectively.

The Remaining Group funds its short-term working capital requirements through cash flow from operations, working capital facilities and long-term borrowings. As at 31 December 2023, 2024 and 2025 and 30 June 2026, the Remaining Group had cash and cash equivalents of HK$4,424.4 million, HK$2,936.4 million, HK$1,934.5 million and HK$2,232.8 million, respectively. These sources of funding, and the ability to fund capital expenditure needs, could be adversely affected by a decrease in cash received from pre-sale and sale of the Remaining Group's properties or an inability to obtain funds from external sources on acceptable terms or in a timely manner.

Cash flows

Operating activities

In 2023 and 2024, the Remaining Group generated HK$2,660.3 million and HK$2,108.0 million of net cash from operating activities, respectively. In 2025 and the first half of 2026, the Remaining Group used HK$435.3 million and HK$207.0 million in operating activities, respectively. The overall decreasing trend and turnaround into net operating cash outflows were primarily attributable to the decrease in the Remaining Group's sales volume, which led to a reduction in cash proceeds generated from the pre-sale and sale of properties.

Investing activities

In 2023, 2025 and the first half of 2026, the Remaining Group generated HK$2,667.5 million, HK$1,657.7 million and HK$534.0 million of net cash in investing activities, respectively. In 2024, the Remaining Group used HK$397.9 million in investing activities.

In 2023, the net cash generated from investing activities was mainly attributable to the reduction in capital contributions and repayment from joint ventures amounting to HK$4,363.0 million. Such cash inflow was partially offset by the advance to joint ventures and non-controlling interests of subsidiaries amounting to HK$2,385.2 million.

In 2024, the net cash used in investing activities was mainly attributable to the substantial placement of pledged bank deposits and restricted bank balances amounting of HK$1,358.3 million. Such cash outflow was partially offset by the loan repayment, capital reduction and cash dividend from joint ventures amounting to HK$928.7 million.

In 2025, the net cash generated from investing activities was mainly attributable to the substantial release of restricted bank balances and pledged bank deposits amounting to HK$1,142.2 million and loan repayment from joint ventures amounting to HK$569.9 million.

In the first half of 2026, the net cash generated from investing activities was mainly attributable to the release of restricted bank balances amounting to HK$434.0 million and interest received during the period amounting to HK$194.4 million.

Financing activities

In 2023, 2024, 2025 and the first half of 2026, the Remaining Group used HK$7,651.4 million, HK$3,070.5 million, HK$2,278.8 million and HK$107.0 million of net cash in financing activities respectively.

The net cash outflow in 2023 was mainly due to the repayment of borrowings of HK$10,649.1 million and interest payment of HK$1,740.8 million. The net cash outflow was partially offset by new borrowings of HK$2,354.2 million, the advances from joint ventures of HK$2,306.9 million and cash receipt from the sale loan with redemption right of HK$800.0 million.

The net cash outflow in 2024 was mainly due to the repayment of borrowings of HK$5,999.4 million and interest payment of HK$1,212.1 million. The net cash outflow was partially offset by new borrowings of HK$1,201.9 million and advances from joint ventures of HK$1,144.7 million.

The net cash outflow in 2025 was mainly due to the repayment of borrowings of HK$1,541.8 million and interest payment of HK$522.6 million.

The net cash outflow in the first half of 2026 was mainly due to the repayment of borrowings of HK$466.3 million and interest payment of HK$59.9 million. The net cash outflow was partially offset by new borrowings of HK$279.9 million and advances from joint ventures of HK$120.0 million.

As disclosed in the unaudited pro forma financial information of the Remaining Group set out in Appendix III to this circular, if the Proposed Restructuring and the Proposed Disposal had been completed on that date, the Remaining Group's cash outlay for the settlement of the RKI Scheme Consideration Claims with an aggregate amount of US$500,000,000 through a tender offer would be US$50,000,000 (equivalent to approximately HK$390.0 million), representing a price of US$0.10 for each US$1 of RKI Scheme Consideration Claims. The estimated professional fees and transaction expenses attributable to the Proposed Restructuring would amount to approximately HK$234.0 million.

Bank and other borrowings

The Remaining Group's bank and other borrowings mainly represented offshore guaranteed senior notes, syndicated bank loan and project development loans. As at 31 December 2023, 2024, 2025 and 30 June 2026, the Remaining Group had bank and other borrowings of HK$21,804.4 million, HK$16,227.2 million, HK$15,114.4 million and HK$15,522.2 million, respectively. The overall decreasing trend over the past three years was mainly due to the repayment of certain offshore borrowings.

In 2025, the Remaining Group decided to initiate debt restructuring work and suspended payment of all principal and interest falling due on all the Remaining Group's offshore bank loans, senior notes and perpetual capital securities. This resulted in the entire principal and interest on the Remaining Group's offshore bank loans and senior notes have become due and payable, and such amounts have been reclassified as current liabilities accordingly.

There is generally no material seasonality of the borrowing requirements of the Remaining Group.

Maturity profile of bank and other borrowings are set out as follows:

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	HK$'million	*HK$'million*	*HK$'million*	*HK$'million*
Repayable:				
Within one year or on demand	9,051	2,912	13,097	13,425
After one year but within two years	3,352	641	324	494
After two years but within five years	8,261	8,280	525	534
More than five years	1,140	4,394	1,168	1,069
	21,804	16,227	15,114	15,522

Currency profile of bank and other borrowings are set out as follows:

	As at 31 December			As at 30 June
	2023	2024	2025	2026
HKD	2%	1%	1%	1%
RMB	24%	24%	19%	18%
USD	74%	75%	80%	81%
	100%	100%	100%	100%

Nature of bank and other borrowings are set out as follows:

	As at 31 December			As at 30 June
	2023	2024	2025	2026
Unsecured loans	77%	76%	81%	82%
Secured loans	23%	24%	19%	18%
	100%	100%	100%	100%

Interest rate basis of bank and other borrowings are set out as follows:

	At 31 December			At 30 June
	2023	2024	2025	2026
Floating rate	34%	28%	22%	21%
Fixed rate	66%	72%	78%	79%
	100%	100%	100%	100%

The effective interest rates for the bank and other borrowings as at 31 December 2023, 2024, 2025 and 30 June 2026 ranged from 2.3% to 15%, 2.3% to 8.47%, 3.4% to 7.52% and 3.4% to 8.86%, respectively.

Net gearing ratio

Net gearing ratio represents the difference between the Remaining Group's total interest-bearing borrowings (excluding amounts due to joint ventures, associates and other non-controlling interests of subsidiaries) and the bank balances and cash (including pledged bank deposits) ("Net Debt") to the total equity. As at 31 December 2023, 2024 and 2025 and 30 June 2026, the net gearing ratio of the Remaining Group was 83%, 71%, 119% and 139%, respectively.

CAPITAL STRUCTURE

The Remaining Group manages its capital to ensure that entities in the Remaining Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debts and equity balance. The Remaining Group's overall strategy remains unchanged throughout the reporting periods.

The capital structure of the Remaining Group consists of debts, which include bank and other borrowings and lease liabilities, and equity comprising issued capital and reserves, owners of perpetual capital securities and other non-controlling interests of subsidiaries.

The management of the Remaining Group reviews the capital structure periodically. As part of this review, the management assesses the annual budget which incorporates the planned construction projects and takes into account of the provision of funding. Based on the proposed annual budget, the management considers the cost of capital and the risks associated with the capital.

The management of the Remaining Group monitors the utilisation of bank and other borrowings and ensures full compliance with loan covenants during the year and at the end of the reporting period. As at 30 June 2026, certain of the Remaining Group's borrowings bore fixed interest rates per annum, including guaranteed senior notes with an outstanding principal amount of US$1,400.7 million.

As disclosed in the unaudited pro forma financial information of the Remaining Group set out in Appendix III to this circular, if the Proposed Restructuring and the Proposed Disposal had been completed on that date, all of the Group's offshore notes and loans will be derecognised and the total liabilities of the Remaining Group would be decreased significantly by approximately HK$10.8 billion, while the net assets and the equity attributable to shareholders are expected to surge to HK$19.6 billion and HK$18.8 billion, respectively. Accordingly, the pro forma net gearing ratio would substantially drop to approximately 14%, representing a fundamental optimisation of the capital structure of the Remaining Group.

Furthermore, with the reduction in the overall debt scale and interest burdens, the future finance costs of the Remaining Group are expected to decrease significantly, thereby substantially improving the operational cash flows and profitability of the Remaining Group moving forward.

FINANCIAL GUARANTEE CONTRACTS

As at 31 December 2023, 2024, 2025 and 30 June 2026, the Remaining Group had provided guarantees of HK$3,725.8 million, HK$4,041.6 million, HK$2,882.8 million and HK$1,611.4 million to banks in respect of the mortgage loans of the purchasers of the Remaining Group's properties, respectively. The guarantees would be released after the purchasers have pledged their property ownership certificates as securities to the banks for the mortgage loans granted.

As at 31 December 2023, 2024, 2025 and 30 June 2026, the Remaining Group had also provided guarantees of HK$2,153.7 million, HK$2,060.8 million, HK$836.6 million and HK$806.3 million for banking facilities granted to the joint ventures of the Remaining Group.

As at 31 December 2023, the Remaining Group had also provided guarantees of HK$228.7 million for banking facilities granted to the joint venture of Target Group.

Save for the aforesaid, as at 31 December 2023, 2024, 2025 and 30 June 2026, the Remaining Group did not have other material contingent liabilities or guarantees.

CAPITAL COMMITMENT

As at 31 December 2023, 2024, 2025 and 30 June 2026, the Remaining Group's capital injection into property joint ventures contracted for but not provided in the consolidated financial statements amounted to HK$53.9 million, HK$24.7 million, HK$25.1 million and HK$25.2 million, respectively.

CHARGE ON ASSETS

As at 31 December 2023, 2024, 2025 and 30 June 2026, bank balances of HK$79.7 million, HK$421.2 million, HK$32.8 million and HK$31.0 million were pledged as security in favour of banks for certain mortgage facilities granted to customers of the Remaining Group's property projects and banking credit facilities granted to the Remaining Group. In addition to these pledged bank deposits, properties with carrying value of HK$7,954.8 million, HK$9,492.6 million, HK$8,401.0 million and HK$8,719.3 million were pledged as security for certain loan facilities.

As at 31 December 2023, 2024, 2025 and 30 June 2026, the Remaining Group's borrowings with outstanding principal amount of HK$1,419.3 million, HK$468.2 million, HK$392.7 million and HK$203.4 million were secured by the pledges of the equity shares of certain subsidiaries of the Company.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSAL

Save as disclosed in the annual reports of the Company for the years ended 31 December 2023, 2024 and 2025 and the interim report of the Company for the six months ended 30 June 2026, the Remaining Group did not have any significant investments, material acquisitions or disposals of assets, subsidiaries, associates or joint ventures during the reporting periods.

EMPLOYMENT AND REMUNERATION POLICY

The Remaining Group had 3,931, 3,527, 3,429 and 3,113 employees as at 31 December 2023, 2024 and 2025 and 30 June 2026, respectively. Expenditure on staff (including expenditure on staff assigned to or participating in joint ventures and associates, but excluding Directors' emoluments) amounted to HK$850.9 million, HK$785.7 million, HK$693.9 million and HK$326.2 million, respectively.

Employees are remunerated according to their performance and contribution. Other employee benefits include provident fund, insurance, medical cover and training programs, as well as share option scheme.

EXPOSURE TO FOREIGN EXCHANGE FLUCTUATIONS AND INTEREST RATES

Foreign currency risk

The Remaining Group's borrowings are mainly denominated in Renminbi and US dollar but the cash flow is mainly generated from projects whose earnings are denominated in Renminbi. As a result, the Remaining Group is exposed to the foreign exchange risk on the fluctuation of Renminbi and US dollar.

The Remaining Group does not have a formal foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign exchange exposure should the need arise.

Interest rate risk

The Remaining Group's exposure to interest rate risk is mainly from fluctuation in interest rates relating to its borrowings denominated in Renminbi and US dollar. Although the monetary policies implemented by Mainland China and the US governments continue to have a major impact on the Remaining Group's results and operation, the Directors consider that the interest rate fluctuation caused by the fluidity and instability of the global economy and financial systems also has an impact on the operation of the Remaining Group.

The Remaining Group does not have an interest rate hedging policy. However, the management will consider hedging significant interest rate exposure should the need arise.

The following is the full text of the letter, summary of values and valuation reports, prepared for the purpose of incorporation in this circular received from ValQuest Advisory (Hong Kong) Limited, an independent valuer, in connection with the valuation of 70% equity interest in Road King Expressway International Holdings Limited (Bermuda) as of 31 August 2026.

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20 November 2026

The Board of Directors
Road King Infrastructure Limited
Suite 502, 5/F, Tower 6
The Gateway, 9 Canton Road
Tsim Sha Tsui, Kowloon
Hong Kong

Dear Sir or Madam,

POSSIBLE TRANSACTIONS IN CONNECTION WITH THE PROPOSED RESTRUCTURING INVOLVING: (1) PROPOSED ISSUANCE OF NEW SHARES UNDER SPECIFIC MANDATE, CASH SWEEP REAL ESTATE BONDS AND RELATED CONNECTED TRANSACTIONS (2) VERY SUBSTANTIAL DISPOSAL IN RELATION TO THE PROPOSED DISPOSAL OF 70% EQUITY INTEREST IN A SUBSIDIARY AND NOTICE OF SPECIAL GENERAL MEETING

VALUATION OF 70% EQUITY INTEREST IN ROAD KING EXPRESSWAY INTERNATIONAL HOLDINGS LIMITED (BERMUDA)

I. INTRODUCTION

We refer to the announcement (the "Announcement") issued by the Company ("you") regarding the disposal of 70% equity interest of RKE (the "Target Company"). Capitalised terms used in this letter shall have the same meanings as those defined in the Announcement unless otherwise defined herein.

As part of the Proposed Restructuring, New Select, a wholly-owned subsidiary of the Company, will transfer 70% equity interest in RKE to the Liquidating SPV on or around the Restructuring Effective Date. As at the Latest Practicable Date, the Liquidating SPV was in the process of being incorporated and will be incorporated on or prior to the Restructuring Effective Date. Pursuant to the terms of the New Select Scheme, New Select will retain the remaining 5% equity interest.

ValQuest Advisory (Hong Kong) Limited ("ValQuest" or "we") refer to the instructions from the Company to value 70% equity interest of the Target Company as of 31 August 2026 (the "Valuation Date").

II. BASIS OF VALUE

We have conducted our valuation in accordance with International Valuation Standards published by International Valuation Standards Council effective from 31 January 2025. The basis of our valuation is market value. Market value is defined under International Valuation Standards as the estimated amount for which an asset and/or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction, after proper marketing and where the parties had each acted knowledgably, prudently and without compulsion.

III. BACKGROUND OF THE TARGET GROUP

1. Business of the Target Company

The Target Company is a limited liability company incorporated in Bermuda, is an investment holding company whose principal activities, operated through its subsidiaries and joint ventures, encompass the investment, development, operation, and management of toll road and expressway projects.

As of the Valuation Date, the Target Group's core assets are the minority equity interests in four companies, namely PT Jasamarga Kualanamu Tol ("JMKT"), PT Jasamarga Semarang Batang ("JSB"), PT Jasamarga Solo Ngawi ("JSN") and PT Jasamarga Ngawi Kertosono Kediri ("JNKK", together with the Target Group, JMKT, JSB and JSN as RKE Group). RKE Group focus on the operation of the four toll roads in Indonesia, namely MKTT Expressway ("MKTT"), Semarang-Batang Expressway ("SB"), Solo-Ngawi Expressway ("SN") and Ngawi-Kertosono-Kediri Expressway ("NKK", together with MKTT, SB and SN as the "Toll Roads"). The aggregate length of the Toll Roads as of the Valuation Date is approximately 315 kilometers. The equity interests in the JMKT, JSB, JSN and JNKK and the backgrounds of the Toll Roads are summarized below:

1. 45% equity interest in JMKT, which holds the concession right in MKTT ended in 2056. MKTT is a vital segment of the Trans-Sumatra Expressway, a tolled-expressway network designed to connect Aceh in the north to Lampung in the south of Sumatra Island. Recognized as a National Strategic Project, MKTT connects the Belawan-Medan-Tanjung Morawa (Belmera) Expressway and the Medan-Binjai Expressway to the north, and the Kuala Tanjung-Tebing Tinggi-Parapat Expressway to the south, serving Medan (the capital city of North Sumatra), Kualanamu International Airport, Belawan Seaport and Kuala

Tanjung Seaport. MKTT is a closed-system expressway with a total length of around 62 kilometers. Its four-lane carriageways are two-way, and have a maximum speed of 100 kilometers per hour. MKTT started to charge on 20th October 2017 (Phase I) and has been in full operation since 22nd April 2019;

2. 39.77% equity interest in JSB, which holds the concession right in SB ended in 2066. SB is a component of the Trans-Java Expressway, which is a fully-tolled road running from Merak, on the northwestern end of Java, to Banyuwangi, on its eastern end. The expressway is strategically located in the center-north of Java Island and forms part of the road network approaching the provincial capital of Semarang, connecting various areas with rich industrial and cultural resources along the way. SB is a closed-system expressway with a total length of 75 kilometers. Its four-lane carriageways are two-way, and have a maximum speed of 100 kilometers per hour. SB opened to the public on 21st December 2018 and started to charge on 21st January 2019;

3. 40% equity interest in JSN, which holds the concession right in SN ended in 2066. SN is a component of the Trans-Java Expressway, which is a fully-tolled road running from Merak, on the northwestern end of Java, to Banyuwangi, on its eastern end. SN is strategically positioned within Java Island, forming part of the expressway network approaching Ngawi and connecting Jakarta with East and Central Java. It is also a key segment of the Jakarta-Surabaya corridor, which is essential for the distribution of passengers, goods and services across Java Island. SN is a closed-system expressway with a total length of 91 kilometers. Its four-lane carriageways are two-way, and have a maximum speed of 100 kilometers per hour. SN became fully operational (tolled) in December 2018; and

4. 40% equity interest in PT Jasamarga Ngawi Kertosono Kediri ("JNKK"), which holds the concession right in NKK ended in 2066. NKK is a component of the Trans-Java Expressway, which is a fully tolled road network running from Merak, the northwestern end of Java to Banyuwangi, on its eastern end. NKK is strategically located in the southeast of Java Island and forms a main connector between Central Java and Eastern Java province, connecting various areas with rich industrial and cultural resources along the way. It directly links to other major expressways, Solo-Ngawi Expressway on its western end which has on/off-ramp toll plaza located at the Ngawi Toll Station and Kertosono-Mojokerto Expressway which further links to the Surabaya—Mojokerto on its eastern end. NKK is a closed-system expressway with a total length of 87 kilometers. Its four-lane carriageways are two-way, and have a maximum speed of 100 kilometers per hour. NKK was fully commissioned in January 2019.

