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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 PROVISION OF NON-FRANCHISED BUS SERVICES**

The Company announces that on 28 June 2019, SBL (an indirect wholly-owned subsidiary of the Company) entered into the New Bus Services Contract with AFFCC and as at the date of this announcement (i) SBL 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 38.31% 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 or more 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 2019 are more than 0.1% but less than 5%, the transactions contemplated thereunder 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 (a) on 28 June 2019, SBL, an indirect wholly-owned subsidiary of the Company entered into the New Bus Services Contract with AFFCC (referred to in item 1 below); and (b) as at the date of this announcement, (i) SBL had previously entered into the Previous Shuttle Bus Services Contracts with each of AFFCC, HKBAC, PITC and SHKRE (referred to in items 2 to 18 below) and (ii) EWL had previously entered into the Previous Bus Services Contract with SHKRE (referred to in item 19 below). Details of the New Bus Services Contract, the Previous Shuttle Bus Services Contracts and the Previous Bus Services Contract are set out below: -

	<b>Date of contract</b>	<b>Customer</b>	<b>Scope of provision of bus services</b>	<b>Term</b>	<b>Payment terms</b>
1.	28 June 2019	AFFCC	plying between Airport Freight Forwarding Centre and Tung Chung MTR Station	1 July 2019 to 30 June 2021	within 30 days from the date of receipt of the invoice
2.	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
3.	21 March 2019	HKBAC	plying between Hong Kong Business Aviation Centre Apron and Airside Area	1 May 2019 to 30 April 2020	within 30 days from the date of receipt of the invoice
4.	27 December 2018	SHKRE	Plying within Park Yoho	1 January 2019 to 31 December 2019	within 30 days from the date of receipt of the invoice
5.	26 October 2018	SHKRE	plying between APM shopping mall and Kai Tak Cruise Terminal	1 November 2018 to 31 October 2019	within 30 days after the end of each calendar month
6.	15 June 2018	AFFCC	plying between Airport Freight Forwarding Centre and Tung Chung MTR Station	1 July 2018 to 30 June 2019	within 30 days from the date of receipt of the invoice
7.	21 May 2019	AFFCC	plying between Airport Freight Forwarding Centre and Tsuen Wan Yuen Tun Circuit and HKIA Coach Station	1 June 2019 to 30 June 2019	within 30 days from the date of receipt of the invoice
8.	31 December 2018	PITC	plying between Park Island and Tsing Yi MTR Station	1 January 2019 to 31 December 2019	within 45 days after the end of each calendar month
9.	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
10.	23 May 2019	SHKRE	plying between Tai Po Mega Mall and Hong Kong Science Park	1 June 2019 to 30 June 2019	within 30 days from the date of receipt of the invoice

	<b>Date of contract</b>	<b>Customer</b>	<b>Scope of provision of bus services</b>	<b>Term</b>	<b>Payment terms</b>
11.	25 June 2018	SHKRE	plying between East Point City and Sai Kung (North) Public Transport Interchange	1 July 2018 to 30 June 2019	within 30 days from the date of receipt of the invoice
12.	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
13.	30 Apr 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
14.	29 Apr 2019	SHKRE	plying between Mikiki shopping mall and One Kai Tak	1 May 2019 to 31 May 2019	within 30 days from the date of receipt of the invoice
15.	15 May 2019	SHKRE	plying between Mikiki shopping mall and Muk On Street (Circular)	1 June 2019 to 30 June 2019	within 30 days from the date of receipt of the invoice
16.	22 October 2018	SHKRE	plying from Oscar by the sea to Pop Walk and Park Central (Circular)	1 November 2018 to 31 January 2019	within 30 days from the date of receipt of the invoice
17.	15 February 2019	SHKRE	Plying from Harbour North (Hotel VIC) and North Point Estate Lane (Circular)	1 March 2019 to 28 February 2020	within 30 days from the date of receipt of the invoice
18.	20 March 2019	SHKRE	Plying between Lohas Park and Wings At Sea	25 March 2019 to 30 June 2019	within 30 days from the date of receipt of the invoice
19.	31 December 2018	SHKRE	Plying between MOKO and Mongkok	1 January 2019 to 24 February 2019	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\$380 to HK\$530 per hour per bus 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 two years ending 31 December 2019 and 2020 is estimated to be HK\$11,431,000 and HK\$1,691,000 respectively. 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, while SBL and EWL 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 and Mr. Allen FUNG Yuk Lun as directors of both the Company and SHKP, Mr. LUNG Po Kwan as director of the Company and an employee of SHKP 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 38.31% 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 or more 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 2019 are more than 0.1% but less than 5%, the transactions contemplated thereunder 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 28 June 2019 entered into by SBL with AFFCC, 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 19 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 18 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, 28 June 2019

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  
Dr. CHEUNG Wing Yui, *BBS*  
Mr. LEE Luen Fai, *JP*  
Mr. LUNG Po Kwan

Executive Director:

Mr. Roger LEE Chak Cheong (Managing Director)

*\* For identification purpose only*