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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

On 4 June 2013, Sun Bus, an indirect wholly-owned subsidiary of the Company, entered into the Shuttle Bus Services Agreement with Park Island Transport, pursuant to which Sun Bus shall provide and operate various shuttle bus services for a period of 1 year ending 31 December 2013.

As at the date of this announcement, SHKP is a substantial shareholder holding approximately 33% interest in the Company. Since Park Island Transport is an indirect wholly-owned subsidiary of SHKP, Park Island Transport is an associate of SHKP and thus a connected person of the Company under the Listing Rules. The transactions contemplated under the Shuttle Bus Services Agreement therefore constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. As the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Annual Cap are more than 0.1% but less than 5%, under Rule 14A.34 of the Listing Rules, the transactions contemplated under the Shuttle Bus Services Agreement are only subject to the annual review as set out in Rules 14A.37 to 14A.40 of the Listing Rules as well as the reporting and announcement requirements as set out in Rules 14A.45 to 14A.47 of the Listing Rules, and are exempt from the independent shareholders' approval requirement.

Details of the Shuttle Bus Services Agreement will be included in the Company's next annual report in accordance with Rule 14A.45 of the Listing Rules.

THE SHUTTLE BUS SERVICES AGREEMENT

- Date : 4 June 2013
- Parties : (a) Sun Bus; and
(b) Park Island Transport.
- Term of agreement : The term of the Shuttle Bus Services Agreement shall be from 1 January 2013 to 31 December 2013 (both dates inclusive), subject to early termination by the parties.
- Scope of services : Park Island Transport engages Sun Bus to provide and operate various residents shuttle bus services between Park Island and the Tsing Yi MTR Station, and/or any other routes starting from Ma Wan as the parties may otherwise agree, subject to the approval of the Transport Department of the HKSAR Government.
- Fees and payment : Park Island Transport shall effect payment of the service fees payable to Sun Bus within 45 days after the end of each calendar month. The service fees are to be calculated in accordance with the rates specified in the Shuttle Bus Services Agreement, which were determined with reference to the prevailing market rates.
- Early termination : The Shuttle Bus Services Agreement can be terminated by either party by one month advance notice to the other. In particular, if at any time the required permit or license for the operation of the services (or any renewal of such permit or license) is not granted or renewed by the relevant authorities, Sun Bus may forthwith terminate the agreement with no further liability save for antecedent breach.

ANNUAL CAP AND CONSIDERATION

The maximum amount receivable by Sun Bus in respect of the continuing connected transactions contemplated under the Shuttle Bus Services Agreement is estimated not to exceed HK\$8,000,000 per annum (inclusive of the fees for basic services, overtime services, on-demand additional services, if any, and toll charges incurred, which shall be reimbursed to Sun Bus) (the “**Annual Cap**”).

The Annual Cap is determined with reference to (i) the rates specified in the Shuttle Bus Services Agreement; (ii) the expected demand for the services; and (iii) the expected amount of toll charges reimbursements over a 12-month period.

REASONS FOR AND BENEFITS OF THE ENTERING INTO OF THE SHUTTLE BUS SERVICES AGREEMENT

As part of its principal businesses, Sun Bus offers a wide range of non-franchised bus services for specific market segments, including large residential estates. The entering into the Shuttle Bus Services Agreement with Park Island Transport, which provides quality shuttle bus and ferry services to and from Ma Wan Island as its principal business, is part of the ordinary course of business of the Group and represents an additional source of revenue for the Group.

The Directors (including the independent non-executive Directors) consider that the entering into the Shuttle Bus Services Agreement is in the ordinary and usual course of business of the Group and the terms of the Shuttle Bus Services Agreement are on normal commercial terms which were arrived at after arm’s length negotiation between the parties concerned. The service fees chargeable to Park Island Transport pursuant to the Shuttle Bus Services Agreement will be determined with reference to the prevailing market rates. The Directors (including the independent non-executive Directors) consider that the terms of the Shuttle Bus Services Agreement are fair and reasonable and in the interests of the Group and the shareholders of the Company as a whole.

INFORMATION ON THE COMPANY, THE GROUP AND PARK ISLAND TRANSPORT

The principal activity of the Company is investment holdings. The principal activities of the Group are 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.

Park Island Transport is principally engaged in the provision of shuttle bus and ferry services to and from Ma Wan Island.

LISTING RULES IMPLICATIONS

As at the date of this announcement, SHKP is a substantial shareholder holding approximately 33% interest in the Company. Since Park Island Transport is an indirect wholly-owned subsidiary of SHKP, Park Island Transport is an associate of SHKP and thus a connected person of the Company under the Listing Rules. The transactions contemplated under the Shuttle Bus Services Agreement therefore constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. As the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Annual Cap are more than 0.1% but less than 5%, under Rule 14A.34 of the Listing Rules, the transactions contemplated under the Shuttle Bus Services Agreement are only subject to the annual review as set out in Rules 14A.37 to 14A.40 of the Listing Rules as well as the reporting and announcement requirements as set out in Rules 14A.45 to 14A.47 of the Listing Rules, and are exempt from the independent shareholders' approval requirement.

Details of the Shuttle Bus Services Agreement will be included in the Company's next annual report in accordance with Rule 14A.45 of the Listing Rules.

As Mr. KWOK Ping-luen, Raymond (a director of the Company) is materially interested in the Shuttle Bus Services Agreement by virtue of his deemed interests under Part XV of the Securities and Futures Ordinance (Chapter 571, The Laws of Hong Kong) in more than 5% of the issued shares of SHKP, and the interest of Dr. KWOK Ping-sheung, Walter (a director of the Company) in the issued shares of SHKP is pending resolution, both of their respective alternate directors who attended

the relevant Board meeting in their absence had abstained from voting on the Board resolution approving the Shuttle Bus Services Agreement. Save as disclosed above, none of the other Directors has any material interests in the Shuttle Bus Services Agreement.

DEFINITIONS

“Annual Cap”	has the meaning ascribed to it under the section headed “ <i>Annual Cap and Consideration</i> ” above
“associate”	has the meaning ascribed to it 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”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“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

“Park Island”	the prestigious residential development on Ma Wan, New Territories, Hong Kong
“Park Island Transport”	Park Island Transport Company Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of SHKP
“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
“Shuttle Bus Services Agreement”	the shuttle bus services agreement dated 4 June 2013 entered into between Sun Bus and Park Island Transport
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Sun Bus”	Sun Bus Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company

By order of the Board
Lana Woo
Company Secretary

Hong Kong, 4 June 2013

The Directors of the Company 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*

Mr. Gordon SIU Kwing Chue, *GBS, CBE, JP*

Professor LIU Pak-wai, *SBS, JP*

Non-executive Directors

Mr. Raymond KWOK Ping-luen, *JP* (Mr. Roger LEE Chak Cheong as his alternate)

Dr. Walter KWOK Ping-sheung, *JP* (Mr. Godwin SO Wai Kei as his alternate)

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

Mr. William LOUEY Lai Kuen

Ms. Winnie NG

Mr. John Anthony MILLER, *SBS, OBE*

Executive Directors

Mr. Edmond HO Tat Man (Managing Director)

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

Mr. Evan AU YANG Chi Chun

** For identification purpose only*