2. Financial information of the Target Group

A summary of the key financial information of the Target Group according to the audited financial statements of the Target Group for the years ended 31 December 2024 and 31 December 2025 and unaudited historical financial information of the Target Group for the six months ended 30 June 2026 is set out below:

	For the year ended 31 December 2024 *(HK$'000)* *(audited)*	**For the year ended 31 December 2025** *(HK$'000)* *(audited)*	**For the six months ended 30 June 2026** *(HK$'000)* *(unaudited)*
Revenue	—	—	—
Share of results of joint ventures	456,771	251,298	161,006
Profit before taxation	2,215,115	224,809	132,370
Profit for the year/period	1,816,608	207,185	124,723
Interests in joint ventures	4,338,630	4,253,454	4,042,913
Net assets	4,414,290	4,368,602	4,155,161

Notes:

1. 2024 figures included HK$1,862.40 million of gains and HK$372.5 million of income tax expenses on the disposal of the Group's entire equity in the toll road business in Mainland China. Further financial information in relation to the disposed PRC expressway joint ventures and the remaining Indonesian expressway joint ventures can be found at note 19 to the consolidated financial statements of the Company included in the Company's annual reports 2024 and 2025.

2. Refer to Appendix II Financial Information of the Target Group for details of the historical financial performance.

IV. ASSUMPTIONS

In deriving market value opinion, we have adopted the following assumptions:

(i) The valuation considers the enterprise as a whole, assuming its continued operation in accordance with its business objectives within its external environment. The enterprise is expected to operate legally, with a responsible and capable management team ensuring profitability and long-term sustainability as a going concern. Additionally, assets are assumed to be in use and will continue to serve their current purpose and operational mode without considerations for conversion or alternative utilization;

(ii) There will be no major change in the political, legal, economic or financial conditions in the localities in which RKE Group operates or intend to operate, which would adversely affect the revenues attributable to and profitability of RKE Group;

(iii) It is assumed that the concession rights of the Toll Roads will remain valid and enforceable throughout their respective statutory concession terms, without early termination, unfavorable modification of terms, or uncompensated nationalization by relevant government authorities;

(iv) There will be sufficient supply of staff in the industry in which RKE Group operates, and RKE Group will retain competent management, key personnel and staff to support its ongoing operations and developments;

(v) There will be no major change in the current taxation laws in the localities in which RKE Group operates or intends to operate and that the rates of tax payable shall remain unchanged and that all applicable laws and regulations will be complied with;

(vi) Interest rates and exchange rates in the localities for the operation of RKE Group will not differ materially from those presently prevailing;

(vii) The market data, industrial information and statistical figures obtained from publicly available sources are true and accurate;

(viii) We are provided with the financial projection of the Target Group. We are confirmed by the management of the Target Company ("Management") that the financial projection can be used as a proxy for the future performance of the Target Group. We do not independently investigate nor otherwise verify the data provided and do not express an opinion or offer any form of assurance regarding its accuracy and completeness;

(ix) The accounting policies to be adopted by RKE Group in the future will be substantially the same in material respects as those adopted in the preparation of this valuation;

(x) It is assumed that the operating cash inflows and cash outflows of the appraised entity in the future income periods will occur by the end of the year;

(xi) The scope and manner of operation of RKE Group will remain consistent with the current direction based on the existing management style and level of management;

(xii) There are no other force majeure and unforeseen factors that have a material adverse effect on the businesses of RKE Group;

(xiii) The RKE Group will be able to secure funds to repay/renew its debts timely when they fall due;

(xiv) RKE Group has acquired, or will acquire, adequate financial capital for the investments in projected capital expenditure and working capital from time to time, and any scheduled interest or repayment of loan and payable will be paid on time;

(xv) It is assumed that local currency earnings (IDR) can be converted to the reporting currency (HK$ or USD) at prevailing market exchange rates without material losses or punitive currency conversion restrictions beyond standard banking fees and withholding taxes; and

(xvi) The ownership, financial and accounting information and other information provided by Management in connection with the valuation are true, complete and lawful; the scope of the valuation is based information confirmed and provided by Management and does not take into account contingent assets and contingent liabilities that may exist in addition to the list provided by Management.

V. SOURCE OF INFORMATION

This document summarizes the key sources of information considered, reviewed, and relied upon in conducting the valuation of the Target Company, categorized by type of source.

- Background information of RKE Group provided by Management;
- Discussions with and representations made by Management;
- Copy of audited financial statements for the years ended 31 December 2024 and 2025 of the Target Group and unaudited financial statements for the six months ended 30 June 2026 provided by Management;
- Copy of unaudited financial statements for the 8-month period ended 31 August 2026 of RKE Group provided by Management;
- Copies of Traffic and Toll Revenue Forecasting Study for MKTT, SB, SN and NKK prepared by WB Group International Limited (the "Traffic Consultant") dated 20 November 2026;
- Financial projection of the Target Group covering 2026 to 2066 provided by Management;
- Financial data terminals (i.e., Factset and Bloomberg);
- Country and equity risk premiums study performed by Professor Aswath Damodaran dated 1 July 2026; and
- 2025 Edition Stout Restricted Stock Study.

VI. VALUATION METHODOLOGY

In deriving the market value opinion, we have considered the three generally accepted approaches — namely the Market Approach, the Income Approach and the Asset-based Approach.

The Market Approach	The Market Approach assumes a reasonable investor will pay no more for an asset than it would cost to acquire a substitute asset with the same utility. It provides an indication of value by comparing the asset and/or liability with identical or similar asset and/or liability for which price information is available.
The Income Approach	The Income Approach assumes a reasonable investor will pay no more for an asset than all future benefits one would generate from. It provides an indication of value by converting projected cash flows to a single present value.
The Asset-based Approach	The Asset-based Approach assumes a reasonable investor will pay no more for an asset than it would cost to replace a similar asset offering equivalent utility. It provides an indication of value by calculating the current replacement or reproduction cost of an asset and making deductions for all relevant forms of obsolescence.

Among the three approaches, we consider that the Income Approach is more appropriate for valuing the Target Company.

The Asset-based Approach and the Market Approach might not be able to capture the future economic benefits contributed by the subject assets and from the business operation easily. The Market Approach is not appropriate since the Target Group receives cash dividends from the investment in the Toll Roads as the revenue, while the comparable companies invest and operate a portfolio of toll road concession rights with length and expiry dates of concession rights that are different to the Target Group's investment. The Income Approach is able to take into account of the future economic prospect of the Target Group reflected in the financial projection provided by the Management.

Based on the above considerations, we have therefore adopted the Income Approach, specifically discounted cash flow method, in determining our opinion of value as reasonable future projection of the Target Group could be estimated on the basis of economy and industry outlook, historical financial and operation results.

Under the Income Approach, the Discounted Cash Flow ("DCF") method is adopted. The DCF method begins with an estimation of the annual cash flows, which a market participant would expect the asset to generate over a discrete projection period. The expected free cash flow to the firm ("FCFF") for each year is determined as follows:

$$FCFF = EBIT \times (1 - T) + DEPR - SL - CAPEX - NWC$$

Where:

FCFF	=	free cash flow to firm
EBIT	=	earnings before interest and tax
T	=	applicable tax rate
DEPR	=	depreciation and amortization expense
SL	=	loans advanced to/repayments from joint ventures
CAPEX	=	capital expenditures
NWC	=	changes in net working capitals

The estimated cash flows for each of the years in the discrete projection period are then converted to their present value equivalent using a rate of return appropriate for the risk of achieving the asset's projected cash flows.

The present values of the estimated cash flows over the discrete projection period are aggregated to arrive at an estimate of the value of the specific asset. The present value of the expected free cash flow is calculated as:

$$PVFCFF = \frac{FCFF_1}{(1 + r)^1} + \frac{FCFF_2}{(1 + r)^2} + \ldots + \frac{FCFF_n}{(1 + r)^n}$$

Where:

PVFCFF	=	present value of free cash flows to firm
$FCFF_t$	=	free cash flow to firm in year t
r	=	discount rate
n	=	number of years of the projection

1. Projection

In forming our opinion of value, the free cash flow to firm for each projection year is determined for the period between 2026 and 2066 (the "Projection"), with reference to the expiration dates of the concession rights of the Toll Roads, were provided and referenced to the Traffic and Toll Revenue Forecasting Study. We have reviewed the calculation and had discussion with the Management regarding the key assumptions and basis of the Projection as below:

Revenue

The Target Group derives its corporate revenue entirely from cross-border dividend distributions paid out by the Toll Roads, based on the respective equity profit-sharing stakes. For details, please refer to below:

Companies	Toll Road Operating	Equity Interests Held
JMKT	MKTT	45.00%
JSB	SB	39.77%
JSN	SN	40.00%
JNKK	NKK	40.00%

Dividend income of the Target Group

The financial projections of JMKT, JSB, JSN and JNKK were prepared by the Management with reference to Case 1 of the Traffic and Toll Revenue Forecasting Studies for MKTT, SB, SN and NKK prepared by the Traffic Consultant as set out in Appendix VIII to this circular (the "MKTT Traffic Study", the "SB Traffic Study", the "SN Traffic Study" and the "NKK Traffic Study", together the "Traffic Studies"). The projection periods run from 2026 to the expiry of the respective concession rights, namely 18 May 2056 for MKTT, 21 July 2066 for SB, 31 May 2066 for SN and 25 May 2066 for NKK.

Toll revenue in the tables below is the Case 1 annual revenue forecast set out in Table 5-4 of the respective Traffic Study. We have adopted the Case 1 toll revenue forecasts in the Traffic Studies without adjustment. We have reviewed those forecasts for consistency with the Projection, but we have not re-performed the traffic forecasts.

The toll-revenue projections of JMKT, JSB, JSN and JNKK (on a 100% basis) are set out below.

IDR billion

	2026	2027	2028	2029	2030	2031	2036
JMKT	597	656	692	761	802	892	1,304
JSB	1,548	1,732	1,953	2,101	2,329	2,479	3,799
JSN	1,277	1,336	1,486	1,549	1,737	1,840	2,753
JNKK	763	796	885	922	1,089	1,157	1,740

	2041	2046	2051	2056 (Note 1)	2061	2066 (Note 2)
JMKT	1,876	2,440	3,261	1,568	N.A.	N.A.
JSB	5,213	7,494	10,109	14,522	19,555	14,493
JSN	3,793	5,152	6,683	9,429	12,763	7,437
JNKK	2,400	3,268	4,249	5,997	7,884	4,578

Notes:

1. The 2056 figures for JMKT cover the period from 1 January 2056 to 18 May 2056, being the expiry of the MKTT concession right. JMKT's toll revenue for that year is therefore not comparable with a full year. The 2056 figures for JSB, JSN and JNKK are for the full calendar year. As MKTT's concession right expires in 2056, the 2061 and 2066 figures for JMKT are shown as N.A.

2. The 2066 figures for JSB, JSN and JNKK cover the period from 1 January 2066 to the respective concession expiry dates, namely 21 July 2066 for SB, 31 May 2066 for SN and 25 May 2066 for NKK. Toll revenue for that year is therefore not comparable with a full year.

3. Toll revenue represents the Case 1 annual revenue forecasts set out in Table 5-4 of the respective MKTT Traffic Study, SB Traffic Study, SN Traffic Study and NKK Traffic Study, which incorporate scheduled tariff adjustments. The 2026 figures are for the full calendar year.

4. The tables above set out an extract of the Case 1 toll-revenue forecasts. The full projection period covers 2026 to 21 July 2066.

5. Subject to rounding differences.

Dividends of JMKT, JSB, JSN and JNKK are projected from cash generated from operations, after deducting operating expenses, corporate income tax, capital expenditure, debt service (including mandatory and early repayment of bank loans), transfers to the mandatory reserve and, in the case of JMKT and JNKK, repayment of shareholder loans. Residual excess cash, to the extent of retained earnings then available, is assumed to be distributed as dividends. Dividends are therefore not assumed in every projection year. In the final year of each concession, a concession-end payout of remaining cash is made and the mandatory reserve is released.

The Target Group's attributable dividend income from each joint venture is its respective equity interest, which is also the profit-sharing percentage, before deduction of withholding tax. We have reviewed the compilation of those dividends from the joint-venture projections.

Operating Expenses

The operating expense of the Target Group is primarily driven by headquarter costs, which staff salaries expense is the major component. Headquarter expense is projected to grow annually in line with local long-term forecasted inflation rates of 5%.

Withholding Tax

It represents a 5.0% tax levied on gross cross-border dividend remittances and 10.0% tax levied on gross cross-border interest remittances from the Toll Roads to the Target Group pursuant to applicable bilateral tax treaties.

Loans advanced to / Repayments from Joint Ventures

It represents net shareholder loan advances extended to JMKT and JNKK (and their subsequent repayments collected) to support their operations.

Capital Expenditure

It is mainly for the Target Group's basic office equipment and Right-of-Use asset.

Net Working Capital

It is mainly other receivables and prepayments, and payables and accruals.

Computation of Free Cash Flows to Firm of the Target Group

The FCFF of the Target Group over the projection period, compiled from the Projection, are set out below.

HK$'000

	2026	**2027**	**2028**	**2029**	**2030**	**2031**	**2036**
Revenue	86,437	134,749	163,844	242,356	294,653	300,833	816,353
Revenue growth rate	N.A.	56%	22%	48%	22%	2%	41%
EBIT	78,114	97,779	123,319	201,652	262,058	266,471	771,847
EBIT Margin	90.4%	72.6%	75.3%	83.2%	88.9%	88.6%	94.5%
Free cash flow to firm	53,581	110,379	100,843	92,181	246,847	250,097	730,517

HK$'000

	2041	**2046**	**2051**	**2056**	**2061**	**2066**
Revenue	1,692,018	2,375,523	2,987,518	3,324,467	4,594,603	4,408,429
Revenue growth rate	5%	8%	5%	-5%	-11%	-29%
EBIT	1,623,130	2,289,951	2,880,653	3,190,425	4,425,876	4,195,434
EBIT Margin	95.9%	96.4%	96.4%	96.0%	96.3%	95.2%
Free cash flow to firm	1,539,268	2,171,156	2,732,342	3,025,501	4,196,634	3,942,104

Notes:

1. The 2026 column included unaudited actual figures up to 31 August 2026 and forecast figures from 1 September 2026 to 31 December 2026, being the remaining period after the valuation date of 31 August 2026. The 2066 column covers the period to 21 July 2066, being the last concession expiry among the four joint ventures.

2. Subject to rounding differences.

The total undiscounted free cash flow to firm of the Target Group throughout the projection period, from 1 September 2026 to 21 July 2066, is HK$91.273 billion.

2. Discount Rates Estimation

Weighted Average Cost of Capital ("WACC") represents a weighted average of the after-tax cost of debt and cost of equity. The WACC applied to the forecasted cash flows must adequately reflect the nature of the subject investment and the risk of the underlying cash flows. The WACC is calculated as follows:

$$\mathbf{WACC = Kd * (1\text{-}t) * (\%Debt) + Ke * (\% \ Equity)}$$

where:

Kd = cost of debt
t = corporate tax rate
%Debt = interest bearing debt to total capital
Ke = cost of equity
%Equity = market value of equity to total capital

The cost of debt (Kd) is the current interest rate that a typical market participant would pay to finance the capital structure. Since the interest expense of a business is tax deductible, the effective cost of debt is less than this nominal rate.

The cost of equity is estimated using the capital asset pricing model (CAPM). The traditional CAPM does not consider business size risk or unsystematic risk. These risks can be considered by adding risk premiums for business-specific, or unsystematic, risks. The CAPM equation, modified to account for business-specific, or unsystematic, risk is as follows:

$$\mathbf{Ke = Rf + Beta * (Rm - Rf) + CSRP}$$

where:

Ke = cost of equity
Rf = risk free rate of return
Beta = Beta
Rm - Rf = MRP = equity market risk premium
CSRP = company specific risk premium

Selection of comparable companies

When applying the Income Approach to derive the equity value of the Target Company, we relied on a number of listed companies, engaging in businesses similar to the Target Group, with active transaction data, and these trading and financial data being public information with a high level of transparency, to determine the WACC.

We have identified a list of companies comparable to the Target Group based on the following selection criteria:

1. Companies that publicly listed over two years with financial information available as at the Valuation Date;

2. Companies that generate at least 50% of their latest annual revenue from Southeastern Asia or Southern Asia as disclosed in their respective annual reports; and

3. Companies that generate a majority of their operating income or revenue from toll roads operations.

Using these criteria, eight comparable companies with background set out below were identified. The following sets out the relevant details of the comparable companies:

No.	Company Name	Ticker	Stock Exchange	Company Descriptions
1	PT Jasa Marga (Persero) Tbk	JSMR IJ	Indonesia	PT Jasa Marga (Persero) Tbk. operates the Indonesian highway system. The company collects tolls, maintains the road surfaces, and offers towing and ambulance services.
2	PT Citra Marga Nusaphala Persada Tbk	CMNP IJ	Indonesia	PT Citra Marga Nusaphala Persada Tbk constructs, operates, and manages toll highways systems. The company derives its revenue primarily from toll gate proceeds, project management fees, and related services.
3	IDICO Infrastructure Development Investment Joint Stock Company	HTI VN	Vietnam	IDICO Infrastructure Development Investment Joint Stock Company invests in, operates and maintains build-operate-transfer road infrastructure in Vietnam. The company's principal activity is the collection of tolls on the An Sương-An Lạc section of National Highway 1A, and it also undertakes related civil and transport construction works.
4	Prolintas Infra Business Trust	PLINTAS MK	Malaysia	Prolintas Infra Business Trust operates as an infrastructure construction company. The company specializes in the operation and maintenance of highway-related infrastructure assets. Prolintas Infra Business Trust conducts its business in Malaysia.

