

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.



TRANSPORT INTERNATIONAL HOLDINGS LIMITED

(載通國際控股有限公司)*

(Incorporated in Bermuda with limited liability)

(Stock Code: 62)

CONTINUING CONNECTED TRANSACTIONS PROVISION OF NON-FRANCHISED BUS SERVICES

The Company announces that on 29 June 2018, EWL (an indirect wholly-owned subsidiary of the Company) entered into the New Bus Services Contract with SHKRE and as at the date of this announcement (i) SBL (an indirect wholly-owned subsidiary of the Company) had previously entered into the Previous Shuttle Bus Services Contracts with AFFCC, HKBAC, PITC and SHKRE respectively and (ii) EWL had previously entered into the Previous Bus Services Contract with SHKRE, regarding the provision of various non-franchised bus services.

At the date of this announcement, SHKP is interested in approximately 37.36% shareholding interest in the Company. Since AFFCC and PITC are indirect wholly-owned subsidiaries of SHKP, HKBAC is an indirect non wholly-owned subsidiary of SHKP and SHKRE is a direct wholly-owned subsidiary of SHKP, the aforesaid companies are thus associates of SHKP and connected persons of the Company under the Listing Rules. Accordingly, the transactions contemplated under the New Bus Services Contract, the Previous Shuttle Bus Services Contracts and the Previous Bus Services Contract constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. As one of the applicable percentage ratios in respect of the estimated annual cap for the continuing connected transactions under the New Bus Services Contract, the Previous Shuttle Bus Services Contracts and the Previous Bus Services Contract for the year ending 31 December 2018 is more than 0.1% but less than 5%, the transactions contemplated under the New Bus Services Contract, the Previous Shuttle Bus Services Contracts and the Previous Bus Services Contract are only subject to the applicable reporting, announcement and annual review requirements but exempt from the circular and independent shareholders' approval requirements pursuant to Chapter 14A of the Listing Rules.

Information on the New Bus Services Contract; the Previous Shuttle Bus Services Contracts and the Previous Bus Services Contract will be included in the relevant annual report of the Company in accordance with Rule 14A.71 of the Listing Rules.

NEW BUS SERVICES CONTRACT, PREVIOUS SHUTTLE BUS SERVICES CONTRACTS AND PREVIOUS BUS SERVICES CONTRACT

The Company announces that (i) on 29 June 2018, EWL, an indirect wholly-owned subsidiary of the Company entered into the New Bus Services Contract with SHKRE (referred to in item 1 below); and as at the date of this announcement, (ii) SBL, an indirect wholly-owned subsidiary of the Company, had previously entered into the Previous Shuttle Bus Services Contracts with each of AFFCC, HKBAC, PITC and SHKRE (referred to in items 2 to 16 below) and (iii) EWL had previously entered into the Previous Bus Services Contract with SHKRE (referred to in item 17 below). Details of the New Bus Services Contract, the Previous Shuttle Bus Services Contracts and the Previous Bus Services Contract are set out below: -

	Date of contract	Customer	Scope of provision of bus services	Term	Payment terms
1.	29 June 2018	SHKRE	plying between San Tin and YOHO MALL	1 July 2018 to 30 September 2018	within 60 days from the date of receipt of the invoice
2.	7 June 2016	AFFCC	plying between Airport Freight Forwarding Centre and Tung Chung	1 July 2016 to 30 June 2018	within 30 days after the end of each calendar month
3.	18 April 2017	SHKRE	plying between Tai Po Mega Mall and Hong Kong Science Park	1 June 2017 to 31 May 2018	last day of each calendar month
4.	28 April 2017	HKBAC	plying between Hong Kong Business Aviation Centre Apron and airside area	1 May 2017 to 30 April 2018	at the end of each calendar month
5.	18 May 2017	SHKRE	plying between East Point City and Sai Kung (North) Public Transport Interchange	1 June 2017 to 31 May 2018	last day of each calendar month
6.	6 July 2017	SHKRE	plying between Park Central and TVB City	15 July 2017 to 14 July 2019	at the end of each calendar month
7.	13 October 2017	SHKRE	plying between APM mall and Kai Tak Cruise Terminal	1 November 2017 to 31 October 2018	within 30 days after the end of each calendar month
8.	27 December 2017	PITC	plying between Park Island and Tsing Yi MTR Station	1 January 2018 to 31 December 2018	within 45 days after the end of each calendar month
9.	27 December 2017	SHKRE	plying within Park Yoho	1 January 2018 to 31 December 2018	within 30 days from the date of receipt of the invoice

