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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 31 October 2017, SBL entered into the New Shuttle Bus Services Contracts with SHKRE, pursuant to which SBL agrees to provide and operate various shuttle bus services. During the period from April 2015 to July 2017, SBL entered into the Previous Shuttle Bus Services Contracts with HKBAC, AFFCC, PITC and SHKRE respectively, pursuant to which SBL agrees to provide and operate various shuttle bus services.

At the date of this announcement, SHKP is a substantial shareholder holding 36.66% 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 Shuttle Bus Services Contracts and the Previous Shuttle Bus Service Contracts 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 aggregated transaction amount of the continuing connected transactions under the New Shuttle Bus Services Contracts and the Previous Shuttle Bus Services Contracts for the year ending 31 December 2017 is more than 0.1% but less than 5%, the transactions contemplated under the New Shuttle Bus Services Contracts and the Previous Shuttle Bus Services Contracts are only subject to the reporting, announcement and annual review requirements but exempt from the circular and independent shareholders' approval requirements pursuant to Chapter 14A of the Listing Rules.

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

## NEW SHUTTLE BUS SERVICES CONTRACTS

The Company announces that on 31 October 2017, SBL entered into contracts with SHKRE, pursuant to which SBL agrees to provide and operate various shuttle bus services, with major terms set out below:-

Contract No.	Date of contract	Customer	Scope of provision of shuttle bus services	Terms	Payment terms
1.	31 October 2017	SHKRE	within Park Vista, Yuen Long	1 November 2017 to 31 December 2017	within 30 days after the end of each calendar month
2.	31 October 2017	SHKRE	plying between Park Vista, Yuen Long and YOHO Mall II	1 November 2017 to 31 December 2017	within 30 days after the end of each calendar month

## PREVIOUS SHUTTLE BUS SERVICES CONTRACTS

During the period from April 2015 to July 2017, SBL, an indirect wholly-owned subsidiary of the Company, entered into contracts with HKBAC, AFFCC, PITC and SHKRE individually, pursuant to which SBL agrees to provide and operate various shuttle bus services with major terms set out below:-

Contract No.	Date of contract	Customer	Scope of provision of shuttle bus services	Terms	Payment terms
3.	29 April 2015	HKBAC	plying between Hong Kong Business Aviation Centre Apron and airside area	1 May 2015 to 30 April 2017	at the end 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.	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
6.	23 December 2016	PITC	plying between Park Island and Tsing Yi MTR station	1 January 2017 to 31 December 2017	within 45 days after the end of each calendar month
7.	12 April 2016	SHKRE	plying between Tai Po Mega Mall and Hong Kong Science Park	1 June 2016 to 31 May 2017	last day of each calendar month
8.	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

9.	12 May 2016	SHKRE	plying between East Point City and Sai Kung (North) Public Transport Interchange	1 June 2016 to 31 May 2017	at the end of each calendar month
10.	18 May 2017	SHKRE	plying between East Point City and Sai Kung (North) Public Transport Interchange	1 June 2017 to 31 May 2018	at the end of each calendar month
11.	10 May 2016	SHKRE	plying between Park Central and TVB City	15 July 2016 to 14 July 2017	at the end of each calendar month
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.	29 December 2016	SHKRE	plying between APM mall and Kai Tak Cruise Terminal	1 January 2017 to 31 October 2017	within 30 days after the end of each calendar month
14.	29 December 2016	SHKRE	plying between (i) within Park Vista, Yuen Long, (ii) Park Vista and YOHO Mall II, (iii) Sun Hung Kai Centre, Wanchai, YOHO Mall and Grand YOHO Mall, (iv) Park Vista, Yuen Long and Yuen Long West Rail station, and (v) Park Vista, Yuen Long and Sun Yuen Long Centre/ Tsuen Wan Plaza/ Tuen Mun Times Square.	1 January 2017 to 31 October 2017	within 30 days after the end of each calendar month

## CONSIDERATION AND ANNUAL CAPS

The service fees under the New Shuttle Bus Services Contracts and the Previous Shuttle Bus Services Contracts are determined in accordance with the rates specified in the relevant contracts, ranging from HK\$232 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 and the relevant costs and using the prevailing market rates as a price indicator, namely, the services fees charged by bus operations in the same industry.