No.	Company Name	Ticker	Stock Exchange	Company Descriptions
5	MEP Infrastructure Developers Limited	MIDL IN	India	MEP Infrastructure Developers Limited is a toll management company. The company operates and maintains roads, highways, bridges, and toll plazas. MEP Infrastructure Developers serves customers in India.
6	Duc Long Gia Lai Group Joint Stock Company	DLG VN	Vietnam	Duc Long Gia Lai Group Joint Stock Company is a diversified company. The company is engaged in transport infrastructure investment and operations, power generation and other businesses.
7	Ekovest Berhad	EKO MK	Malaysia	Ekovest Berhad is an investment holding company. Through its subsidiaries, the company undertakes civil engineering and building construction and operates toll-highway concessions in Malaysia, including the DUKE highways and the SPE Highway, together with plantation and property businesses.
8	Bangkok Expressway and Metro Public Company Limited	BEM TB	Thailand	Bangkok Expressway and Metro Public Company Limited is a transportation company. The company combines toll and metro line networks. Bangkok Expressway and Metro is based in Thailand.

MEP Infrastructure Developers Limited entered insolvency proceedings due to severe debt default. Active insolvency, debt defaults, and court-monitored management distort its capital structure, financial metrics, and valuation multiples, rendering it unsuitable as a benchmark peer. Based on the selection criteria mentioned above and excluding MEP Infrastructure Developers Limited, the remaining seven companies ("Selected Comparables") form an exhaustive list of comparable peers for the valuation.

Parameters of Discount Rate

The principal components used to calculate the cost of equity are described below.

Risk-free rate	The 30-year Indonesia government bond generic bid yield of 7.2% as at the Valuation Date sourced from Bloomberg.
Beta	Beta measures sensitivity to movements in the overall market. The beta adopted in this valuation reflects an all-equity capital structure and is based on the unlevered betas of the Selected Comparables, sourced from Bloomberg, together with our internal analyses.
Market risk premium	The market risk premium is based on empirical research on long-term historical average market returns and risk-free rates conducted by Professor Aswath Damodaran of the NYU Stern School of Business.

Country risk premium	The country risk premium is based on data maintained by Professor Aswath Damodaran. It is applied solely to rebase the equity market risk premiums of the Selected Comparables listed outside Indonesia onto Indonesia's equity risk premium of 6.56%. As the Target Group's toll-road operations are in Indonesia, no country risk premium is applied to the Indonesian comparables.
Company specific risk premium	CAPM only capture systematic risks, which cannot be diversified through holding a portfolio of investments. In valuing a particular business, company-specific risk premium should be considered. In this valuation, we apply a risk premium of 4.90% to reflect the relative small size of the Target Company and minority risks associated with the dividend streams from the joint ventures.
%Equity	Based on the historical gearing ratio of the Target Group and its business nature as an investment holding company, we assume that capital of the Target Group to be entirely financed by equity.
%Debt	0%

The cost of equity was the average of costs of equity calculated based on the CAPM method and parameters of each of the Selected Comparables. The parameters adopted in estimating the cost of equity is summarized in the table below:

Levered beta of Selected Comparables	0.37 - 0.74
Relevered beta of Selected Comparables	0.12 - 0.45
Risk-free rate	7.2%
Equity market risk premium	5.68% - 7.92%
Country Risk Premium	-1.37% - 0.87%
Company specific risk premium	4.9%
%Equity	100%

Note(s):

1. The relevered beta equals the unlevered beta since the Target Group is assumed to be financed entirely by equity, in which the optimal D/E is 0%. Unlevered beta is derived as levered beta divided by (1 + D/E), using each Selected Comparable's three-year average D/E as sourced from Bloomberg.

It is assumed that the Target Group is financed entirely by equity, the WACC of the Target Company would equal to the cost of equity in this case. Based on the parameters adopted above, we concluded that a discount rate of 14.0% should be reasonable for the Valuation and is adopted.

3. Enterprise Value Indicated by DCF Method

The enterprise value of the Target Company is calculated by adding the present values of the projected yearly FCFF between 2026 and 2066. The present values were derived by discounting the FCFF by a discount rate of 14.0%. Based on the DCF method and the estimated discount rate, the enterprise value of the Target Company on marketable basis was concluded to be HK$4.627 billion.

4. Discount for Lack of Marketability

Discount for lack of marketability ("DLOM") is normally applied to valuation of non-publicly traded company. Marketability discount reflects the ability of converting shares into immediate cash. Compared to publicly listed companies, private companies do not have a known market price and there exist no public market for trading of shares. Therefore, a privately held company is theoretically worth less than a public company with the same business, given other things being the same.

Taking account of the above, the lack of marketability of 15.70% was applied in the valuation of equity value of the Target Company based on the 2025 Edition Stout Restricted Stock Study.

VII. MARKET VALUE OF 70% EQUITY INTEREST OF THE TARGET COMPANY

After deriving the enterprise value of the Target Company's operations, we deducted the outstanding debt and applied a discount for lack of marketability of 15.7%. We then deducted non-operating liabilities, including (i) the amount due to the ultimate holding company, (ii) post-employment benefit liabilities and (iii) deferred tax liabilities, and added excess cash to arrive at the market value of the entire equity interest in the Target Company, as follows:

— Subtracted interest bearing debt of HK$276,000;

— Added excess cash attributable to the Target Company of HK$127 million;and

— Subtracted book values of non-operating liabilities (including (i) amount due to ultimate holding company, (ii) post-employment benefit liabilities, and (iii) deferred tax liabilities) of HK$32 million.

The derivation of the market value of 70% equity interest of the Target Company is summarised as follows:

	(HK$'000)
100% Enterprise value of the Target Company	4,626,645
Less: Interest-bearing debts (Note 1)	(276)
	4,626,369
Less: DLOM at 15.7% (Note 2)	(726,340)
Add: Cash and cash equivalents	127,062
Add: Non-operating assets / (liabilities) (Note 3)	(32,000)
100% equity interest of the Target Company (on non-marketable and controlling basis)	3,995,091
Equity interests to be disposed	70%
70% equity interest of the Target Company (on non-marketable and controlling basis)	**2,796,564**

Notes:

1. Interest-bearing debts represent the total lease liabilities recognized in respect of office premise leases occupied by the Target Group.

2. Refer to Section VI.4 for details on DLOM.

3. Non-operating assets / liabilities include amount due to ultimate holding company, post-employment benefit liabilities and deferred tax liabilities.

4. Subject to rounding differences.

Sensitivity Analysis

The market value opinion is subject to uncertainties and fluctuations of the capital market which are difficult to predict and beyond our control. When deriving the market value opinion on the Target Company, we noted that there are a number of parameters which could fluctuate due to changes in the capital market and affect the results of the market value opinion, including but not limited to, fluctuations in share price of the Selected Comparables. In this regard and as an illustration, we have performed a sensitivity analysis on the market value of 70% equity interest of the Target Company as set forth below:

	Sensitivity analysis (Note 1)		
	Pessimistic case	**Base case**	**Optimistic case**
	(HK$'000)	*(HK$'000)*	*(HK$'000)*
Based on WACC	2,434,849	2,796,564	3,238,220
Based on Revenue growth	2,640,546	2,796,564	2,952,581

Note:

1. Sensitize by applying +/- 1% on the WACC.

2. Sensitize by applying +/- 5.0% on revenue growth.

3. Subject to rounding differences.

The above sensitivity analysis is for illustrative purposes only and does not affect our market value opinion.

VIII. LIMITATION OF WORK

This report was prepared based on the following limitations:

The conclusion of values arrived at herein is based on the prevailing or then prevailing economic environment, market conditions, and purchasing power of the currency stated in the report as of the Valuation Date, which is valid only for the stated purpose as of the Valuation Date.

This report and the conclusion of values arrived at herein are for the exclusive use of our client for the sole and specific purposes as noted herein. They may not be used for any other purpose or by any other party for any purpose. Furthermore, the report and conclusion of values are not intended by the author and should not be construed by the reader to be investment advice in any manner whatsoever. The conclusion of values represents the considered opinion of ValQuest based on information furnished to them by the Company and other sources.

Neither all nor any part of the contents of this report (especially the conclusion of values, the identity of any valuation specialist(s), or the firm with which such valuation specialists are connected or any reference to any of their professional designations) should be disseminated to the public through advertising media, public relations, news media, sales media, mail, direct transmittal, or any other means of communication without the prior written consent and approval of ValQuest.

Future services regarding the subject matter of this report, including, but not limited to testimony or attendance in court, shall not be required of ValQuest unless previous arrangements have been made in writing.

No change of any item in this appraisal report shall be made by anyone other than ValQuest and we shall have no responsibility for any such unauthorized change.

Our valuation may involve the use of prospective or estimated information provided by Management. We have made enquiries to Management to obtain an understanding of the basis and rationale of their assumptions or assertions. However, we have not attempted to verify the assumptions or assertions. It should be noted that actual results are likely to be different from those prospective or estimated information based on Management's representation because events and circumstances frequently do not occur as expected, and the differences may be material.

Moreover, our valuation has also relied upon other information obtained from public sources which we believe to be reliable. We accept no responsibility for accuracy and reliability of any information obtained from public sources.

Our valuation results presented in this report are provided to the Board of Directors of Road King Infrastructure Limited as public documentation reference. Our role is advisory only and we do not act or appear to act in a capacity equivalent to a member of your management.

We are not responsible for identifying all relevant changes in market conditions which may impact on the business, and our work scope should not include to update our findings described in this report for any events and circumstances occurring subsequent to the date of this report.

By its very nature, valuation work cannot be regarded as an exact science and the conclusion arrived at in many cases will of necessity be subjective and dependent on the exercise of individual judgment.

IX. CONCLUSION OF VALUE

In accordance with the purpose and scope of our engagement, and subject to the valuation assumptions, the market value of 70% equity interest of the Target Company as of the Valuation Date is concluded to be HK$2,796,564,000.

The opinion of value was based on generally accepted valuation procedures and practices that rely extensively on the use of numerous assumptions and consideration of many uncertainties, not all of which can be easily quantified or ascertained. We hereby certify that we have neither present nor any prospective interests in the Company, the Target Company or their subsidiaries. Moreover, we have neither personal interests nor any bias with respect to any of the parties involved.

Yours faithfully,
for and on behalf of
ValQuest Advisory (Hong Kong) Limited
Jason Chu
Managing Director

Note: Mr. Jason Chu is a CFA charterholder and a member of the Hong Kong Institute of Certified Public Accountants. Mr. Chu has over 15 years of experience in the business valuation and advisory services in the Mainland China, Hong Kong and other overseas countries.

Mr. Issac Ho is a CFA charterholder. He has over 9 years of experience in the business valuation and advisory services in the Mainland China, Hong Kong and other overseas countries.

Ms. Jamie Leung has over 1 year of experience in the business valuation and advisory services in the Mainland China and Hong Kong.

This valuation was prepared under the direct supervision of Mr. Jason Chu as project-leader-in-charge with substantial professional assistance from Mr. Issac Ho and Ms. Jamie Leung.

For the purpose of this report, the exchange rates of US$1 = IDR17,722 and HK$1 = IDR2,261 have been adopted.

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE CALCULATIONS OF DISCOUNTED FUTURE ESTIMATED CASH FLOWS IN CONNECTION WITH THE VALUATION OF 70% EQUITY INTEREST IN ROAD KING EXPRESSWAY INTERNATIONAL HOLDINGS LIMITED

To the Board of Directors of Road King Infrastructure Limited

We have completed our assurance engagement to report on the arithmetical accuracy of the calculations of the discounted future estimated cash flows on which the valuation (the "Valuation") dated 20 November 2026 prepared by ValQuest Advisory (Hong Kong) Limited in respect of the 70% equity interest in Road King Expressway International Holdings Limited (the "Target Company") as at 31 August 2026 is based. The Valuation based on the discounted future estimated cash flows is regarded as a profit forecast under Rule 14.61 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and will be included in an announcement dated 20 November 2026 to be issued by the Company in connection with the proposed restructuring, including the proposed disposal of 70% equity interest in the Target Company (the "**Announcement**").

Directors' Responsibility for the Discounted Future Estimated Cash Flows

The directors of the Company are responsible for the preparation of the discounted future estimated cash flows in accordance with the bases and assumptions (the "Assumptions") on which the Valuation is based. This responsibility includes carrying out appropriate procedures relevant to the preparation of the discounted future estimated cash flows for the Valuation and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Management (HKSQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion on the arithmetical accuracy of the calculations of the discounted future estimated cash flows on which the Valuation is based and to report solely to you,

as a body, as required by the Rule 14.60A of the Listing Rules, and for no other purpose. We accept no responsibility to any other person in respect of our work, or arising out of or in connection with our work. We are not reporting on the appropriateness and validity of the Assumptions on which the Valuation is based and our work does not constitute any valuation of the Target Company.

We conducted our work in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the HKICPA. We examined the arithmetical accuracy of the calculations for the discounted future estimated cash flows. We have planned and performed our work to obtain reasonable assurance for giving out opinion below.

We have planned and performed such procedures as we considered necessary to assist the directors solely in evaluating whether the discounted future estimated cash flows, so far as at calculations are concerned, has been properly compiled in accordance with the Assumptions made by the directors. Our work does not constitute any valuation of the Target Company.

The discounted estimated future cash flows do not involve the adoption of accounting policies. The discounted future estimated cash flows have been prepared using a set of bases and assumptions that include hypothetical assumptions about future events and management actions which cannot be confirmed and verified in the same way as past results and these may or may not occur. Even if the events and actions anticipated do occur, actual results are still likely to be different from the discounted future estimated cash flows since other anticipated events frequently do not occur as expected and the variation may be material. We are not reporting on the appropriateness and validity of the bases and assumptions on which the discounted future estimated cash flows are based and our work does not constitute any valuation of the equity interest of the Target Company.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, based on the foregoing, so far as the calculations are concerned, the discounted future estimated cash flows have been properly compiled in all material respects in accordance with the Assumptions.

Crowe (HK) CPA Limited
Certified Public Accountants
Hong Kong, 20 November 2026

Chan Wai Dune, Charles
Practising Certificate Number P00712

Set out below is the text of a letter dated 20 November 2026 received from the Financial Adviser in relation to the profit forecast included in the Valuation Report.

20 November 2026

The Board of Directors
Road King Infrastructure Limited
Suite 502, 5th Floor
Tower 6, The Gateway
9 Canton Road
Tsimshatsui, Kowloon
Hong Kong

Dear Directors,

We refer to the valuation report dated 20 November 2026 (the **"Valuation Report"**) in respect of the valuation of the 70% equity interest in Road King Expressway International Holdings Limited (the **"Target Company"**) as at 31 August 2026, prepared by ValQuest Advisory (Hong Kong) Limited (the **"Valuer"**). The Target Company is an indirect subsidiary owned as to 75% by Road King Infrastructure Limited (the **"Company"**, together with its subsidiaries, the "**Group**"), and holds the Group's toll road interests in Indonesia. Capitalised terms used herein, unless otherwise defined, shall have the same meanings as defined in the announcement of the Company dated 20 November 2026 (the **"Announcement"**) in connection with, among others, the very substantial disposal of 70% interest in the Target Company (the "**Proposed Disposal**").

We understand that the Valuation Report has been provided to you in connection with the Proposed Disposal.

We note that the Valuation Report has been prepared based on, among other things, the income approach using discounted cash flows, and is therefore regarded as a profit forecast (the **"Forecast"**) under Rule 14.61 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the **"Listing Rules"**).

We are not reporting on the arithmetical calculations of the Forecast or the adoption of the accounting policies thereof, and our work does not constitute any valuation or fairness opinion on the shareholders' equity of the Target Company. We have assumed, without independent verification, the accuracy of the parameters stated in the Valuation Report. We have assumed that all information, materials, opinions and/or representations supplied to us, including those referred to or contained in the Announcement, for which the Directors are solely responsible, were true, accurate, complete in all material respects and not misleading at the time they were supplied or made and continued to be so up to the date of this letter, and that no material fact or information has been omitted from the information and materials supplied. No representation or warranty, express or implied, is made by us on the accuracy, truth or completeness of such information, materials, opinions and/or representations. Circumstances could have developed or could develop in the future that, if known to us at the date

of this letter, would have altered our assessment and review. In addition, the qualifications, bases and assumptions adopted by the Valuer are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of the Valuer and the Company.

We have reviewed the Forecast included in the Valuation Report, for which you as the Directors are solely responsible. We have attended discussions involving the management of the Company, the Target Company and the Valuer, where (i) the historical performance of the Target Company, (ii) the traffic flow forecast, (iii) the calculations of the Forecast, and (iv) the qualifications, bases and assumptions set out in the Valuation Report were discussed. We have also considered the report to the Directors from Crowe (HK) CPA Limited under Rule 14.60A(2) of the Listing Rules, as set out in Appendix I to the Announcement on the calculations of the discounted cash flows on which the Forecast is based. The Forecast is based on a number of bases and assumptions. As these relate to future events which may or may not occur, the actual financial performance of the Target Company may differ from that expected, and the variation may be material.

On the basis of the foregoing and without giving any opinion on the reasonableness of the valuation methods, bases and assumptions selected by the Valuer, for which the Valuer and the Company are responsible, we are satisfied that the Forecast included in the Valuation Report and disclosed in the Announcement, for which you as the Directors are solely responsible, has been made after due and careful enquiry by you.

The work undertaken by us in giving the above view has been undertaken for the purpose of reporting solely to you under Rule 14.60A(3) of the Listing Rules and for no other purpose. We accept no responsibility to any other person in respect of, arising out of or in connection with our work or this letter.

Yours faithfully,
For and on behalf of
Alvarez & Marsal Corporate Finance Limited

Li Weijing
Managing Director

Set out below is the text of the report received from WB Group International Limited, an independent traffic consultant, in connection with the traffic study on Solo-Ngawi Expressway in Indonesia for inclusion in this circular.

WB Group International Limited,
Flat A, 11/F.,
Loyong Court Comm Building,
212-220 Lockhart Road,
Wanchai, Hong Kong
P. R. China

As of 20 November 2026

The Directors,
Road King Infrastructure Limited,
Suite 502, 5/F, Tower 6, The Gateway,
9 Canton Road, Tsimshatsui,
Kowloon, Hong Kong

Dear Sirs,

Solo-Ngawi Expressway in Central Java and East Java Provinces in Indonesia Traffic and Toll Revenue Forecasting Study

WB Group International Limited (the "Consultant") was commissioned by Road King Infrastructure Limited ("RKI") to carry out an independent traffic and toll revenue forecast for Solo-Ngawi Expressway ("SN Expressway") in Central Java and East Java Provinces in Indonesia.

