

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



ROAD KING INFRASTRUCTURE LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 1098)

DISCLOSEABLE TRANSACTION

On 28 June 2010, RKI (Shijiazhuang), a wholly-owned subsidiary of Road King, entered into the SP Agreement with Huge Rise pursuant to which RKI (Shijiazhuang) has agreed to purchase and Huge Rise has agreed to sell the entire issued share capital of (and shareholder's loan owing to it from) Superb Sky for a total consideration of HK\$505,000,000 (equivalent to RMB444,500,000). The purpose of the acquisition is to enable Road King Group to acquire Hui Gu, an indirect wholly-owned subsidiary of Superb Sky and the project company which holds the property development known as "International City Development".

Completion of such sale and purchase took place immediately after the signing of the SP Agreement.

The Proposed Acquisition constitutes a discloseable transaction of Road King under Rule 14.06 of the Listing Rules.

SP AGREEMENT

On 28 June 2010, RKI (Shijiazhuang) and Huge Rise entered into the SP Agreement, the principal terms of the sale and purchase of the Superb Sky Share and the entire outstanding shareholder's loan due from Superb Sky under the SP Agreement are set out below. The purpose of the acquisition is to enable Road King Group to acquire Hui Gu, the project company which holds the property development known as "International City Development". Hui Gu is an indirect wholly-owned subsidiary of Superb Sky.

The vendor is Huge Rise, which is an investment holding company. It was the party in whose favour Road King exercised its option to purchase Sunco Real Estate as stated in Road King's announcement dated 22 August 2007. Sunco Real Estate Group (including Hui Gu) engages in property development in the PRC. Members of Sunco Real Estate Group and certain property development subsidiaries of Road King acquired by Road King Group through transactions disclosed in the circulars dated 5 December 2006 and 30 June 2007 to the Shareholders, had prior to such acquisitions, belonged to the same group. To the best of the Directors' knowledge, information and beliefs, and having made all reasonable enquiries,

Huge Rise and its ultimate beneficial owner are third parties independent of Road King, its connected persons and its associates.

Assets to be acquired: Superb Sky Share, representing the entire issued share capital of Superb Sky and the entire outstanding shareholder's loan due from Superb Sky to Huge Rise of not less than HK\$68,790,361.57 (equivalent to RMB60,549,276.25) (being the principal amount of the loan outstanding as at 31 May 2010).

Superb Sky is an investment holding company. Through its wholly-owned subsidiary it owns the entire registered capital of Hui Gu, the developer of the International City Development. Further information regarding these companies and the development project is set out below.

Consideration: The consideration for the sale and purchase of the Superb Sky Share and the shareholder's loan due from Superb Sky is HK\$505,000,000 (equivalent to RMB444,500,000). It is to be paid in cash as follows:

- (a) as to HK\$291,510,000 (equivalent to RMB256,587,000) to be paid in cash at Completion;
- (b) as to HK\$150,000,000 (equivalent to RMB132,030,000) to be paid in cash upon receipt by RKI (Shijiazhuang) of the land use right certificate for Phase 4 of International City Development with no outstanding endorsement of any mortgage or third party rights over the said property; and
- (c) as to HK\$63,490,000 (equivalent to RMB55,883,000) after deducting claims in respect of any breach of representations and warranties relating to Superb Sky Group, assets and liabilities of Superb Sky Group that may be identified by RKI (Shijiazhuang) after Completion on the first Business Day falling after the later of (i) the date of payment of HK\$150,000,000 referred to in (b) above; or (ii) the expiry of 180 days after the date of Completion.

In the event that the land use right certificate for Phase 4 of International City Development with no outstanding endorsement of any mortgage or third party rights over the said property is not received by RKI (Shijiazhuang) on or before 31 December 2010, the consideration shall be reduced by the sum of HK\$213,490,000 (equivalent to RMB187,913,000).

The consideration is determined after arm's length negotiation between Road King and Huge Rise with reference to (i) the unaudited consolidated net asset value of Hui Gu as at 31 May 2010; and (ii) the fair market value of the site at which Phase 4 of International City Development is situated valued by an independent property valuer as at 31 May 2010.

Completion: Completion took place immediately after the signing of the SP Agreement.

INFORMATION ON THE SUPERB SKY GROUP, THE INTERNATIONAL CITY DEVELOPMENT AND REASONS FOR AND THE BENEFIT OF THE PROPOSED ACQUISITION

Superb Sky is an investment holding company incorporated in the BVI and wholly-owned by Huge Rise. It directly wholly-owns World House, also an investment holding company, incorporated in Hong Kong. As at 31 May 2010, Superb Sky and World House have no material assets or liabilities other than their ownership of Hui Gu and the shareholder's loan due from Superb Sky to Huge Rise in the amount of HK\$68,790,361.57.

Hui Gu is a company established in the PRC. It is a wholly foreign-owned enterprise with a registered capital of RMB41,500,000 (fully paid up) having as its scope of business, the construction, development and operation of the International City Development.

Both Superb Sky and World House were incorporated in early 2010, therefore no financial statements have been made up for each of Superb Sky and World House for each of the year ended 31 December 2008 and 2009. Based on the audited financial statements of Hui Gu under PRC generally accepted accounting principles (GAAP), the audited net profit before and after taxation of Hui Gu for the year ended 31 December 2008 were approximately HK\$187,087,000 and HK\$140,036,000 respectively; and the audited net profit before and after taxation of Hui Gu for the year ended 31 December 2009 were approximately HK\$3,377,000 and HK\$2,883,000 respectively. The unaudited consolidated net asset value of Superb Sky as at 31 May 2010 was approximately HK\$1,488,000.