10.	10 January 2018	SHKRE	plying between Mikiki shopping mall and One Kai Tak	on the 13 th , 14 th , 20 th , 21 st , 27 th and 28 th of January 2018	within 30 days from the date of receipt of the invoice
11.	29 January 2018	SHKRE	plying between Mikiki shopping mall and One Kai Tak	1 February 2018 to 30 April 2018	within 30 days from the date of receipt of the invoice
12.	30 April 2018	SHKRE	plying between Mikiki shopping mall and One Kai Tak	1 May 2018 to 30 April 2019	within 30 days from the date of receipt of the invoice
13.	27 April 2018	HKBAC	plying between Hong Kong Business Aviation Centre Apron and airside area	1 May 2018 to 30 April 2019	within 30 days from the date of receipt of the invoice
14.	4 April 2018	SHKRE	plying between Cordis Hong Kong and MOKO shopping mall	April 2018 to July 2018	within 30 days from the date of receipt of the invoice
15.	11 May 2018	SHKRE	plying between Tai Po Mega Mall and Hong Kong Science Park	1 June 2018 to 31 May 2019	within 30 days from the date of receipt of the invoice
16.	1 June 2018	SHKRE	plying between East Point City and Sai Kung (North) Public Transport Interchange	1 June 2018 to 30 June 2018	within 30 days from the date of receipt of the invoice
17.	1 June 2018	SHKRE	plying between San Tin and YOHO MALL	1 June 2018 to 30 June 2018	within 60 days from the date of receipt of the invoice

CONSIDERATION AND ANNUAL CAPS

The service fees under the Previous Shuttle Bus Services Contracts and the Previous Bus Services Contract are determined in accordance with the rates specified in the relevant contracts, ranging from approximately HK\$232.00 to HK\$540.00 per hour per bus, while a guaranteed monthly fee of HK\$125,000.00 was set for the New Bus Services Contract, which were determined after taking into account factors such as the number and model of buses requested, the days and hours of services requested, the relevant costs and expected loads and routes, using the prevailing market rates as a price indicator, namely, the services fees charged for similar bus operations in the market.

The annual cap regarding the New Bus Services Contract, the Previous Shuttle Bus Services Contracts and the Previous Bus Services Contract for the year ending 31 December 2018 is estimated to be HK\$8,524,535.00, while the annual cap regarding the Previous Shuttle Bus Services Contracts for the year ending 31 December 2019 is estimated to be HK\$905,771.00. Such annual caps are determined with reference to the agreed rates or fees specified in the relevant contracts and the expected demand for the services.

REASONS AND BENEFITS FOR ENTERING INTO THE TRANSACTIONS

The Group is principally engaged in the operation of both franchised and non-franchised public transportation, property holdings and development and the provision of media sales services in Hong Kong and Mainland China, while EWL and SBL offer a wide range of non-franchised bus services for specific market segments. The New Bus Services Contract, the Previous Shuttle Bus Services Contracts and the Previous Bus Services Contract were entered into in the ordinary course of business of the Group, which are an additional source of revenue for the Group.

The Directors (including the independent non-executive Directors) consider that the New Bus Services Contract, the Previous Shuttle Bus Services Contracts and the Previous Bus Services Contract and the transactions thereunder are on normal commercial terms which were arrived at after arm's length negotiation between the parties concerned and in the ordinary and usual course of business of the Group and the terms of which, including the estimated annual caps, are fair and reasonable and in the interests of the Group and the shareholders of the Company as a whole.

As Mr. Raymond KWOK Ping Luen (a director of the Company) is interested in certain issued shares of SHKP, his alternate director who attended the relevant Board meeting in his absence abstained from voting on the relevant Board resolution to approve and confirm the New Bus Services Contract, the Previous Shuttle Bus Services Contracts and the Previous Bus Services Contract. In addition, Dr. Norman LEUNG Nai Pang, Dr. Eric LI Ka Cheung, Mr. Allen FUNG Yuk Lun as directors of both the Company and SHKP, Mr. LEE Luen Fai as a director of both the Company and PITC also abstained from voting on the relevant Board resolution to approve and confirm the New Bus Services Contract, the Previous Shuttle Bus Services Contracts and the Previous Bus Services Contract. Save as disclosed above, none of the Directors is considered to have any material interests in such transactions.