All reasonable and professional skills, judgement, care and due diligence have been exercised in preparing the Traffic and Toll Revenue Forecasting Study. A summary of the findings of this report is set out below:

1 Introduction

SN Expressway is a component of the Trans-Java Expressway, which is a fully-tolled road running from Merak, on the northwestern end of Java, to Banyuwangi, on its eastern end. SN Expressway is strategically positioned within Java Island, forming part of the expressway network approaching Ngawi and connecting Jakarta with East and Central Java. It is also a key segment of the Jakarta-Surabaya corridor, which is essential for the distribution of passengers, goods and services across Java Island.

SN Expressway is a closed-system expressway[1] with a total length of 91 kilometers. Its four-lane carriageways are two-way, and have a maximum speed of 100 kilometers per hour. SN Expressway became fully operational (tolled) in December 2018. The location of SN Expressway is shown on Figure 1-1.

Figure 1-1 Location of SN Expressway



Source: Consultant, 2026

2 Study Approach

The study approach and work steps are summarized below:

Step 1: Mobilization and Data Collection — The Consultant has collected relevant traffic/revenue information of SN Expressway, including economic growth patterns, transport development plans, and forecasts of future development projects in the vicinity of the study corridor.

Step 2: Existing Year Traffic Conditions — Based on the traffic and revenue information collected, the current economic and development activities along SN Expressway have been summarized. The Consultant has also analyzed the yearly traffic flow pattern of the expressway to determine the 2025 annual average daily traffic volumes, value of time and operation costs of SN Expressway.

[1] Closed-system expressway: expressway with controlled access. Toll stations are located at all the entry and exit points.

Step 3 : Road Network Development in Traffic Forecasting Model — This task has included the development of a computer simulation model to replicate the existing traffic conditions along SN Expressway. The computer model simulation software EMME was used to develop the road network and to calibrate the simulation model. The Consultant has retrieved highway infrastructure planning and implementation programs in the vicinity of SN Expressway in order to examine the impacts of future road network variations within the influenced area on the traffic forecasting results.

Step 4 : Socio-economic Analysis — In order to understand and to predict the existing and future community and economic development trends in the study corridor as well as the Project vicinity cities, the Consultant has carried out detailed analyses on the latest community/economic information released by the Government agencies. The purpose of this task was to identify possible numerical relationships between historical travel demand figures and community/economic parameters. The extensive coverage and details of the data dictated the accuracy of the coefficients.

Step 5 : Traffic Forecasting Model Development — The results of Steps 2-4 have been formulated as the basis for the development of a computer traffic forecasting model. The remaining work was to establish and to calibrate the conventional trip distribution and trip assignment models in order to replicate existing traffic volumes and conditions. For future forecasting, the traffic distribution and assignment models were further refined to represent future network conditions as described in Step 3.

Step 6 : Traffic and Revenue Forecast — The traffic forecasting model was fine-tuned after the completion of the road network development, socio-economic growth assumptions and the toll charging strategies. The Consultant then carried out detailed traffic and revenue forecasting works using the updated traffic forecasting model.

3 Historical Traffic and Revenue Data Collection and Analysis

The Consultant has collected the following historical data:

1. SN Expressway monthly ramp-to-ramp traffic flow data by vehicle class from January 2019 to August 2026.

2. SN Expressway monthly sectional flow traffic volume from April 2018 to August 2026.

3. SN Expressway monthly total traffic by vehicle class from April 2018 to August 2026.

4. SN Expressway monthly revenue from April 2018 to August 2026.

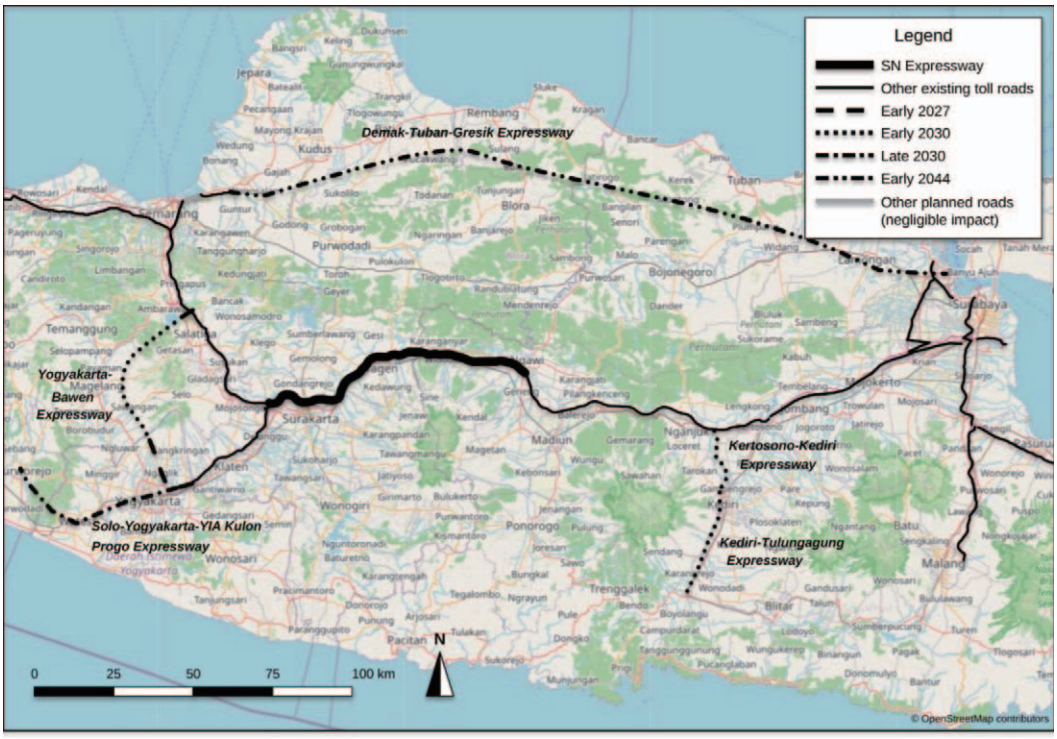
In order to have a better understanding of the existing traffic levels, travel directions and the traffic compositions on SN Expressway, the Consultant undertook the 24-hour traffic surveys at and in the vicinity of SN Expressway on 2nd to 3rd July 2019, including classified traffic count surveys on SN Expressway and the parallel National Highway. The data was analyzed and used in the traffic model development. The ramp-to-ramp traffic flow data obtained from PT Jasamarga Solo Ngawi (JSN) enables the Consultant to adequately understand the monthly traffic pattern, origins, destinations, vehicle classes and distances travelled.

4 Basic Approach and Key Assumptions

To enable reliable forecasting of future traffic on, and revenue projection for, SN Expressway, the Consultant developed a comprehensive socio-economic and traffic forecasting model. This section summarizes the main approach and the key assumptions used by the Consultant in its traffic and revenue forecast model:

1.	*Forecasting Period:*	Year 2026 to 31st May 2066
2.	*Socio-Economic Model and Factors:*	The purpose of this model was to derive the relationship between historical socio-economic situations and the future traffic generation. The economic parameters were subjected to correlation and regression analyses. The Consultant determined the future trends of the socio-economic parameters based on historical growth of Indonesia, and other provinces and municipalities, some other source of global economic projection such as Organization for Economic Co-operation and Development (OECD).
3.	*Traffic Forecasting Model:*	The professional computer model simulation software "EMME" was used to develop the traffic forecasting model. The main objectives of the traffic forecasting model were to calibrate base year conditions, to adopt reasonable traffic growth assumptions and to predict traffic distribution and assignment patterns on the expressway network in order to obtain reasonable traffic and revenue forecast results.
4.	*Traffic Model Calibration:*	The Consultant has successfully calibrated the traffic model against existing traffic conditions to a technically acceptable level. The Consultant concluded that the calibrated model could adequately replicate travel paths on the expressway system and could be used to perform future traffic/revenue forecasting on SN Expressway.
5.	*Road and Rail Network Assumptions:*	In the base year road network development process, the Consultant made use of the existing Indonesian Provincial Expressway Network map as building blocks to develop the highway supply model which was then coded into EMME. All major highway facilities were included in the EMME network, including expressways and national highways. The Consultant carried out detailed analysis on future traffic and revenue forecasts for SN Expressway based on the existing and new highways in future and the realistic 4-step traffic economic model. Locations of new expressways are shown in Figure 4-1. The traffic impacts on SN Expressway due to the opening of new expressways are summarised in Table 4-1.

Figure 4-1 Location of New Expressways



Source: Consultant, 2026

Table 4-1 New Expressways with Traffic Impact

Opening Year	Highway Name	Traffic Impact on SN Expressway
Early 2027	Solo-Yogyakarta-YIA Kulon Progo Expressway Section 1 Prambanan-Purwomartani, Yogyakarta-Bawen Expressway Section 1 Sleman-Banyurejo and Yogyakarta-Bawen Expressway Section 6 Bawen-Ambarawa	Traffic attraction
Early 2030	Kertosono-Kediri Expressway, Kediri-Tulungagung Expressway and remaining sections of Yogyakarta-Bawen Expressway	Traffic attraction
Late 2030	Solo-Yogyakarta-YIA Kulon Progo Expressway Section 2 Purwomartani-Gamping and Section 3 Gamping-Purworejo	Traffic attraction
Early 2044	Demak-Tuban-Gresik Expressway	Traffic diversion

Source: Consultant, 2026

Similar to the road network development process, the Consultant has taken into account the possible impact from existing and future rail development and its impact on the project expressway is insignificant.

6. Toll Rates:

The existing toll charges in IDR per kilometer effective on 5th January 2026 are summarized in Table 4-2.

Table 4-2 SN Expressway Toll Charges (IDR/km)

Veh Type	Toll Charge (IDR/km)
Class 1	1,795
Class 2	2,695
Class 3	2,695
Class 4	3,590
Class 5	3,590

Source: PT Jasamarga Solo Ngawi (JSN), 2026

7. Traffic Distribution and Assignment:

This study adopted the "generalized-cost" as the factor to influence the decisions to select travel paths by the trip makers. This will arrive at a balanced trip distribution on the road network within the study area. The "generalized cost" includes all elements and factors (such as travel time, travel distance, vehicle operation cost and toll costs etc.) that may affect the choice of travel paths of the car drivers.

The traffic assignment model used by the Consultant has taken into consideration the road users' willingness to pay certain travel costs and congestion levels on SN Expressway in comparison to other competing expressways. From the trip matrices, the trips between any two Traffic Analysis Zones is allocated by the model to the path of the lowest generalized cost. Traffic assignment is an iterative process, in which every trip during an iteration would be assigned to the path of the lowest generalized cost. This process is repeated until traffic volumes on the competing highways reach a state of equilibrium. Revenue is then calculated by applying the toll rates to the traffic volumes by taking into account the distance travelled.

5 Traffic and Revenue Forecast Results

Based on the collected information and the forecasting analysis produced by the traffic model, the analysis base year and the end of forecast period were assumed to be 2026 and 31st May 2066 respectively. The future traffic volumes and revenues were derived with the application of the traffic model to reflect the economic development growths and road network changes since 2026. Table 5-1 summarizes the key contents of Case 1, Case 2 and Case 3.

Table 5-1 Description of Scenarios

Test Option	Contents
(1) Case 1	1. Frequency of tariff adjustment: next adjustment on 1st January 2028 and on 1st January every 2 years afterwards. 2. Normal tariff adjustment: +6% every 2 years from 2028 until 2066. 3. Road Capacity: The base capacity of the Expressway is 2,300 pcu/hr/lane (Indonesian Highway Capacity Manual). 4. Capacity Expansion: To start expansion from 2x2 lanes to 2x3 lanes when volume to capacity ("V/C") ratio of a road section reaches 0.8 per Indonesian standard, subject to land availability for such an expansion. 5. New Expressways: Opening of Solo-Yogyakarta-YIA Kulon Progo Expressway Section 1 Prambanan-Purwomartani, Yogyakarta-Bawen Expressway Section 1 Sleman-Banyurejo and Yogyakarta-Bawen Expressway Section 6 Bawen-Ambarawa in early 2027. 6. Opening of remaining sections of Yogyakarta-Bawen Expressway, Kertosono-Kediri Expressway and Kediri-Tulungagung Expressway in early 2030. 7. Opening of Solo-Yogyakarta-YIA Kulon Progo Expressway Section 2 Purwomartani-Gamping and Section 3 Gamping-Purworejo in late 2030. 8. Opening of Demak-Tuban-Gresik Expressway in early 2044. 9. The end of concession period is 31st May 2066.
(2) Case 2	Based on Case 1, a more conservative economic growth (economic growth parameters decreased by approximately 10%) is assumed.
(3) Case 3	Based on Case 1, a more optimistic economic growth (economic growth parameters increased by approximately 10%) is assumed.

Source: Consultant, 2026

5.1 Traffic and Revenue Forecast Results (Case 1, Case 2 and Case 3)

Based on the above considerations, the average daily traffic, weighted average daily section traffic flow and toll revenue forecasts of SN Expressway are shown in Table 5-2, Table 5-3 and Table 5-4 respectively. The average daily traffic volume refers to the sum of project expressway daily traffic, including the number of vehicles entering and leaving the project expressway toll stations, the number of vehicles entering the project expressway but leaving from other expressways (or entering from other expressways and leaving the project expressway), and the number of vehicles passing through the project expressway but not entering or leaving the project expressway toll stations. Weighted average daily section flow is the summation of the product of daily traffic volume and mileage of each section and divided by the sum of the mileage. Table 5-5 presents the year in which the volume-to-capacity (V/C) ratio of each road section is projected to reach 0.8.

Table 5-2 Average Daily Traffic on SN Expressway (Vehicles/Day)

	Average Daily Traffic (Vehicle/Day)		
Year	**Case 1**	**Case 2**	**Case 3**
2026	54,241	54,241	54,241
2027	56,523	56,390	56,654
2028	59,111	58,832	59,383
2029	61,679	61,249	62,102
2030	65,283	64,685	65,876
2031	69,060	68,286	69,840
2036	86,092	84,267	87,950
2041	106,947	104,229	109,725
2046	125,287	120,965	129,428
2051	144,849	138,316	151,249
2056	171,370	160,481	187,010
2061	217,305	197,477	232,348
2066	258,413	233,558	280,887

Source: Consultant, 2026

Table 5-3 Weighted Average Daily Section Flow on SN Expressway (Vehicles/Day)

	Weighted Average Daily Section Flow (Vehicle/Day)		
Year	**Case 1**	**Case 2**	**Case 3**
2026	19,872	19,872	19,872
2027	20,721	20,672	20,770
2028	21,674	21,572	21,776
2029	22,621	22,464	22,779
2030	23,931	23,711	24,151
2031	25,313	25,026	25,602
2036	31,596	30,919	32,284
2041	38,664	37,460	39,880
2046	43,957	41,981	45,830
2051	50,518	47,695	53,261
2056	59,483	55,446	64,027
2061	71,560	65,481	77,141
2066	84,361	75,969	92,736

Source: Consultant, 2026

Table 5-4 Annual Revenue Forecasts on SN Expressway (Billion IDR)

	Annual Revenue (Billion IDR)[(1)]		
Year	**Case 1**	**Case 2**	**Case 3**
2026	1,277	1,277	1,277
2027	1,336	1,333	1,340
2028	1,486	1,479	1,493
2029	1,549	1,538	1,560
2030	1,737	1,721	1,753
2031	1,840	1,819	1,862
2036	2,753	2,693	2,814
2041	3,793	3,673	3,915
2046	5,152	4,917	5,377
2051	6,683	6,304	7,054
2056	9,429	8,780	10,159
2061	12,763	11,666	13,775
2066[(2)]	7,437	6,689	8,186
Total (2026-2066)	257,151	240,348	274,017

Source: Consultant, 2026

Notes:

(1) Revenue forecasts were based on current value. The Consultant has not predicted yearly fluctuation of the inflation indices.

(2) The end of the concession period is 31st May 2066.

Table 5-5 Year of Road Sections V/C Reaching 0.8

Road Sections	Case 1	Case 2	Case 3
SS Colomadu - Colomadu	2054	2057	2053
Colomadu - Bandara	2055	2057	2053
Bandara - Ngemplak	2055	2057	2053
Ngemplak - Gondangrejo	2055	2057	2053
Gondangrejo - Karanganyar	2057	2059	2055
Karanganyar - Sragen	2062	—	2060
Sragen - Sragen Timur	—	—	2064
Sragen Timur- Ngawi	—	—	2064
Ngawi - Klitik	—	—	—

Source: Consultant, 2026

6 Conclusion

This study carried out future traffic volume and revenue forecasting for SN Expressway from 2026 to 31st May 2066. Based on collected information, the professional capability and past relevant experience of the Consultant, the major study results are summarized as follows:

1) From 2026 to 31st May 2066, the weighted average daily section flow on SN Expressway would increase from 19,872 vehicles/day in 2026 to 84,361 vehicles/day in 2066, with an average annual growth rate of 3.7%.

2) The daily revenue on SN Expressway would increase from IDR 3,500 million in 2026 to IDR 49,250 million in 2066, with an average annual growth rate of 6.8%. From 1st January 2026 to 31st May 2066, SN Expressway traffic would generate a total revenue of IDR 257,151 billion.

The Consultant adopted the most updated and reliable forecasting techniques and professional guidelines in forecasting future traffic and revenue streams on the Expressway. However, the forecasted results in this study and the actual conditions for the future years may have differences due to uncertainties and unforeseen events that could not be predicted at this juncture. In addition, the results of this study would only reflect the general traffic and revenue variations over the entire commissioned period of the Expressway. Discrepancies for certain individual year(s) may still be possible. Despite the extreme efforts made by the Consultant to maintain technical excellence in the exercise, the Consultant bears no responsibility or liability for any forecasting results.

Yours faithfully,

Derek Leung
BEng, MSc, MFin, R.P.E. CPEng, FIHT, MHKIE, MRTPI, MIEAust
Project Director
For and on behalf of
WB Group International Limited

Mr. Leung is a chartered professional planner and engineer with over 28 years of experience in various fields, including the transportation strategic planning, traffic engineering, traffic demand model, overall planning of traffic and transportation, as well as the traffic and revenue forecasting of toll roads in Hong Kong, the PRC, Vietnam, South Korea and Indonesia.