International City Development is situated in Shijiazhuang, Hebei Province, the PRC. The site is developed in four phases, the first three of which have already been completed and substantially sold. Assets of Hui Gu mainly comprise of three unsold residential units with an aggregate gross floor area of 616 sq.m., two unsold units for commercial use with an aggregate gross floor area of 406 sq.m. and 200 car parking spaces and Phase 4 of International City Development which occupies a site area of 79,916 sq.m. and in April 2010, the construction planning approval for the construction of nine residential blocks on the site was received. The land use right of Phase 4 of International City Development is currently mortgaged in favour of 河北省农林科学院 (Hebei Academy of Agriculture and Forestry Sciences) to secure the payment of land compensation fee. The outstanding land compensation fee payable to 河北省农林科学院 (Hebei Academy of Agriculture and Forestry Sciences) as at 31 May 2010 was around RMB50,000,000 and it is expected that the mortgage would be released in the third quarter of 2010. Accordingly, the release of the mortgage is tied to the consideration for the sale and purchase of the Superb Sky Share and the shareholder's loan due from Superb Sky to Huge Rise under the SP Agreement. The Proposed Acquisition enables Road King Group to expand its development property portfolio with saleable gross development area of around 200,000 sq.m.

The Board is of the view that the terms of the Proposed Acquisition are fair and reasonable and are on normal commercial terms, and consider the Proposed Acquisition to be in the interests of Road King and the Shareholders as a whole.

GENERAL

Road King is an investment holding company. The principal activities of Road King Group, including the infrastructure joint ventures, are investment in, development, operation and management of toll roads and property development projects in the PRC.

The Proposed Acquisition constitutes a discloseable transaction of Road King under Rule 14.06 of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

| | |
|----------------------------------|--|
| "associates" | has the meaning ascribed to it under the Listing Rules |
| "Board" | board of Directors |
| "Business Day" | a day (other than a Saturday or a Sunday) on which banks generally are open for business in Hong Kong |
| "BVI" | British Virgin Islands |
| "Completion" | completion of the Proposed Acquisition as contemplated under the SP Agreement |
| "connected person(s)" | has the meaning ascribed to it under the Listing Rules |
| "Director(s)" | director(s) of Road King |
| "Hong Kong" | the Hong Kong Special Administrative Region of the PRC |
| "Huge Rise" | Huge Rise Investments Limited, a company incorporated in the BVI with limited liability |
| "Hui Gu" | 石家庄慧谷科技城开发有限公司, a company incorporated in the PRC with limited liability |
| "International City Development" | the property development project consisting of completed residential units, units for commercial use and car parking spaces and uncompleted property development situated in Shijiazhuang, Hebei Province, the PRC, further information relating to which is set out in the paragraph headed "Information on the Superb Sky Group, the International City Development and reasons for and the benefit of the Proposed Acquisition" |

| | |
|---------------------------|---|
| "Listing Rules" | the Rules Governing the Listing of Securities on the Stock Exchange |
| "PRC" | the People's Republic of China |
| "Proposed Acquisition" | the proposed acquisition by RKI (Shijiazhuang) of Superb Sky Share and the entire outstanding shareholder's loan due from Superb Sky to Huge Rise pursuant to the terms of the SP Agreement |
| "RKI (Shijiazhuang)" | RK Investment (Shijiazhuang) Limited, a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of Road King |
| "Road King" | 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 |
| "Road King Group" | Road King and its subsidiaries |
| "Shareholders" | Holder(s) of the Shares |
| "Shares" | ordinary share(s) of HK\$0.10 each in the share capital of Road King |
| "SP Agreement" | the sale and purchase agreement dated 28 June 2010 between Huge Rise and RKI (Shijiazhuang) in respect of the Proposed Acquisition |
| "Stock Exchange" | The Stock Exchange of Hong Kong Limited |
| "Sunco Real Estate" | Sunco Real Estate Investment Limited, a company incorporated in the BVI with limited liability and a direct wholly-owned subsidiary of Huge Rise |
| "Sunco Real Estate Group" | Sunco Real Estate and its subsidiaries |
| "Superb Sky" | Superb Sky Limited, a company incorporated in the BVI with limited liability and a direct wholly-owned subsidiary of Huge Rise |
| "Superb Sky Group" | Superb Sky and its subsidiaries |
| "Superb Sky Share" | one ordinary share of US\$1.00 in the share capital of Superb Sky |

| | |
|---------------|---|
| "World House" | World House Holdings Limited, a company incorporated in Hong Kong with limited liability and a direct wholly-owned subsidiary of Superb Sky |
| "HK\$" | Hong Kong dollar(s), the lawful currency of Hong Kong |
| "RMB" | Renminbi, the lawful currency of the PRC |
| "sq.m." | square metres |
| "%" | per cent |

For convenience only and unless otherwise noted, all translations from RMB into HK\$ in this announcement were made at the rate of RMB88.02 to HK\$100.00. No representation is made that the HK\$ or RMB amounts referred to in this announcement could have been or could be converted into RMB or HK\$, as the case may be, at any particular rate or at all.

By order of the Board
ROAD KING INFRASTRUCTURE LIMITED
Zen Wei Pao, William
Chairman

Hong Kong, 28 June 2010

As at the date of this announcement, the Board comprises Messrs. Zen Wei Pao, William, Ko Yuk Bing, Chan Kam Hung, Fong Shiu Leung, Keter and Zen Wei Peu, Derek as Executive Directors, Messrs. Guo Limin, Xu Ruxin and Lam Wai Hon, Patrick as Non-executive Directors and Messrs. Chow Shiu Kee, Stephen, Lau Sai Yung and Dr. Chow Ming Kuen, Joseph as Independent Non-executive Directors.