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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)

DISCLOSEABLE TRANSACTION PURCHASE OF VOLVO DOUBLE-DECK CBU BUSES

KMB, a wholly-owned subsidiary of the Company, entered into the Purchase Contract with Volvo on 9 August 2016 for the purchase of 220 units of 12-Metre Volvo Double-deck CBU Buses at the consideration of approximately GBP 48.6 million. The transaction contemplated under the Purchase Contract constituted a discloseable transaction of the Company.

THE PURCHASE CONTRACT

KMB, a wholly-owned subsidiary of the Company, entered into the Purchase Contract with Volvo for the purchase of 220 units of 12-Metre Volvo Double-deck CBU Buses from Volvo, the particulars of which are as follows: -

Subject matter and consideration

Purchase Contract dated 9 August 2016 entered into between KMB and Volvo

The purchase of 220 units of 12-Metre Volvo Double-deck CBU Buses at the unit price of approximately GBP 221,000 for a total consideration of approximately GBP 48.6 million (inclusive of all carriage and insurance charges) was arrived at through tendering selection.

Payment terms

The consideration is payable in cash in three instalments, with (i) 10% of which being payable as deposit within fourteen business days from the signing of the Purchase Contract; (ii) half of the unit price being payable as further deposit within fourteen business days from the date of shipment of each of the assembled unit; and (iii) the balance being payable within fourteen business days after the satisfactory inspection and issuance of fitness certification in respect of each assembled unit in accordance with the applicable laws and regulations. Such payments are being funded by the general working capital and banking facilities of KMB.

REASONS FOR AND BENEFITS OF THE TRANSACTION

The transaction under the Purchase Contract was entered into in the ordinary and usual course of business of the Group and as part of its continuing initiative to replace retiring buses and to enhance the service quality of KMB.

The Directors believe that the terms of the Purchase Contract are fair and reasonable and in the interests of the Company and its shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios as defined under Rule 14.07 of the Listing Rules in respect of the transaction under the Purchase Contract exceed 5% but are less than 25%, the transaction under the Purchase Contract constitutes a discloseable transaction of the Company.

GENERAL INFORMATION

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. KMB is principally engaged in franchised public bus services in Hong Kong.

Volvo is a major Swedish bus manufacturer and also a major supplier of double-deck buses in the Hong Kong bus market. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Volvo and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

DEFINITIONS

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

“12-Metre Volvo Double-deck CBU Bus(es)”	Completely Built Up Volvo B9TL 12-Metre Euro V 3-Axle Double-deck Bus with Wrightbus Air-conditioned Body
“Board”	the board of Director(s)
“business day(s)”	Hong Kong business day(s)
“CBU”	Completely Built Up

“Company”	Transport International Holdings Limited, a company incorporated in Bermuda with limited liability and the shares of which are listed on the Stock Exchange (Stock Code: 62)
“Director(s)”	the director(s) of the Company
“discloseable transaction”	mean a discloseable transaction under Chapter 14 of the Listing Rules
“GBP”	British Pound Sterling, the lawful currency of the United Kingdom of Great Britain and Northern Ireland
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“KMB”	The Kowloon Motor Bus Company (1933) Limited, a wholly-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Purchase Contract”	the purchase contract dated 9 August 2016 entered into between KMB and Volvo for the purchase of 220 units of 12-Metre Volvo Double-deck CBU Buses from Volvo
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Volvo”	Volvo Bus Corporation, a company incorporated in Sweden with limited liability
“%”	per cent

By order of the Board
Lana Woo
Company Secretary

Hong Kong, 9 August 2016

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*

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

Professor LIU Pak Wai, *SBS, 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. William LOUEY Lai Kuen

Ms. Winnie NG

Mr. Edmond HO Tat Man

Mr. John Anthony MILLER, *SBS, OBE*

Mr. Allen FUNG Yuk Lun

Executive Directors:

Mr. Roger LEE Chak Cheong (Managing Director)

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

** for identification purpose only*