Set out below is the text of the report received from WB Group International Limited, an independent traffic consultant, in connection with the traffic study on Ngawi-Kertosono-Kediri Expressway in Indonesia for inclusion in this circular.

WB Group International Limited,
Flat A, 11/F.,
Loyong Court Comm Building,
212-220 Lockhart Road,
Wanchai, Hong Kong
P. R. China

As of 20 November 2026

The Directors,
Road King Infrastructure Limited,
Suite 502, 5/F, Tower 6, The Gateway,
9 Canton Road, Tsimshatsui,
Kowloon, Hong Kong

Dear Sirs,

Ngawi-Kertosono-Kediri Expressway in East Java Province in Indonesia
Traffic and Toll Revenue Forecasting Study

WB Group International Limited (the "Consultant") was commissioned by Road King Infrastructure Limited ("RKI") to carry out an independent traffic and toll revenue forecast for Ngawi-Kertosono-Kediri Expressway ("NKK Expressway") in East Java Province in Indonesia.

All reasonable and professional skills, judgement, care and due diligence have been exercised in preparing the Traffic and Toll Revenue Forecasting Study. A summary of the findings of this report is set out below:

1 Introduction

NKK Expressway is a component of the Trans-Java Expressway, which is a fully-tolled road running from Merak, the northwestern end of Java, to Banyuwangi, on its eastern end. NKK Expressway is strategically located in the southeast of Java Island and forms a main connector between Central Java and East Java Provinces, connecting various areas with rich industrial and

cultural resources along the way. It directly links to other major expressways, the Solo-Ngawi Expressway on its western end, which has on/off-ramp toll plaza located at the Ngawi Toll Station, and the Kertosono-Mojokerto Expressway on its eastern, which further links to the Surabaya-Mojokerto.

NKK Expressway is a closed-system expressway[1] with a total length of 87 kilometers[2]. Its four-lane carriageways are two-way, and have a maximum speed of 100 kilometers per hour. NKK Expressway was fully commissioned in January 2019. The location of NKK Expressway is shown on Figure 1-1.

Figure 1-1 Location of NKK Expressway



Source: Consultant, 2026

2 Study Approach

The study approach and work steps are summarized below:

Step 1: Mobilization and Data Collection — The Consultant has collected relevant traffic/revenue information of NKK Expressway, including economic growth patterns, transport development plans, and forecasts of future development projects in the vicinity of the study corridor.

Step 2: Existing Year Traffic Conditions — Based on the traffic and revenue information collected, the current economic and development activities along NKK Expressway have been summarized. The Consultant has also analyzed the yearly traffic flow pattern of the expressway to determine the 2025 annual average daily traffic volumes, value of time and operation costs of NKK Expressway.

[1] Closed-system expressway: expressway with controlled access. Toll stations are located at all the entry and exit points.

[2] The total length of 87 kilometers does not include the planned 20-kilometer toll road section between Kertosono and Kediri.

Step 3: Road Network Development in Traffic Forecasting Model — This task has included the development of a computer simulation model to replicate the existing traffic conditions along NKK Expressway. The computer model simulation software EMME was used to develop the road network and to calibrate the simulation model. The Consultant has retrieved highway infrastructure planning and implementation programs in the vicinity of NKK Expressway in order to examine the impacts of future road network variations within the influenced area on the traffic forecasting results.

Step 4: Socio-economic Analysis — In order to understand and to predict the existing and future community and economic development trends in the study corridor as well as the Project vicinity cities, the Consultant has carried out detailed analyses on the latest community/economic information released by the Government agencies. The purpose of this task was to identify possible numerical relationships between historical travel demand figures and community/economic parameters. The extensive coverage and details of the data dictated the accuracy of the coefficients.

Step 5: Traffic Forecasting Model Development — The results of Steps 2-4 have been formulated as the basis for the development of a computer traffic forecasting model. The remaining work was to establish and to calibrate the conventional trip distribution and trip assignment models in order to replicate existing traffic volumes and conditions. For future forecasting, the traffic distribution and assignment models were further refined to represent future network conditions as described in Step 3.

Step 6: Traffic and Revenue Forecast — The traffic forecasting model was fine-tuned after the completion of the road network development, socio-economic growth assumptions and the toll charging strategies. The Consultant then carried out detailed traffic and revenue forecasting works using the updated traffic forecasting model.

3 Historical Traffic and Revenue Data Collection and Analysis

The Consultant has collected the following historical data:

1. NKK Expressway monthly ramp-to-ramp traffic flow data by vehicle class from January 2019 to August 2026.

2. NKK Expressway monthly sectional flow traffic volume from April 2018 to August 2026.

3. NKK Expressway monthly total traffic by vehicle class from April 2018 to August 2026.

4. NKK Expressway monthly revenue from April 2018 to August 2026.

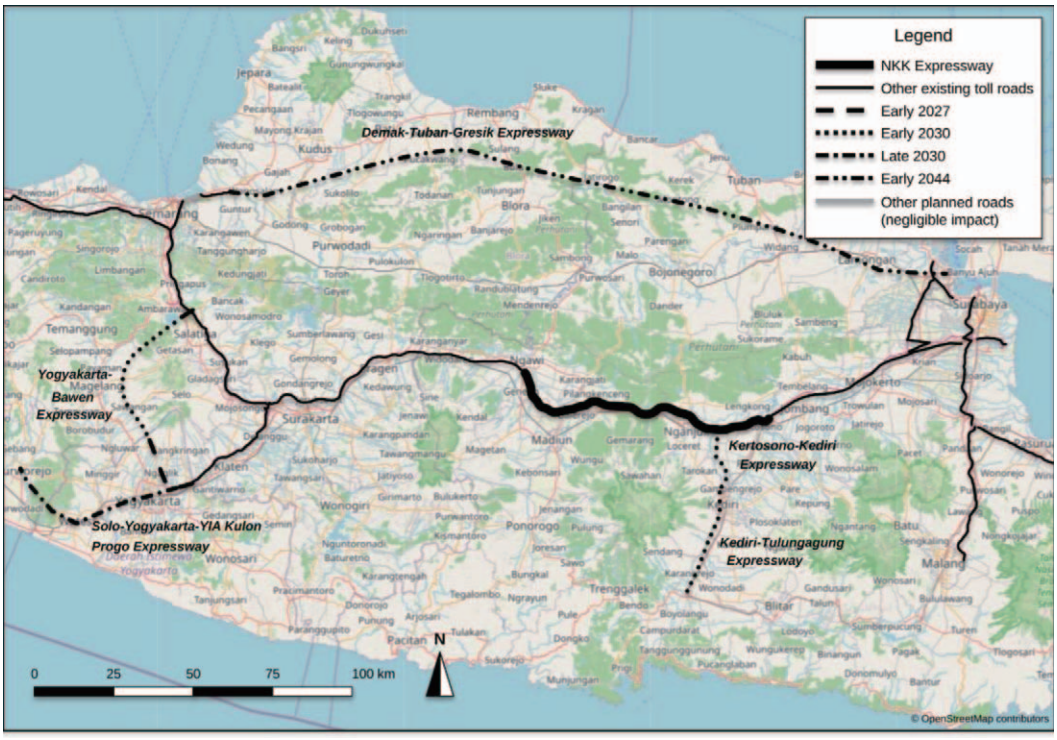
In order to have a better understanding of the existing traffic levels, travel directions and the traffic compositions on NKK Expressway, the Consultant undertook the 24-hour traffic surveys at and in the vicinity of NKK Expressway on 2nd to 3rd July 2019, including classified traffic count surveys on NKK Expressway and the parallel National Highway. The data was analyzed and used in the traffic model development. The ramp-to-ramp traffic flow data obtained from PT Jasamarga Ngawi Kertosono Kediri (JNK) enables the Consultant to adequately understand the monthly traffic pattern, origins, destinations, vehicle classes and distances travelled.

4 Basic Approach and Key Assumptions

To enable reliable forecasting of future traffic on, and revenue projection for, NKK Expressway, the Consultant developed a comprehensive socio-economic and traffic forecasting model. This section summarizes the main approach and the key assumptions used by the Consultant in its traffic and revenue forecast model:

1.	*Forecasting Period:*	Year 2026 to 25th May 2066
2.	*Socio-Economic Model and Factors:*	The purpose of this model was to derive the relationship between historical socio-economic situations and the future traffic generation. The economic parameters were subjected to correlation and regression analyses. The Consultant determined the future trends of the socio-economic parameters based on historical growth of Indonesia, and other provinces and municipalities, some other source of global economic projection such as Organization for Economic Co-operation and Development (OECD).
3.	*Traffic Forecasting Model:*	The professional computer model simulation software "EMME" was used to develop the traffic forecasting model. The main objectives of the traffic forecasting model were to calibrate base year conditions, to adopt reasonable traffic growth assumptions and to predict traffic distribution and assignment patterns on the expressway network in order to obtain reasonable traffic and revenue forecast results.
4.	*Traffic Model Calibration:*	The Consultant has successfully calibrated the traffic model against existing traffic conditions to a technically acceptable level. The Consultant concluded that the calibrated model could adequately replicate travel paths on the expressway system and could be used to perform future traffic/revenue forecasting on NKK Expressway.
5.	*Road and Rail Network Assumptions:*	In the base year road network development process, the Consultant made use of the existing Indonesian Provincial Expressway Network map as building blocks to develop the highway supply model which was then coded into EMME. All major highway facilities were included in the EMME network, including expressways and national highways. The Consultant carried out detailed analysis on future traffic and revenue forecasts for NKK Expressway based on the existing and new highways in future and the realistic 4-step traffic economic model. Locations of new expressways are shown in Figure 4-1. The traffic impacts on NKK Expressway due to the opening of new expressways are summarised in Table 4-1.

Figure 4-1 Location of New Expressways



Source: Consultant, 2026

Table 4-1 New Expressways with Traffic Impact

Opening Year	Highway Name	Traffic Impact on NKK Expressway
Early 2027	Solo-Yogyakarta-YIA Kulon Progo Expressway Section 1 Prambanan-Purwomartani, Yogyakarta-Bawen Expressway Section 1 Sleman-Banyurejo and Yogyakarta-Bawen Expressway Section 6 Bawen-Ambarawa	Traffic attraction
Early 2030	Kertosono-Kediri Expressway, Kediri-Tulungagung Expressway and remaining sections of Yogyakarta-Bawen Expressway	Traffic attraction
Late 2030	Solo-Yogyakarta-YIA Kulon Progo Expressway Section 2 Purwomartani-Gamping and Section 3 Gamping-Purworejo	Traffic attraction
Early 2044	Demak-Tuban-Gresik Expressway	Traffic diversion

Source: Consultant, 2026

Similar to the road network development process, the Consultant has taken into account the possible impact from existing and future rail development and its impact on the project expressway is insignificant.

6. Toll Rates:

The existing toll charges in IDR per kilometer effective on 5th January 2026 are summarized in Table 4-2.

Table 4-2 NKK Expressway Toll Charges (IDR/km)

Veh Type	Toll Charge (IDR/km)
Class 1	1,159
Class 2	1,739
Class 3	1,739
Class 4	2,318
Class 5	2,318

Source: PT Jasamarga Ngawi Kertosono Kediri (JNK), 2026

7. Traffic Distribution and Assignment:

This study adopted the "generalized-cost" as the factor to influence the decisions to select travel paths by the trip makers. This will arrive at a balanced trip distribution on the road network within the study area. The "generalized cost" includes all elements and factors (such as travel time, travel distance, vehicle operation cost and toll costs etc.) that may affect the choice of travel paths of the car drivers.

The traffic assignment model used by the Consultant has taken into consideration the road users' willingness to pay certain travel costs and congestion levels on NKK Expressway in comparison to other competing expressways. From the trip matrices, the trips between any two Traffic Analysis Zones is allocated by the model to the path of the lowest generalized cost. Traffic assignment is an iterative process, in which every trip during an iteration would be assigned to the path of the lowest generalized cost. This process is repeated until traffic volumes on the competing highways reach a state of equilibrium. Revenue is then calculated by applying the toll rates to the traffic volumes by taking into account the distance travelled.

5 Traffic and Revenue Forecast Results

Based on the collected information and the forecasting analysis produced by the traffic model, the analysis base year and the end of forecast period were assumed to be 2026 and 25th May 2066 respectively. The future traffic volumes and revenues were derived with the application of the traffic model to reflect the economic development growths and road network changes since 2026. Table 5-1 summarizes the key contents of Case 1, Case 2 and Case 3.

Table 5-1 Description of Scenarios

Test Option	Contents
(1) Case 1	1. Frequency of tariff adjustment: next adjustment on 1st January 2028 and on 1st January every 2 years afterwards. 2. Normal tariff adjustment: +6% every 2 years from 2028 until 2066. 3. Road Capacity: The base capacity of the Expressway is 2,300 pcu/hr/lane (Indonesian Highway Capacity Manual). 4. Capacity Expansion: To start expansion from 2x2 lanes to 2x3 lanes when volume to capacity ("V/C") ratio of a road section reaches 0.8 per Indonesian standard, subject to land availability for such an expansion. 5. New Expressways: Opening of Solo-Yogyakarta-YIA Kulon Progo Expressway Section 1 Prambanan-Purwomartani, Yogyakarta-Bawen Expressway Section 1 Sleman-Banyurejo and Yogyakarta-Bawen Expressway Section 6 Bawen-Ambarawa in early 2027. 6. Opening of remaining sections of Yogyakarta-Bawen Expressway, Kertosono-Kediri Expressway and Kediri-Tulungagung Expressway in early 2030. 7. Opening of Solo-Yogyakarta-YIA Kulon Progo Expressway Section 2 Purwomartani-Gamping and Section 3 Gamping-Purworejo in late 2030. 8. Opening of Demak-Tuban-Gresik Expressway in early 2044. 9. The end of concession period is 25th May 2066.
(2) Case 2	Based on Case 1, a more conservative economic growth (economic growth parameters decreased by approximately 10%) is assumed.
(3) Case 3	Based on Case 1, a more optimistic economic growth (economic growth parameters increased by approximately 10%) is assumed.

Source: Consultant, 2026

5.1 Traffic and Revenue Forecast Results (Case 1, Case 2 and Case 3)

Based on the above considerations, the average daily traffic, weighted average daily section flow and toll revenue forecasts of NKK Expressway are shown in Table 5-2, Table 5-3 and Table 5-4 respectively. The average daily traffic volume refers to the sum of project expressway daily traffic, including the number of vehicles entering and leaving the project expressway toll stations, the number of vehicles entering the project expressway but leaving from other expressways (or entering from other expressways and leaving the project expressway), and the number of vehicles passing through the project expressway but not entering or leaving the project expressway toll stations. Weighted average daily section flow is the summation of the product of daily traffic volume and mileage of each section and divided by the sum of the mileage. Table 5-5 presents the year in which the volume-to-capacity (V/C) ratio of each road section is projected to reach 0.8.

Table 5-2 Average Daily Traffic on NKK Expressway (Vehicles/Day)

Year	Average Daily Traffic (Vehicle/Day)		
	Case 1	Case 2	Case 3
2026	26,571	26,571	26,571
2027	27,680	27,617	27,746
2028	28,929	28,795	29,065
2029	30,187	29,981	30,400
2030	33,321	33,019	33,628
2031	35,537	35,139	35,945
2036	45,090	44,112	46,091
2041	55,507	54,015	57,042
2046	63,575	61,241	65,864
2051	73,656	70,157	77,158
2056	87,283	82,313	92,341
2061	102,566	95,967	112,140
2066	127,538	113,234	143,236

Source: Consultant, 2026

Table 5-3 Weighted Average Daily Section Flow on NKK Expressway (Vehicles/Day)

Year	Weighted Average Daily Section Flow (Vehicle/Day)		
	Case 1	Case 2	Case 3
2026	18,909	18,909	18,909
2027	19,694	19,649	19,741
2028	20,580	20,484	20,676
2029	21,471	21,323	21,621
2030	19,395	19,218	19,573
2031	20,571	20,339	20,804
2036	25,807	25,256	26,370
2041	31,610	30,629	32,607
2046	35,996	34,405	37,529
2051	41,455	39,187	43,689
2056	48,826	45,710	51,955
2061	57,026	52,986	62,757
2066	69,747	62,233	76,845

Source: Consultant, 2026

Note: The Kertosono-Kediri section is assumed to open in early 2030 and is included in the weighted average daily section flow from 2030. As traffic on the new section is lower than on the existing sections in its first years, the weighted average daily section flow drops in 2030 compared with 2029.

Table 5-4 Annual Revenue Forecasts on NKK Expressway (Billion IDR)

Year	Annual Revenue (Billion IDR)[1]		
	Case 1	Case 2	Case 3
2026	763	763	763
2027	796	794	798
2028	885	880	889
2029	922	915	929
2030	1,089	1,078	1,099
2031	1,157	1,143	1,170
2036	1,740	1,702	1,779
2041	2,400	2,324	2,478
2046	3,268	3,120	3,410
2051	4,249	4,012	4,483
2056	5,997	5,608	6,390
2061	7,884	7,316	8,689
2066[2]	4,578	4,079	5,051
Total (2026-2066)	162,030	151,521	172,917

Source: Consultant, 2026

Notes:

(1) Revenue forecasts were based on current value. The Consultant has not predicted yearly fluctuation of the inflation indices.

(2) The end of the concession period is 25th May 2066.

Table 5-5 Year of Road Sections V/C Reaching 0.8

Road Sections	Case 1	Case 2	Case 3
Klitik-Madiun	—	—	—
Madiun-Caruban	2063	—	2061
Caruban-Nganjuk	2060	2063	2058
Nganjuk-Tanjunganom	2064	—	2062
Tanjunganom-Kertosono	—	—	2064
Tanjunganom-Kediri	—	—	—

Source: Consultant, 2026

6 Conclusion

This study carried out future traffic volume and revenue forecasting for NKK Expressway from 2026 to 25th May 2066. Based on collected information, the professional capability and past relevant experience of the Consultant, the major study results are summarized as follows:

1) From 2026 to 25th May 2066, the weighted average daily section flow on NKK Expressway would increase from 18,909 vehicles/day in 2026 to 69,747 vehicles/day in 2066, with an average annual growth rate of 3.3%.