The aggregated transaction amount regarding the New Shuttle Bus Services Contracts and the Previous Shuttle Bus Services Contracts for the year ending 31 December 2017 is estimated to be HK\$9,049,711.

The annual cap regarding the above Contract No. 4, Contract No. 5, Contract No. 8, Contract No. 10 and Contract No. 12 for the year ending 31 December 2018 is estimated to be HK\$1,321,700, whereas the annual cap regarding the above Contract No. 12 for the year ending 31 December 2019 is estimated to be HK\$101,771. The annual caps are determined with reference to (i) the rates specified in the relevant contracts and (ii) the expected demand for the services.

Any consideration paid or payable by the Group under the New Shuttle Bus Service Contracts and the Previous Shuttle Bus Services Contracts was or will be satisfied by the internal resources of the Group.

## **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 SBL offers a wide range of non-franchised bus services for specific market segments. The Directors (including the independent non-executive Directors but excluding the Abstaining Directors) consider that the New Shuttle Bus Services Contracts and the Previous Shuttle Bus Services Contracts 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 but excluding the Abstaining Directors) consider that the New Shuttle Bus Services Contracts and the Previous Shuttle Bus Services Contracts and the estimated annual caps are on normal commercial terms which were arrived after arm's length negotiation between the parties concerned, and are fair and reasonable and in the interests of the Group and the shareholders of the Company as a whole.

As Mr. KWOK Ping Luen, Raymond (a director of the Company) is considered to be materially interested in the New Shuttle Bus Services Contracts by virtue of his interest 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 the New Shuttle Services Contracts. In addition, Dr. Norman LEUNG Nai Pang and Dr. Eric LI Ka Cheung are directors of both the Company and SHKP, also abstained from voting on the relevant Board resolution to approve the New Shuttle Services Contracts. Save as disclosed above, none of the other Directors has any material interests in the New Shuttle Services Contracts.

## **IMPLICATIONS UNDER THE LISTING RULES**

At the date of this announcement, SHKP is a substantial shareholder holding 36.66% 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 Shuttle Bus Services Contracts and the Previous Shuttle Bus Service Contracts 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 aggregated transaction amount of the continuing connected transactions under the New Shuttle Bus Services Contracts and the Previous Shuttle Bus Services Contracts for the year ending 31 December 2017 is more than 0.1% but less than 5%, the transactions contemplated under the New Shuttle Bus Services Contracts and the Previous Shuttle Bus Services Contracts are only subject to the reporting, announcement and annual review requirements but exempt from the circular and independent shareholders' approval requirements pursuant to Chapter 14A of the Listing Rules.

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

## **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, while SBL offers a wide range of non-franchised bus services for specific market segments.

HKBAC is principally engaged in the operation of business aviation facilities at Chek Lap Kok Airport; AFFCC is principally engaged in the operation of airport freight forwarding centre; 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
“Abstaining Directors”	Mr. Raymond KWOK Ping Luen, Dr. Norman LEUNG Nai Pang and Dr. Eric LI Ka Cheung
“associate(s)”	has the same meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“business day(s)”	Hong Kong business day(s)
“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

“Previous Shuttle Bus Services Contracts”	the series of contracts entered into by SBL and each of HKBAC, AFFCC, PITC and SHKRE respectively, details of which are set out in the section headed “ <i>Previous Shuttle Bus Services Contracts</i> ”
“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 Shuttle Bus Services Contracts”	contracts dated 31 October 2017 entered into by SBL with SHKRE, details of which are set out in the section headed “ <i>New Shuttle Bus Services Contracts</i> ”
“PITC”	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
“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, 31 October 2017

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*

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. Edmond HO Tat Man

Mr. Allen FUNG Yuk Lun

Executive Director:

Mr. Roger LEE Chak Cheong (Managing Director)

*\* For identification purpose only*