IMPLICATIONS UNDER THE LISTING RULES

At the date of this announcement, SHKP is interested in approximately 37.36% shareholding interest in the Company. Since AFFCC and PITC are indirect wholly-owned subsidiaries of SHKP, HKBAC is an indirect non wholly-owned subsidiary of SHKP and SHKRE is a direct wholly-owned subsidiary of SHKP, the aforesaid companies are thus associates of SHKP and connected persons of the Company under the Listing Rules. Accordingly, the transactions contemplated under the New Bus Services Contract, the Previous Shuttle Bus Services Contracts and the Previous Bus Services Contract constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. As one of the applicable percentage ratios in respect of the estimated annual cap for the continuing connected transactions under the New Bus Services Contract, the Previous Shuttle Bus Services Contracts and the Previous Bus Services Contract for the year ending 31 December 2018 is more than 0.1% but less than 5%, the transactions contemplated under the New Bus Services Contract, the Previous Shuttle Bus Services Contracts and the Previous Bus Services Contract are only subject to the applicable reporting, announcement and annual review requirements but exempt from the circular and independent shareholders' approval requirements pursuant to Chapter 14A of the Listing Rules.

Information on the New Bus Services Contract, the Previous Shuttle Bus Services Contracts and the Previous Bus Services Contract will be included in the relevant annual report of the Company in accordance with Rule 14A.71 of the Listing Rules.

GENERAL INFORMATION

AFFCC is principally engaged in the operation of airport freight forwarding centre; HKBAC is principally engaged in the operation of business aviation facilities at Chek Lap Kok Airport; PITC is principally engaged in the provision of non-franchised bus and licensed ferry services in Hong Kong; and SHKRE is principally engaged in the business of provision of property agency services and investment holding.

DEFINITIONS

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

“AFFCC”	Airport Freight Forwarding Centre Company Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of SHKP
“associate(s)”	has the same meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Company”	Transport International Holdings Limited, a company incorporated in Bermuda with limited liability and the shares of which are listed on the Stock Exchange
“connected person(s)”	has the same meaning ascribed thereto under the Listing Rules
“continuing connected transactions”	has the same meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“EWL”	Eagle Win Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“HKBAC”	Hong Kong Business Aviation Centre Limited, a company incorporated in Hong Kong with limited liability and an indirect non wholly-owned subsidiary of SHKP

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Bus Services Contract”	the contract dated 29 June 2018 entered into by EWL with SHKRE, details of which are set out as item 1 in the table above
“PITC”	Park Island Transport Company Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of SHKP
“Previous Bus Services Contract”	the contract entered into by EWL with SHKRE, details of which are set out as item 17 in the table above
“Previous Shuttle Bus Services Contracts”	the contracts entered into by SBL with each of AFFCC, HKBAC, PITC and SHKRE respectively, details of which are set out as items 2 to 16 in the table above
“SHKP”	Sun Hung Kai Properties Limited, a company incorporated in Hong Kong with limited liability and the shares of which are listed on the Stock Exchange
“SHKRE”	Sun Hung Kai Real Estate Agency Limited, a company incorporated in Hong Kong with limited liability and a direct wholly-owned subsidiary of SHKP
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“SBL”	Sun Bus Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“%”	per cent

By order of the Board
Lana Woo
Company Secretary

Hong Kong, 29 June 2018

The Directors as at the date of this announcement are: -

Independent Non-executive Directors:

Dr. Norman LEUNG Nai Pang, *GBS, JP* (Chairman)

Dr. John CHAN Cho Chak, *GBS, JP* (Deputy Chairman)

Dr. Eric LI Ka Cheung, *GBS, OBE, JP*

Professor LIU Pak Wai, *SBS, JP*

Mr. TSANG Wai Hung, *GBS, PDSM, JP*

Non-executive Directors:

Mr. Raymond KWOK Ping Luen, *JP* (Ms. Susanna WONG Sze Lai as his alternate)

Mr. NG Siu Chan (Ms. Winnie NG as his alternate)

Mr. Charles LUI Chung Yuen, *M.H.*

Mr. William LOUEY Lai Kuen (Mr. GAO Feng as his alternate)

Ms. Winnie NG, *JP*

Mr. Allen FUNG Yuk Lun

Mr. CHEUNG Wing Yui

Mr. LEE Luen Fai

Executive Director:

Mr. Roger LEE Chak Cheong (Managing Director)

** For identification purpose only*