2) The daily revenue on NKK Expressway would increase from IDR 2,090 million in 2026 to IDR 31,572 million in 2066, with an average annual growth rate of 7.0%. From 1st January 2026 to 25th May 2066, NKK Expressway traffic would generate a total revenue of IDR 162,030 billion.

The Consultant adopted the most updated and reliable forecasting techniques and professional guidelines in forecasting future traffic and revenue streams on the Expressway. However, the forecasted results in this study and the actual conditions for the future years may have differences due to uncertainties and unforeseen events that could not be predicted at this juncture. In addition, the results of this study would only reflect the general traffic and revenue variations over the entire commissioned period of the Expressway. Discrepancies for certain individual year(s) may still be possible. Despite the extreme efforts made by the Consultant to maintain technical excellence in the exercise, the Consultant bears no responsibility or liability for any forecasting results.

Yours faithfully,

Derek Leung
BEng, MSc, MFin, R.P.E. CPEng, FIHT, MHKIE, MRTPI, MIEAust
Project Director
For and on behalf of
WB Group International Limited

Mr. Leung is a chartered professional planner and engineer with over 28 years of experience in various fields, including the transportation strategic planning, traffic engineering, traffic demand model, overall planning of traffic and transportation, as well as the traffic and revenue forecasting of toll roads in Hong Kong, the PRC, Vietnam, South Korea and Indonesia.

Set out below is the text of the report received from WB Group International Limited, an independent traffic consultant, in connection with the traffic study on Medan-Kualanamu-Tebing Tinggi Expressway in Indonesia for inclusion in this circular.

WB Group International Limited,
Flat A, 11/F.,
Loyong Court Comm Building,
212-220 Lockhart Road,
Wanchai, Hong Kong
P. R. China

As of 20 November 2026

The Directors,
Road King Infrastructure Limited,
Suite 502, 5/F, Tower 6, The Gateway,
9 Canton Road, Tsimshatsui,
Kowloon, Hong Kong

Dear Sirs,

Medan-Kualanamu-Tebing Tinggi Expressway in North Sumatra Province in Indonesia
Traffic and Toll Revenue Forecasting Study

WB Group International Limited (the "Consultant") was commissioned by Road King Infrastructure Limited ("RKI") to carry out an independent traffic and toll revenue forecast for Medan-Kualanamu-Tebing Tinggi Expressway ("MKTT Expressway") in North Sumatra Province in Indonesia.

All reasonable and professional skills, judgement, care and due diligence have been exercised in preparing the Traffic and Toll Revenue Forecasting Study. A summary of the findings of this report is set out below:

1 Introduction

MKTT Expressway is a vital segment of the Trans-Sumatra Expressway, a tolled expressway network designed to connect Aceh in the north to Lampung in the south of Sumatra Island. Recognized

as a National Strategic Project (PSN), MKTT Expressway connects the Belawan-Medan-Tanjung Morawa (Belmera) Expressway and the Medan-Binjai Expressway to the north, and the Kuala Tanjung-Tebing Tinggi-Parapat Expressway to the south, serving Medan (the capital city of North Sumatra), Kualanamu International Airport, Belawan Seaport and Kuala Tanjung Seaport.

MKTT Expressway is a closed-system expressway[1] with a total length of around 62 kilometers. Its four-lane carriageways are two-way, and have a maximum speed of 100 kilometers per hour. MKTT Expressway started to charge on 20th October 2017 (Phase I) and has been in full operation since 22nd April 2019. The location of MKTT Expressway is shown on Figure 1-1.

Figure 1-1 Location of MKTT Expressway



Source: Consultant, 2026

2 Study Approach

The study approach and work steps are summarized below:

Step 1 : Mobilization and Data Collection — The Consultant has collected relevant traffic/revenue information of MKTT Expressway, including economic growth patterns, transport development plans, and forecasts of future development projects in the vicinity of the study corridor.

[1] Closed-system expressway: expressway with controlled access. Toll stations are located at all the entry and exit points.

Step 2 : Existing Year Traffic Conditions — Based on the traffic and revenue information collected, the current economic and development activities along the MKTT Expressway have been summarized. The Consultant has also analyzed the yearly traffic flow pattern of the expressway to determine the 2025 annual average daily traffic volumes, value of time and operation costs of the MKTT Expressway.

Step 3 : Road Network Development in Traffic Forecasting Model — This task has included the development of a computer simulation model to replicate the existing traffic conditions along the MKTT Expressway. The computer model simulation software EMME was used to develop the road network and to calibrate the simulation model. The Consultant has retrieved highway infrastructure planning and implementation programs in the vicinity of MKTT Expressway in order to examine the impacts of future road network variations within the influenced area on the traffic forecasting results.

Step 4 : Socio-economic Analysis — In order to understand and to predict the existing and future community and economic development trends in the study corridor as well as the Project vicinity cities, the Consultant has carried out detailed analyses on the latest community/economic information released by the Government agencies. The purpose of this task was to identify possible numerical relationships between historical travel demand figures and community/economic parameters. The extensive coverage and details of the data dictated the accuracy of the coefficients.

Step 5 : Traffic Forecasting Model Development — The results of Steps 2-4 have been formulated as the basis for the development of a computer traffic forecasting model. The remaining work was to establish and to calibrate the conventional trip distribution and trip assignment models in order to replicate existing traffic volumes and conditions. For future forecasting, the traffic distribution and assignment models were further refined to represent future network conditions as described in Step 3.

Step 6 : Traffic and Revenue Forecast — The traffic forecasting model was fine-tuned after the completion of the road network development, socio-economic growth assumptions and the toll charging strategies. The Consultant then carried out detailed traffic and revenue forecasting works using the updated traffic forecasting model.

3 Historical Traffic and Revenue Data Collection and Analysis

The Consultant has collected the following historical data:

1. MKTT Expressway monthly ramp-to-ramp traffic flow data by vehicle class from January 2019 to August 2026.

2. MKTT Expressway monthly sectional flow traffic volume from January 2019 to August 2026.

3. MKTT Expressway monthly total traffic by vehicle class from October 2017 to August 2026.

4. MKTT Expressway monthly revenue from October 2017 to August 2026.

In order to have a better understanding of the existing traffic levels, travel directions and the traffic compositions on the MKTT Expressway, the Consultant undertook the 24-hour traffic surveys at and in the vicinity of MKTT Expressway on 14th to 15th December 2020, including classified section flow traffic count surveys on MKTT Expressway and the parallel National Highway. The data was analyzed and used in the traffic model development. The ramp-to-ramp traffic flow data obtained from PT Jasamarga Kualanamu Tol (JMKT) enables the Consultant to adequately understand the monthly traffic pattern, origins, destinations, vehicle classes and distances travelled.

4 Basic Approach and Key Assumptions

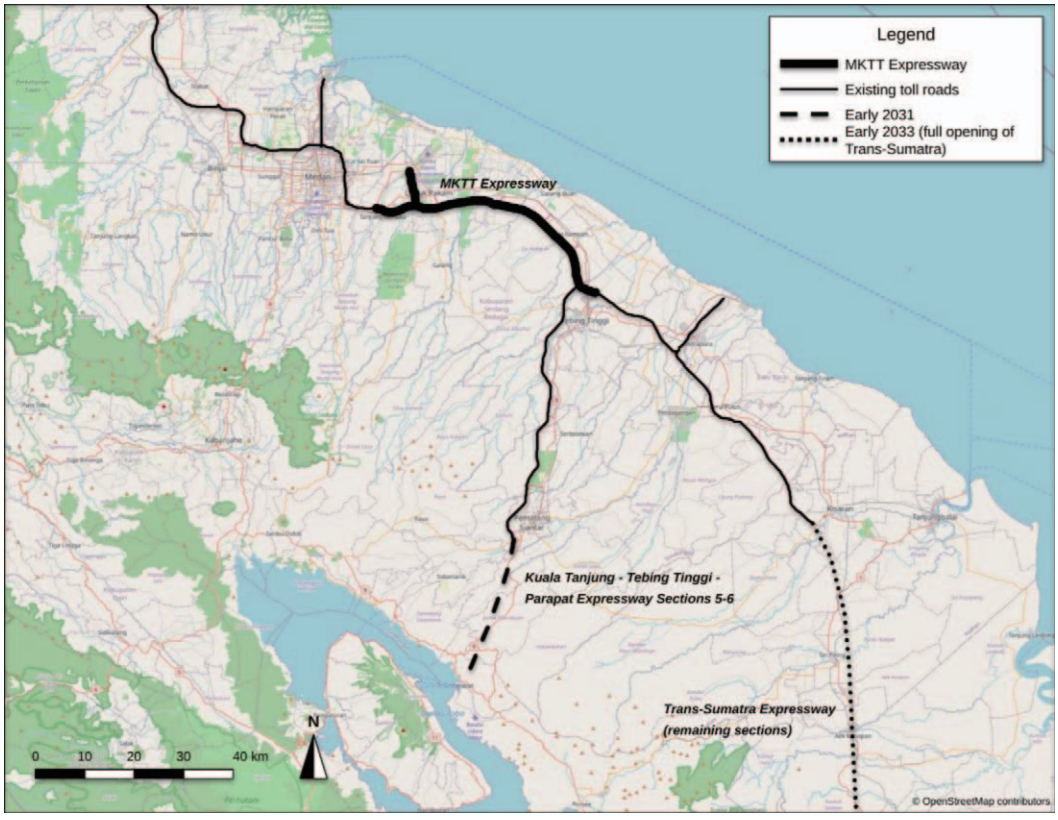
To enable reliable forecasting of future traffic on, and revenue projection for, the MKTT Expressway, the Consultant developed a comprehensive socio-economic and traffic forecasting model. This section summarizes the main approach and the key assumptions used by the Consultant in its traffic and revenue forecast model:

1.	*Forecasting Period:*	Year 2026 to 18th May 2056
2.	*Socio-Economic Model and Factors:*	The purpose of this model was to derive the relationship between historical socio-economic situations and the future traffic generation. The economic parameters were subjected to correlation and regression analyses. The Consultant determined the future trends of the socio-economic parameters based on historical growth of Indonesia, and other provinces and municipalities, some other source of global economic projection such as Organization for Economic Co-operation and Development (OECD).
3.	*Traffic Forecasting Model:*	The professional computer model simulation software "EMME" was used to develop the traffic forecasting model. The main objectives of the traffic forecasting model were to calibrate base year conditions, to adopt reasonable traffic growth assumptions and to predict traffic distribution and assignment patterns on the expressway network in order to obtain reasonable traffic and revenue forecast results.
4.	*Traffic Model Calibration:*	The Consultant has successfully calibrated the traffic model against existing traffic conditions to a technically acceptable level. The Consultant concluded that the calibrated model could adequately replicate travel paths on the expressway system and could be used to perform future traffic/revenue forecasting on the MKTT Expressway.
5.	*Road and Rail Network Assumptions:*	In the base year road network development process, the Consultant made use of the existing Indonesian Provincial Expressway Network map as building blocks to develop the highway supply model which was then coded into EMME. All major highway facilities were included in the EMME network, including expressways and national highways.

The Consultant carried out detailed analysis on future traffic and revenue forecasts for MKTT Expressway based on the existing and new highways in future and the realistic 4-step traffic economic model.

Locations of new expressways are shown in Figure 4-1. The traffic impacts on MKTT Expressway due to the opening of new expressways are summarised in Table 4-1.

Figure 4-1 Location of New Expressways



Source: Consultant, 2026

Table 4-1 New Expressways with Traffic Impact

Opening Year	Highway Name	Traffic Impact on MKTT Expressway
Early 2031	Kuala Tanjung - Tebing Tinggi - Parapat Expressway Sections 5-6	Traffic attraction
Early 2033	Full opening of Trans-Sumatra Expressway	Traffic attraction

Source: Consultant, 2026

Similar to the road network development process, the Consultant has taken into account the possible impact from existing and future rail development and its impact on the project expressway is insignificant.

6. *Toll Rates:*

The existing toll charges in IDR per kilometer effective on 11th November 2023 are summarized in Table 4-2.

Table 4-2 MKTT Expressway Toll Charges (IDR/km)

Veh Type	Toll Charge (IDR/km)
Class 1	1,094
Class 2	1,642
Class 3	1,642
Class 4	2,189
Class 5	2,189

Source: PT Jasamarga Kualanamu Tol (JMKT), 2026

7. *Traffic Distribution and Assignment:*

This study adopted the "generalized-cost" as the factor to influence the decisions to select travel paths by the trip makers. This will arrive at a balanced trip distribution on the road network within the study area. The "generalized cost" includes all elements and factors (such as travel time, travel distance, vehicle operation cost and toll costs etc.) that may affect the choice of travel paths of the car drivers.

The traffic assignment model used by the Consultant has taken into consideration the road users' willingness to pay certain travel costs and congestion levels on the MKTT Expressway in comparison to other competing expressways. From the trip matrices, the trips between any two Traffic Analysis Zones is allocated by the model to the path of the lowest generalized cost. Traffic assignment is an iterative process, in which every trip during an iteration would be assigned to the path of the lowest generalized cost. This process is repeated until traffic volumes on the competing highways reach a state of equilibrium. Revenue is then calculated by applying the toll rates to the traffic volumes by taking into account the distance travelled.

5 Traffic and Revenue Forecast Results

Based on the collected information and the forecasting analysis produced by the traffic model, the analysis base year and the end of forecast period were assumed to be 2026 and 18th May 2056 respectively. The future traffic volumes and revenues were derived with the application of the traffic model to reflect the economic development growths and road network changes since 2026. Table 5-1 summarizes the key contents of Case 1, Case 2 and Case 3.

Table 5-1 Description of Scenarios

Test Option	Contents
(1) Case 1	1. Frequency of tariff adjustment: next adjustment on 1st December 2026 and on 1st December every 2 years afterwards. 2. Normal tariff adjustment: +6% every 2 years from 2026 until 2056. 3. Road Capacity: The base capacity of the Expressway is 2,300 pcu/hr/lane (Indonesian Highway Capacity Manual). 4. Capacity Expansion: To start expansion from 2x2 lanes to 2x3 lanes when volume to capacity ("V/C") ratio of a road section reaches 0.8 per Indonesian standard, subject to land availability for such an expansion. 5. New Expressways: Opening of Kuala Tanjung - Tebing Tinggi - Parapat Expressway Sections 5-6 in early 2031. 6. Full opening of Trans-Sumatra Expressway in early 2033. 7. The end of concession period is 18th May 2056.
(2) Case 2	Based on Case 1, a more conservative economic growth (economic growth parameters decreased by approximately 10%) is assumed.
(3) Case 3	Based on Case 1, a more optimistic economic growth (economic growth parameters increased by approximately 10%) is assumed.

Source: Consultant, 2026

5.1 Traffic and Revenue Forecast Results (Case 1, Case 2 and Case 3)

Based on the above considerations, the average daily traffic, weighted average daily section flow and toll revenue forecasts of MKTT Expressway are shown in Table 5-2, Table 5-3 and Table 5-4 respectively. The average daily traffic volume refers to the sum of project expressway daily traffic, including the number of vehicles entering and leaving the project expressway toll stations, the

number of vehicles entering the project expressway but leaving from other expressways (or entering from other expressways and leaving the project expressway), and the number of vehicles passing through the project expressway but not entering or leaving the project expressway toll stations. Weighted average daily section flow is the summation of the product of daily traffic volume and mileage of each section and divided by the sum of the mileage. Table 5-5 presents the year in which the volume-to-capacity (V/C) ratio of each road section is projected to reach 0.8.

Table 5-2 Average Daily Traffic on MKTT Expressway (Vehicles/Day)

	Average Daily Traffic (Vehicle/Day)		
Year	**Case 1**	**Case 2**	**Case 3**
2026	43,618	43,618	43,618
2027	45,352	45,264	45,440
2028	47,371	47,187	47,555
2029	49,471	49,191	49,756
2030	51,770	51,380	52,163
2031	54,678	54,172	55,190
2036	71,133	69,823	72,386
2041	87,047	84,565	89,235
2046	100,085	96,428	103,422
2051	112,692	107,715	117,378
2056	126,211	118,708	134,973

Source: Consultant, 2026

Table 5-3 Weighted Average Daily Section Flow on MKTT Expressway (Vehicles/Day)

	Weighted Average Daily Section Flow (Vehicle/Day)		
Year	**Case 1**	**Case 2**	**Case 3**
2026	22,836	22,836	22,836
2027	23,731	23,685	23,777
2028	24,772	24,676	24,867
2029	25,855	25,708	26,003
2030	27,037	26,833	27,241
2031	28,499	28,235	28,765
2036	36,734	36,054	37,377
2041	44,630	43,356	45,748
2046	51,291	49,416	52,992
2051	57,721	55,176	60,103
2056	64,402	60,780	68,410

Source: Consultant, 2026

Table 5-4 Annual Revenue Forecasts on MKTT Expressway (Billion IDR)

Year	Annual Revenue (Billion IDR)[1] Case 1	Case 2	Case 3
2026	597	597	597
2027	656	655	657
2028	692	689	694
2029	761	757	766
2030	802	796	808
2031	892	884	901
2036	1,304	1,280	1,328
2041	1,876	1,821	1,923
2046	2,440	2,350	2,522
2051	3,261	3,116	3,397
2056[2]	1,568	1,479	1,666
Total (2026-2056)	60,112	58,028	62,150

Source: Consultant, 2026

Notes:

(1) Revenue forecasts were based on current value. The Consultant has not predicted yearly fluctuation of the inflation indices.

(2) The end of the concession period is 18th May 2056.

Table 5-5 Year of Road Sections V/C Reaching 0.8

Road Sections	Case 1	Case 2	Case 3
Parbarakan - Kemiri	—	—	—
Kemiri - Kualanamu	—	—	—
Tj. Morawa-Parbarakan	2054	—	2052
Parbarakan - Lubuk Pakam	—	—	—
Lubuk Pakam - Perbaungan	—	—	—
Perbaungan - T. Mengkudu	—	—	—
T. Mengkudu - Sei Rampah	—	—	—
Sei Rampah - Kutepat Junction	—	—	—
Kutepat Junction - Tebing Tinggi	—	—	—

Source: Consultant, 2026

6 Conclusion

This study carried out future traffic volume and revenue forecasting for MKTT Expressway from 2026 to 18th May 2056. Based on collected information, the professional capability and past relevant experience of the Consultant, the major study results are summarized as follows:

1) From 2026 to 18th May 2056, the weighted average daily section flow on MKTT Expressway would increase from 22,836 vehicles/day in 2026 to 64,402 vehicles/day in 2056, with an average annual growth rate of 3.5%.

2) The daily revenue on MKTT Expressway would increase from IDR 1,635 million in 2026 to IDR 11,277 million in 2056, with an average annual growth rate of 6.6%. From 1st January 2026 to 18th May 2056, MKTT Expressway traffic would generate a total revenue of IDR 60,112 billion.

The Consultant adopted the most updated and reliable forecasting techniques and professional guidelines in forecasting future traffic and revenue streams on the Expressway. However, the forecasted results in this study and the actual conditions for the future years may have differences due to uncertainties and unforeseen events that could not be predicted at this juncture. In addition, the results of this study would only reflect the general traffic and revenue variations over the entire commissioned period of the Expressway. Discrepancies for certain individual year(s) may still be possible. Despite the extreme efforts made by the Consultant to maintain technical excellence in the exercise, the Consultant bears no responsibility or liability for any forecasting results.

Yours faithfully,

Derek Leung
BEng, MSc, MFin, R.P.E. CPEng, FIHT, MHKIE, MRTPI, MIEAust
Project Director
For and on behalf of
WB Group International Limited

Mr. Leung is a chartered professional planner and engineer with over 28 years of experience in various fields, including the transportation strategic planning, traffic engineering, traffic demand model, overall planning of traffic and transportation, as well as the traffic and revenue forecasting of toll roads in Hong Kong, the PRC, Vietnam, South Korea and Indonesia.

Set out below is the text of the report received from WB Group International Limited, an independent traffic consultant, in connection with the traffic study on Semarang-Batang Expressway in Indonesia for inclusion in this circular.

WB Group International Limited,
Flat A, 11/F.,
Loyong Court Comm Building,
212-220 Lockhart Road,
Wanchai, Hong Kong
P. R. China

As of 20 November 2026

The Directors,
Road King Infrastructure Limited,
Suite 502, 5/F, Tower 6, The Gateway,
9 Canton Road, Tsimshatsui,
Kowloon, Hong Kong

Dear Sirs,

Semarang-Batang Expressway in Central Java Province in Indonesia
Traffic and Toll Revenue Forecasting Study

WB Group International Limited (the "Consultant") was commissioned by Road King Infrastructure Limited ("RKI") to carry out an independent traffic and toll revenue forecast for Semarang-Batang Expressway ("SB Expressway") in Central Java Province in Indonesia.

All reasonable and professional skills, judgement, care and due diligence have been exercised in preparing the Traffic and Toll Revenue Forecasting Study. A summary of the findings of this report is set out below:

1 Introduction

SB Expressway is a component of the Trans-Java Expressway, which is a fully-tolled road running from Merak, on the northwestern end of Java, to Banyuwangi, on its eastern end. The expressway is strategically located in the north-central of Java Island and forms part of the road network approaching the provincial capital of Semarang, connecting various areas with rich industrial and cultural resources along the way.

SB Expressway is a closed-system expressway[1] with a total length of 75 kilometers. Its four-lane carriageways are two-way, and have a maximum speed of 100 kilometers per hour. SB Expressway opened to the public on 21st December 2018 and started to charge on 21st January 2019. The location of SB Expressway is shown on Figure 1-1.

Figure 1-1 Location of SB Expressway



Source: Consultant, 2026

2 Study Approach

The study approach and work steps are summarized below:

Step 1 : Mobilization and Data Collection — The Consultant has collected relevant traffic/revenue information of SB Expressway, including economic growth patterns, transport development plans, and forecasts of future development projects in the vicinity of the study corridor.

Step 2 : Existing Year Traffic Conditions — Based on the traffic and revenue information collected, the current economic and development activities along SB Expressway have been summarized. The Consultant has also analyzed the yearly traffic flow pattern of the expressway to determine the 2025 annual average daily traffic volumes, value of time and operation costs of SB Expressway.

[1] Closed-system expressway: expressway with controlled access. Toll stations are located at all the entry and exit points.

Step 3 : Road Network Development in Traffic Forecasting Model — This task has included the development of a computer simulation model to replicate the existing traffic conditions along SB Expressway. The computer model simulation software EMME was used to develop the road network and to calibrate the simulation model. The Consultant has retrieved highway infrastructure planning and implementation programs in the vicinity of SB Expressway in order to examine the impacts of future road network variations within the influenced area on the traffic forecasting results.

Step 4 : Socio-economic Analysis — In order to understand and to predict the existing and future community and economic development trends in the study corridor as well as the Project vicinity cities, the Consultant has carried out detailed analyses on the latest community/economic information released by the Government agencies. The purpose of this task was to identify possible numerical relationships between historical travel demand figures and community/economic parameters. The extensive coverage and details of the data dictated the accuracy of the coefficients.

Step 5 : Traffic Forecasting Model Development — The results of Steps 2-4 have been formulated as the basis for the development of a computer traffic forecasting model. The remaining work was to establish and to calibrate the conventional trip distribution and trip assignment models in order to replicate existing traffic volumes and conditions. For future forecasting, the traffic distribution and assignment models were further refined to represent future network conditions as described in Step 3.

Step 6 : Traffic and Revenue Forecast — The traffic forecasting model was fine-tuned after the completion of the road network development, socio-economic growth assumptions and the toll charging strategies. The Consultant then carried out detailed traffic and revenue forecasting works using the updated traffic forecasting model.

3 Historical Traffic and Revenue Data Collection and Analysis

The Consultant has collected the following historical data:

1. SB Expressway monthly ramp-to-ramp traffic flow data by vehicle class from January 2020 to August 2026.

2. SB Expressway monthly sectional flow traffic volume from January 2019 to August 2026.

3. SB Expressway monthly total traffic by vehicle class from January 2018 to August 2026.

4. SB Expressway monthly revenue from January 2018 to August 2026.

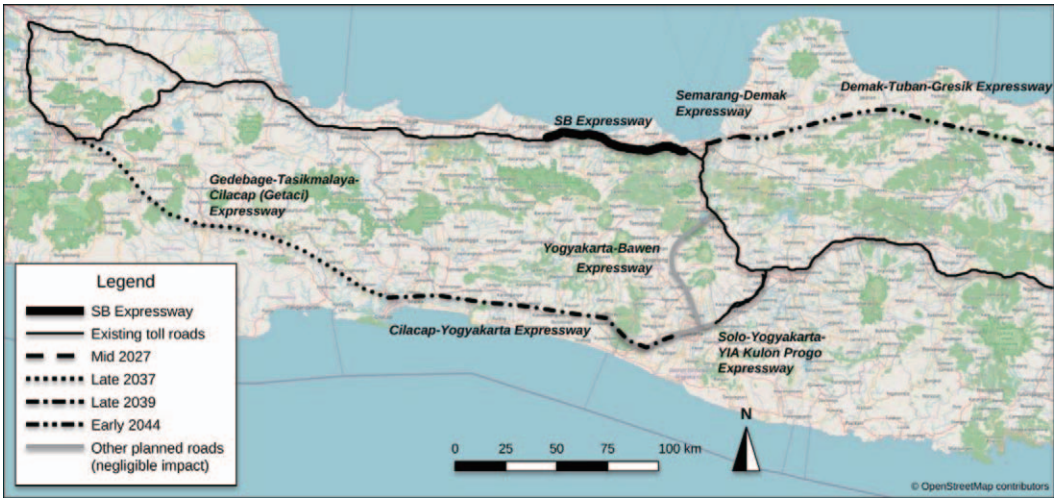
In order to have a better understanding of the existing traffic levels, travel directions and the traffic compositions on SB Expressway, the Consultant undertook the 24-hour traffic surveys at and in the vicinity of SB Expressway on 9th to 10th March 2022, including Origin-Destination Survey (O-D Survey) and in-out classified traffic count surveys at toll stations on SB Expressway as well as classified section flow of traffic count surveys on SB Expressway and nearby National Road. The data was analyzed and used in the traffic model development. The ramp-to-ramp traffic flow data obtained from PT Jasa Marga Semarang-Batang (JSB) enables the Consultant to adequately understand the monthly traffic pattern, origins, destinations, vehicle classes and distances travelled.

4 Basic Approach and Key Assumptions

To enable reliable forecasting of future traffic on, and revenue projection for, SB Expressway, the Consultant developed a comprehensive socio-economic and traffic forecasting model. This section summarizes the main approach and the key assumptions used by the Consultant in its traffic and revenue forecast model:

1.	*Forecasting Period:*	Year 2026 to 21st July 2066
2.	*Socio-Economic Model and Factors:*	The purpose of this model was to derive the relationship between historical socio-economic situations and the future traffic generation. The economic parameters were subjected to correlation and regression analyses. The Consultant determined the future trends of the socio-economic parameters based on historical growth of Indonesia, and other provinces and municipalities, some other source of global economic projection such as Organization for Economic Co-operation and Development (OECD).
3.	*Traffic Forecasting Model:*	The professional computer model simulation software "EMME" was used to develop the traffic forecasting model. The main objectives of the traffic forecasting model were to calibrate base year conditions, to adopt reasonable traffic growth assumptions and to predict traffic distribution and assignment patterns on the expressway network in order to obtain reasonable traffic and revenue forecast results.
4.	*Traffic Model Calibration:*	The Consultant has successfully calibrated the traffic model against existing traffic conditions to a technically acceptable level. The Consultant concluded that the calibrated model could adequately replicate travel paths on the expressway system and could be used to perform future traffic/revenue forecasting on SB Expressway.
5.	*Road and Rail Network Assumptions:*	In the base year road network development process, the Consultant made use of the existing Indonesian Provincial Expressway Network map as building blocks to develop the highway supply model which was then coded into EMME. All major highway facilities were included in the EMME network, including expressways and national highways. The Consultant carried out detailed analysis on future traffic and revenue forecasts for SB Expressway based on the existing and new highways in future and the realistic 4-step traffic economic model. Locations of new expressways are shown in Figure 4-1. The traffic impacts on SB Expressway due to the opening of new expressways are summarised in Table 4-1.

Figure 4-1 Location of New Expressways



Source: Consultant, 2026

Table 4-1 New Expressways with Traffic Impact

Opening Year	Highway Name	Traffic Impact on SB Expressway
Mid 2027	Semarang-Demak Expressway (remaining sections)	Traffic attraction
Late 2037	Gedebage-Tasikmalaya-Cilacap (Getaci) Expressway	Traffic diversion
Late 2039	Cilacap-Yogyakarta Expressway	Traffic diversion
Early 2044	Demak-Tuban-Gresik Expressway	Traffic attraction

Source: Consultant, 2026

Similar to the road network development process, the Consultant has taken into account the possible impact from existing and future rail development and its impact on the project expressway is insignificant.

6. Toll Rates:

The existing toll charges in IDR per kilometer effective on 7th March 2026 are summarized in Table 4-2.

Table 4-2 SB Expressway Toll Charges (IDR/km)

Veh Type	Toll Charge (IDR/km)
Class 1	1,928
Class 2	2,892
Class 3	2,892
Class 4	3,856
Class 5	3,856

Source: PT Jasa Marga Semarang-Batang (JSB), 2026

7. Traffic Distribution and Assignment:

This study adopted the "generalized-cost" as the factor to influence the decisions to select travel paths by the trip makers. This will arrive at a balanced trip distribution on the road network within the study area. The "generalized cost" includes all elements and factors (such as travel time, travel distance, vehicle operation cost and toll costs etc.) that may affect the choice of travel paths of the car drivers.

The traffic assignment model used by the Consultant has taken into consideration the road users' willingness to pay certain travel costs and congestion levels on SB Expressway in comparison to other competing expressways. From the trip matrices, the trips between any two Traffic Analysis Zones is allocated by the model to the path of the lowest generalized cost. Traffic assignment is an iterative process, in which every trip during an iteration would be assigned to the path of the lowest generalized cost. This process is repeated until traffic volumes on the competing highways reach a state of equilibrium. Revenue is then calculated by applying the toll rates to the traffic volumes by taking into account the distance travelled.

5 Traffic and Revenue Forecast Results

Based on the collected information and the forecasting analysis produced by the traffic model, the analysis base year and the end of forecast period were assumed to be 2026 and 21st July 2066 respectively. The future traffic volumes and revenues were derived with the application of the traffic model to reflect the economic development growths and road network changes since 2026. Table 5-1 summarizes the key contents of Case 1, Case 2 and Case 3.

Table 5-1 Description of Scenarios

Test Option	Contents
(1) Case 1	1. Frequency of tariff adjustment: next adjustment on 1st March 2028 and on 1st March every 2 years afterwards. 2. Special tariff adjustment: +Rp 16/km for Class 1, +Rp 24/km for Class 2/3 and +Rp 32/km for Class 4/5 on 1st March 2028, in addition to the normal tariff adjustment. 3. Normal tariff adjustment: +6% every 2 years from 2028 until 2066. 4. Road Capacity: The base capacity of the Expressway is 2,300 pcu/hr/lane (Indonesian Highway Capacity Manual). 5. Capacity Expansion: To start expansion from 2x2 lanes to 2x3 lanes when volume to capacity ("V/C") ratio of a road section reaches 0.8 per Indonesian standard, subject to land availability for such an expansion. 6. New Expressways: Opening of remaining sections of Semarang-Demak Expressway in mid 2027. 7. Opening of Ngaliyan on/off ramps with an open toll system in early 2029. The toll is assumed to be at the same rate as the toll charged by distance on SB Expressway. 8. Opening of Gedebage-Tasikmalaya-Cilacap (Getaci) Expressway in late 2037. 9. Opening of Cilacap-Yogyakarta Expressway in late 2039. 10. Opening of Demak-Tuban-Gresik Expressway in early 2044. 11. The end of concession period is 21st July 2066.
(2) Case 2	Based on Case 1, a more conservative economic growth (economic growth parameters decreased by approximately 10%) is assumed.
(3) Case 3	Based on Case 1, a more optimistic economic growth (economic growth parameters increased by approximately 10%) is assumed.

Source: Consultant, 2026

5.1 Traffic and Revenue Forecast Results (Case 1, Case 2 and Case 3)

Based on the above considerations, the average daily traffic, weighted average daily section flow and toll revenue forecasts of SB Expressway are shown in Table 5-2, Table 5-3 and Table 5-4 respectively. The average daily traffic volume refers to the sum of project expressway daily traffic, including the number of vehicles entering and leaving the project expressway toll stations, the number of vehicles entering the project expressway but leaving from other expressways (or entering from other expressways and leaving the project expressway), and the number of vehicles passing through the project expressway but not entering or leaving the project expressway toll stations. Weighted average daily section flow is the summation of the product of daily traffic volume and mileage of each section and divided by the sum of the mileage. Table 5-5 presents the year in which the volume-to-capacity (V/C) ratio of each road section is projected to reach 0.8.

Table 5-2 Average Daily Traffic on SB Expressway (Vehicles/Day)

	Average Daily Traffic (Vehicle/Day)		
Year	**Case 1**	**Case 2**	**Case 3**
2026	44,358	44,358	44,358
2027	46,406	46,307	46,498
2028	49,144	48,941	49,345
2029	57,608	57,256	57,952
2030	60,830	60,348	61,309
2031	64,204	63,578	64,821
2036	83,366	81,880	84,866
2041	101,168	98,566	103,766
2046	123,330	119,014	127,401
2051	146,996	138,526	154,266
2056	180,707	167,690	193,415
2061	217,191	202,381	228,631
2066	246,459	228,749	261,053

Source: Consultant, 2026

Table 5-3 Weighted Average Daily Section Flow on SB Expressway (Vehicles/Day)

	Weighted Average Daily Section Flow (Vehicle/Day)		
Year	**Case 1**	**Case 2**	**Case 3**
2026	28,212	28,212	28,212
2027	29,290	29,229	29,350
2028	30,819	30,692	30,944
2029	32,674	32,477	32,872
2030	34,348	34,076	34,622
2031	36,102	35,751	36,455
2036	46,068	45,238	46,911
2041	55,255	53,818	56,702
2046	66,984	64,611	69,239
2051	79,614	75,127	83,533
2056	96,559	89,931	103,479
2061	114,910	107,785	121,534
2066	130,303	121,674	138,337

Source: Consultant, 2026

Table 5-4 Annual Revenue Forecasts on SB Expressway (Billion IDR)

	Annual Revenue (Billion IDR)[(1)]		
Year	**Case 1**	**Case 2**	**Case 3**
2026	1,548	1,548	1,548
2027	1,732	1,728	1,735
2028	1,953	1,945	1,961
2029	2,101	2,089	2,114
2030	2,329	2,310	2,347
2031	2,479	2,455	2,503
2036	3,799	3,731	3,868
2041	5,213	5,079	5,348
2046	7,494	7,232	7,744
2051	10,109	9,544	10,602
2056	14,522	13,530	15,554
2061	19,555	18,352	20,672
2066[(2)]	14,493	13,541	15,379
Total (2026-2066)	385,045	364,528	404,507

Source: Consultant, 2026

Notes:

(1) Revenue forecasts were based on current value. The Consultant has not predicted yearly fluctuation of the inflation indices.

(2) The end of the concession period is 21st July 2066.

Table 5-5 Year of Road Sections V/C Reaching 0.8

Road Sections	Case 1	Case 2	Case 3
Batang-Kandeman	2052	2053	2050
Kandeman-KIT Batang	2052	2054	2051
KIT Batang-Weleri	2057	2059	2055
Weleri-Kendal	2055	2057	2054
Kendal-Kaliwungu	2055	2056	2053
Kaliwungu-Ngaliyan	2052	2053	2051
Ngaliyan-Krapyak	2048	2050	2047

Source: Consultant, 2026

6 Conclusion

This study carried out future traffic volume and revenue forecasting for SB Expressway from 2026 to 21st July 2066. Based on collected information, the professional capability and past relevant experience of the Consultant, the major study results are summarized as follows:

1) From 2026 to 21st July 2066, the weighted average daily section flow on SB Expressway would increase from 28,212 vehicles/day in 2026 to 130,303 vehicles/day in 2066, with an average annual growth rate of 3.9%.

2) The daily revenue on SB Expressway would increase from IDR 4,241 million in 2026 to IDR 71,747 million in 2066, with an average annual growth rate of 7.3%. From 1st January 2026 to 21st July 2066, SB Expressway traffic would generate a total revenue of IDR 385,045 billion.

The Consultant adopted the most updated and reliable forecasting techniques and professional guidelines in forecasting future traffic and revenue streams on the Expressway. However, the forecasted results in this study and the actual conditions for the future years may have differences due to uncertainties and unforeseen events that could not be predicted at this juncture. In addition, the results of this study would only reflect the general traffic and revenue variations over the entire commissioned period of the Expressway. Discrepancies for certain individual year(s) may still be possible. Despite the extreme efforts made by the Consultant to maintain technical excellence in the exercise, the Consultant bears no responsibility or liability for any forecasting results.

Yours faithfully,

Derek Leung
BEng, MSc, MFin, R.P.E. CPEng, FIHT, MHKIE, MRTPI, MIEAust
Project Director
For and on behalf of
WB Group International Limited

Mr. Leung is a chartered professional planner and engineer with over 28 years of experience in various fields, including the transportation strategic planning, traffic engineering, traffic demand model, overall planning of traffic and transportation, as well as the traffic and revenue forecasting of toll roads in Hong Kong, the PRC, Vietnam, South Korea and Indonesia.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make this circular or any statement herein misleading.

2. DISCLOSURE OF INTERESTS

(a) Interests and short positions of Directors and chief executives of the Company in the Shares, underlying Shares and debentures of the Company and its associated corporation

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executives of the Company in the Shares, underlying Shares and debentures of the Company and any associated corporations (within the meaning of Part XV of the SFO) which were required to be (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executives of the Company were taken or deemed to have pursuant to Divisions 7 and 8 of Part XV of the SFO), or (ii) entered in the register required to be kept under Section 352 of the SFO, or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") adopted by the Company were as follows:

- **Shares**

		Number of Shares held		
Name of Directors	**Nature of interest**	**Long position**	**Short position**	**Percentage of holding % (3)**
Zen Wei Peu, Derek (1)&(2)	Personal	24,649,000	—	3.29
Fong Shiu Leung, Keter (1)	Personal	260,000	—	0.03

Notes:

(1) Long position in the Shares (other than pursuant to equity derivatives such as share options, warrants to subscribe or convertible bonds).

(2) Included in the balance is 1,000,000 Shares held by Ms. Luk Chan, the spouse of Mr. Zen Wei Peu, Derek.

(3) The percentage was calculated based on 749,336,566 Shares in issue as at the Latest Practicable Date. The Company held no treasury share as at the Latest Practicable Date.

- **Underlying Shares — Share Options**

The share option scheme was adopted by the Company on 24 May 2023. Particulars of the share option scheme are set out in note 28 to the consolidated financial statements in the Company's annual report for the year ended 31 December 2025.

As at Latest Practicable Date, there were no outstanding share options. During the six months ended 30 June 2026, no share options were granted, exercised, lapsed or cancelled under the share option scheme.

- **Debentures of Associated Corporations**

Name of Directors	Name of companies	Nature of interest	Type of debentures	Principal amount held
Zen Wei Peu, Derek	RKI Overseas Finance 2017 (A) Limited	Personal	US$300 million 7% senior guaranteed perpetual capital securities ("7% Securities")	US$800,000[(1)] (long position)
	RKPF Overseas 2019 (E) Limited	Personal	US$300 million 7.75% senior guaranteed fixed-spread perpetual capital securities ("7.75% Securities")	US$46,450,000[(2)] (long position)
	RKP Overseas Finance 2016 (A) Limited	Personal	US$300 million 7.95% senior guaranteed perpetual capital securities	US$4,050,000 (long position)
	RKPF Overseas 2019 (A) Limited	Personal	US$480 million 6.7% guaranteed senior notes due 2028 (the "March 2028 Notes")	US$2,495,446[(3)] (long position)
	RKPF Overseas 2019 (A) Limited	Personal	US$300 million 5.9% guaranteed senior notes due 2028 (the "September 2028 Notes")	US$1,767,242[(4)] (long position)
	RKPF Overseas 2019 (A) Limited	Personal	US$415.6 million 6% guaranteed senior notes due 2029 (the "March 2029 Notes")	US$9,094,656[(5)] (long position)
Wong Wai Ho	RKI Overseas Finance 2017 (A) Limited	Personal	7% Securities	US$200,000 (long position)

Notes:

(1) A principal amount of US$400,000 of 7% Securities was held by Ms. Luk Chan, the spouse of Mr. Zen Wei Peu, Derek.

(2) A principal amount of US$1,300,000 of 7.75% Securities was held by Ms. Luk Chan, the spouse of Mr. Zen Wei Peu, Derek. A principal amount of US$2,150,000 of 7.75% Securities was held by Prepared Club Company Limited, which is wholly-owned by Mr. Zen Wei Peu, Derek.

(3) A principal amount of US$2,495,446 of the March 2028 Notes was held by Ms. Luk Chan, the spouse of Mr. Zen Wei Peu, Derek.

(4) A principal amount of US$883,621 of the September 2028 Notes was held by Ms. Luk Chan, the spouse of Mr. Zen Wei Peu, Derek.

(5) A principal amount of US$1,765,953 of the March 2029 Notes was held by Ms. Luk Chan, the spouse of Mr. Zen Wei Peu, Derek.

Save as disclosed above, none of the Directors of the Company had, or was deemed to have, any interests or short positions in any Shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Save as disclosed above, none of the Directors or their spouses or children under 18 years of age was granted or had exercised any rights to subscribe for any securities of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).

(b) Interests and short positions of the Shareholders disclosable under the SFO

As at the Latest Practicable Date, the interests and short positions of every person, other than the Directors, in the Shares and underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO were as follows:

		Number of Shares held		
Name of Shareholders	**Nature of interest**	**Long position [1]**	**Short position**	**Percentage of holding % [11]**
Wai Kee [2]	Interest in controlled corporation	336,608,428	—	44.92
Wai Kee (Zens) Holding Limited [3]	Interest in controlled corporation	336,608,428	—	44.92
Groove Trading Limited [4]	Beneficial owner	81,880,000	—	10.93
Wai Kee China Investments (BVI) Company Limited [4]	Interest in controlled corporation	251,728,428	—	33.59
Wai Kee China Investments Company Limited [5]	Interest in controlled corporation	251,728,428	—	33.59
ZWP Investments Limited [6]	Beneficial owner	251,728,428	—	33.59
深業集團有限公司(Shum Yip Group Limited*) [7]	Interest in controlled corporation	202,334,142	—	27.00
Shum Yip Holdings Company Limited [8]	Interest in controlled corporation	202,334,142	—	27.00
Shenzhen Investment Limited [9]	Interest in controlled corporation	202,334,142	—	27.00
Brightful Investment Holding Limited [10]	Beneficial owner	202,334,142	—	27.00

Notes:

(1) Long position in the Shares (other than pursuant to equity derivatives such as share options, warrants to subscribe or convertible bonds).

(2) Wai Kee is deemed to be interested in the Shares through its interests in (i) its wholly-owned subsidiaries, namely Wai Kee (Zens) Holding Limited, Groove Trading Limited, Wai Kee China Investments (BVI) Company Limited, Wai Kee China Investments Company Limited, ZWP Investments Limited and Top Horizon Holdings Limited; and (ii) its subsidiaries, namely Build King Holdings Limited, Top Tactic Holdings Limited, Amazing Reward Group Limited, Build King Management Limited and Build King Civil Engineering Limited, which beneficially held 3,000,000 Shares. Mr. Zen Wei Peu, Derek is a director of Wai Kee.

(3) Wai Kee (Zens) Holding Limited is a direct wholly-owned subsidiary of Wai Kee. Mr. Zen Wei Peu, Derek is a director of Wai Kee (Zens) Holding Limited.

(4) Groove Trading Limited and Wai Kee China Investments (BVI) Company Limited are direct wholly-owned subsidiaries of Wai Kee (Zens) Holding Limited. Mr. Zen Wei Peu, Derek is a director of Groove Trading Limited and Wai Kee China Investments (BVI) Company Limited.

(5) Wai Kee China Investments Company Limited is a direct wholly-owned subsidiary of Wai Kee China Investments (BVI) Company Limited. Mr. Zen Wei Peu, Derek is a director of Wai Kee China Investments Company Limited.

(6) ZWP Investments Limited is a direct wholly-owned subsidiary of Wai Kee China Investments Company Limited. Mr. Zen Wei Peu, Derek is a director of ZWP Investments Limited.

(7) 深業集團有限公司(Shum Yip Group Limited*) (incorporated in the PRC) is deemed to be interested in the Shares through its 90% interests in Shum Yip Holdings Company Limited (incorporated in Hong Kong).

(8) Shum Yip Holdings Company Limited (incorporated in Hong Kong) is deemed to be interested in the Shares through its approximately 63.19% interests in Shenzhen Investment Limited.

(9) Shenzhen Investment Limited is deemed to be interested in the Shares through its interests in its wholly-owned subsidiary, namely Brightful Investment Holding Limited. Mr. Yan Zhongyu is a director of Shenzhen Investment Limited.

(10) Brightful Investment Holding Limited is a direct wholly-owned subsidiary of Shenzhen Investment Limited.

(11) The percentage was calculated based on 749,336,566 Shares in issue as at the Latest Practicable Date. The Company held no treasury share as at the Latest Practicable Date.

Save as disclosed above, no other person (other than the Directors) had an interest or a short position in the Shares and underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO.

* *for identification purpose only*

3. EXPERTS' QUALIFICATIONS AND CONSENTS

The following is the qualification of the expert who has given an opinion or advice contained in this circular:

Name	Qualification
Alvarez & Marsal Corporate Finance Limited	A corporation licensed by the Securities and Futures Commission to conduct Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
Opus Capital	A corporation licensed by the Securities and Futures Commission to conduct Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
Crowe (HK) CPA Limited	Certified public accountants, registered public interest entity auditors
ValQuest Advisory (Hong Kong) Limited	Independent professional valuer
WB Group International Limited	Independent professional traffic consultant

Each of the abovementioned experts has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its report or letter or opinion included in the form and context in which it is included.

As at the Latest Practicable Date, each of the abovementioned experts did not have any shareholding, directly or indirectly, in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, each of the abovementioned experts did not have any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group or were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2025, being the date to which the latest published audited consolidated financial statements of the Company were made up.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2025, being the date to which the latest published audited consolidated financial statements of the Company were made up.

5. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered, or proposed to enter, into a service contract with any member of the Group which is not determinable by the Group within one (1) year without payment of compensation (other than statutory compensation).

6. COMPETING INTERESTS

Save as disclosed below, as at the Latest Practicable Date, none of the Directors and their respective close associates was considered to have an interest in any business which competes or is likely to compete, either directly or indirectly, with the Group's business (as would be required to be disclosed under Rule 8.10 of the Listing Rules if each of them were a controlling shareholder).

Name of Director	Name of entities whose business is considered to compete or likely to compete with the business of the Company	Description of business of the entities which is considered to compete or likely to compete with the business of the Company	Nature of interest of the Directors in the entities
Yan Zhongyu	Shenzhen Investment Limited group of companies (including its holding companies)	Property development, investment and management in the PRC	Director
	Shahe Industrial Co., Ltd.	Property development, investment and management in the PRC	Director

7. DIRECTORS' INTEREST IN CONTRACTS AND ASSETS OF THE GROUP

As at the Latest Practicable Date,

(a) none of the Directors was materially interested in any contract or arrangement subsisting and which was significant in relation to the business of the Group; and

(b) none of the Directors had any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group or were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2025, being the date to which the latest published audited consolidated financial statements of the Company were made up.

8. LITIGATION

Save for the liquidation application against New Select, there was no litigation or claim of material importance that is known to the Directors to be pending or threatened against the Group as at the Latest Practicable Date.

9. MATERIAL CONTRACTS

Save for the Restructuring-related documentations, as at the Latest Practicable Date, there are no contracts (not being contracts entered into in the ordinary course of business) that have been entered into by members of the Group within the two years immediately preceding the date of this circular and which are or may be material.

10. GENERAL

As at the Latest Practicable Date:

(a) the registered office of the Company is situated at Richmond House, 12 Par-la-Ville Road, Hamilton HM 08, Bermuda;

(b) the head office and principal place of business of the Company is Suite 502, 5th Floor, Tower 6, The Gateway, 9 Canton Road, Tsimshatsui, Kowloon, Hong Kong;

(c) the Branch Share Registrar in Hong Kong is Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong; and

(d) the company secretary of the Company is Mr. Ng Fun Hung, Thomas. He is a fellow of both the Association of Chartered Certified Accountants of the United Kingdom and the Hong Kong Institute of Certified Public Accountants, a Chartered Financial Analyst of the United States, a Certified Information System Auditor of the United States and a Chartered Governance Professional of the United Kingdom and Hong Kong.

In the event of inconsistency, the English language text of this circular shall prevail over the Chinese language text.

11. DOCUMENTS ON DISPLAY

Copies of the following documents (or copies thereof) will be available on the HKExnews website (http://www.hkexnews.hk) and the Company's website (www.roadking.com.hk) for 14 days from the date of this circular:

(a) the assurance report from Crowe (HK) CPA Limited on the compilation of unaudited pro forma financial information of the Remaining Group, the text of which is set out in Appendix III to this circular;

(b) the Valuation Report prepared by ValQuest Advisory (Hong Kong) Limited, the text of which is set out in Appendix V to this circular;

(c) assurance report from Crowe (HK) CPA Limited in relation to the calculation of discounted cash flows in connection with the Valuation Report, the text of which is set out in Appendix VI to this circular;

(d) letter from Alvarez & Marsal Corporate Finance Limited, the financial advisor to the Company, in relation to the profit forecast included in the Valuation Report, the text of which is set out in Appendix VII to this circular;

(e) the traffic study reports prepared by WB Group International Limited, the text of which is set out in Appendix VIII to this circular;

(f) the letter from the Independent Board Committee, the text of which is set out under the section headed "Letter from the Independent Board Committee" of this circular;

(g) the letter from Opus Capital, the Independent Financial Adviser, the text of which is set out under the section headed "Letter from the Independent Financial Adviser" of this circular; and

(h) the letters of consent from the experts identified in the section headed "Experts' Qualifications and Consents" above in this appendix.

ROAD KING INFRASTRUCTURE LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1098)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (the "**Meeting**") of Road King Infrastructure Limited (the "**Company**") will be held at Suite 502, 5th Floor, Tower 6, The Gateway, 9 Canton Road, Tsimshatsui, Kowloon, Hong Kong on Wednesday, 9 December 2026 at 8:30 a.m. for the following purposes. Unless otherwise stated, capitalised terms shall have the same meanings as those defined in the circular of the Company dated 23 November 2026 (the "**Circular**").

ORDINARY RESOLUTIONS

1. "**THAT**

(a) the grant of a specific mandate (the "**Specific Mandate**") to the directors of the Company to issue (i) the New Shares (subject to the Share Stabilisation Plan) to the RKI Scheme Creditors who have validly elected or been assigned or reallocated to Option 2 of the RKI Scheme Consideration as part of the Proposed Restructuring; and (ii) the Stabilisation Shares pursuant to the Share Stabilisation Plan, details of which are set out in the Circular, be and are hereby approved, confirmed and ratified;

(b) the issuance of the Cash Sweep Real Estate Bonds to the RKI Scheme Creditors who have validly elected or been assigned or reallocated to Option 2 of the RKI Scheme Consideration as part of the Proposed Restructuring and the transactions contemplated thereunder, details of which are set out in the Circular, be and are hereby approved, confirmed and ratified; and

(c) any one director of the Company be and is hereby authorised to, on behalf of the Company, do all such acts and sign, seal, execute (under hand, under seal or as a deed) and deliver all such documents and take all such actions as he/she may consider necessary, appropriate, desirable or expedient for the purpose of or in connection with or to give effect to the Specific Mandate, the issuance of the New Shares (including the Stabilisation Shares pursuant to the Share Stabilisation Plan) and the Cash Sweep Real Estate Bonds and the transactions contemplated thereunder, and to agree to such variations, amendments or waivers as are, in his/her opinion, in the interests of the Company and its shareholders."

2. "**THAT**

(a) the proposed transfer of 70% of the issued shares of Road King Expressway International Holdings Limited by New Select Global Limited (the "**Disposal**") for the purpose of the Proposed Restructuring and the transactions contemplated thereunder, details of which are set out in the Circular, be and are hereby approved, confirmed and ratified; and

(b) any one director of the Company be and is hereby authorised to, on behalf of the Company, do all such acts and sign, seal, execute and deliver all such documents and take all such actions as he/she may consider necessary, appropriate, desirable or expedient for the purpose of or in connection with or to give effect to the Disposal and the transactions contemplated thereunder, and to agree to such variations, amendments or waivers as are, in his/her opinion, in the interests of the Company and its shareholders."

By order of the Board
Ng Fun Hung, Thomas
Company Secretary

Hong Kong, 23 November 2026

Notes:

1. The register of members of the Company will be closed from Friday, 4 December 2026 to Wednesday, 9 December 2026, both dates inclusive, during which period no transfer of shares of the Company will be registered for the purpose of determining the eligibility of the shareholders of the Company to attend and vote at the Meeting. All transfers of shares of the Company accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited (the "**Branch Share Registrar**"), at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:00 p.m. on Thursday, 3 December 2026 for registration. The record date for determining the eligibility of the shareholders of the Company to attend and vote at the Meeting will be Wednesday, 9 December 2026.

2. Any member of the Company entitled to attend and vote at the Meeting shall be entitled to appoint another person as his/ her proxy to attend and vote instead of him/her. A proxy need not be a member of the Company. A member of the Company who is the holder of two or more shares of the Company may appoint more than one proxy to represent him/her and vote on his/her behalf at the Meeting or at a class meeting.

3. The form of proxy must be signed by a member of the Company or the attorney duly authorised in writing or, in the case of a corporation, must be either under its seal or under the hand of an officer or attorney or other person duly authorised to sign the same. In case of joint holders, the signature of any one of them is sufficient.

4. To be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed, or a certified copy of such power of attorney or authority, must be delivered to the office of the Branch Share Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof.

5. Delivery of the form of proxy will not preclude a member of the Company from attending and voting in person at the Meeting or at any adjournment thereof. In such event, the form of proxy shall be deemed to be revoked.

6. In the case of joint holders of any share, if more than one of such joint holders be present at the Meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of joint holding.

7. A circular containing further details regarding the resolutions above has been published on the Company's website (www.roadking.com.hk) and the HKEXnews website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk).

8. No souvenirs, drinks or refreshment will be served at the Meeting.