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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you have sold or transferred** all your shares in Transport International Holdings Limited, you should at once hand this circular, together with the accompanying proxy form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**TRANSPORT INTERNATIONAL HOLDINGS LIMITED**

*(incorporated in Bermuda with limited liability)*

*(Stock code: 62)*

**GENERAL MANDATES TO ISSUE SHARES AND  
TO REPURCHASE SHARES,  
RE-ELECTION OF RETIRING DIRECTORS,  
FIXING OF REMUNERATION OF DIRECTORS,  
ADOPTION OF SHARE OPTION SCHEME  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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A letter from the Board is set out on pages 3 to 8 of this circular.

A notice convening the Annual General Meeting to be held at the Royal Plaza Hotel, Grand Ballroom I-II, Level 6, 193 Prince Edward Road West, Kowloon, Hong Kong at 3:00 p.m. on Thursday, 26 May 2016 is set out on pages 23 to 28 of this circular. Whether or not you are able to attend the Annual General Meeting, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to the Company's principal office at 9 Po Lun Street, Lai Chi Kok, Kowloon, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof.



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## DEFINITIONS

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*In this circular, the following expressions shall have the following meanings unless the context otherwise requires:*

“Adoption Date”	the date on which the Share Option Scheme is adopted by resolution of the Shareholders in general meeting;
“Annual General Meeting” or “AGM”	the annual general meeting of the Company to be held at Royal Plaza Hotel, Grand Ballroom I-II, Level 6, 193 Prince Edward Road West, Kowloon, Hong Kong on Thursday, 26 May 2016, at 3:00 p.m.;
“associate”	has the meaning ascribed thereto in the Listing Rules;
“Audited Financial Statements”	the audited financial statements for the year ended 31 December 2015;
“Auditors”	the auditors for the time being of the Company;
“Board”	the board of Directors, and in the Appendices to this circular, references to “Board” shall mean the board of directors of the Company or a duly authorised committee thereof for the time being, including the independent non-executive directors of the Company;
“Board Lot”	the board lot in which Shares are traded on the Stock Exchange from time to time, currently being a board lot of 400;
“Business Day(s)”	a day (other than a Saturday or a Sunday) on which licensed banks generally are open for business in Hong Kong and the Stock Exchange is open for business of dealing in securities;
“Bye-laws”	the bye-laws of the Company;
“Commencement Date”	means, in respect of any particular Option, the date on which the Option is accepted in accordance with the terms of the Scheme;
“Companies Act”	the Companies Act 1981 of Bermuda (as amended from time to time);
“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);
“connected person”	has the meaning ascribed thereto in the Listing Rules;
“Date of Grant”	the date (which shall be a Business Day) on which the grant of an Option is made to (and subject to acceptance by) an Eligible Person as determined in accordance with the Share Option Scheme;
“Directors”	directors of the Company;
“Eligible Person(s)”	any employee (whether full time or part-time, including any director) of the Company, its subsidiaries or such other persons as the Board may approve from time to time, have contributed to the Company or the Group;
“Employee(s)”	any person employed by the Company or any of its subsidiaries (including any executive director of the Company and any of its subsidiaries);
“Extension of Share Issue Mandate”	an extension of the Share Issue Mandate by way of adding the number of Shares repurchased pursuant to the Share Repurchase Mandate to the aggregate number of Shares that may be allotted or agreed conditionally or unconditionally to be allotted by the Board pursuant to the Share Issue Mandate;

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## DEFINITIONS

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“Grantee(s)”	an Eligible Person who accepts the grant of any Option in accordance with the terms of the Share Option Scheme or (where the context so permits) the legal personal representative(s) entitled under the Share Option Scheme to exercise any such Option in consequence of the death of the original Grantee;
“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;
“Latest Practicable Date”	18 April 2016, being the latest practicable date prior to the printing of this circular of ascertaining certain information in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Memorandum of Association and Bye-laws”	the Memorandum of Association and Bye-laws of the Company (as amended from time to time);
“Option Holder”	means a person holding an Option;
“Option Period”	means a period to be determined by the Board at its absolute discretion and notified by the Board to each Grantee as being the period during which an Option may be exercised;
“Option(s)”	A right to buy Shares granted pursuant to the Share Option Scheme;
“Scheme”	means this share option scheme in its present or any amended form;
“Scheme Period”	means the period of ten (10) years from the date of fulfilment of the conditions precedent for the Scheme;
“Share Issue Mandate”	a general mandate to the Board to exercise all powers of the Company to allot, issue and deal with the Shares;
“Share Option Scheme”	the share option scheme proposed to be adopted by the Company at the AGM, a summary of the principal terms of which is set out in Appendix III to this circular;
“Share Repurchase Mandate”	a general mandate to the Board to exercise all powers of the Company to repurchase issued and fully paid Shares;
“Shareholders”	holder(s) of Shares;
“Shares”	a fully-paid ordinary share of HK\$1.00 each in the capital of the Company;
“SHKP”	Sun Hung Kai Properties Limited;
“Stock Exchange”	the Stock Exchange of Hong Kong Limited or any successor exchange which may take over its function;
“Subscription Price”	the price per Share at which a Grantee may subscribe for Shares on the exercise of an Option, subject to adjustment in accordance with the Share Option Scheme;
“Subsidiary”	means a company which is for the time being and from time to time a subsidiary (within the meaning of Section 86 of the Companies Act) of the Company whether incorporated in Hong Kong or elsewhere;
“substantial shareholder”	has the meaning ascribed thereto in the Listing Rules;
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers; and
“%”	per cent.

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## LETTER FROM THE BOARD

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# TRANSPORT INTERNATIONAL HOLDINGS LIMITED

*(incorporated in Bermuda with limited liability)*

*(Stock code: 62)*

***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 NG Siu Chan

Mr William LOUEY Lai Kuen

Ms Winnie NG

*Director and Alternate Director to Mr NG Siu Chan*

Mr Edmond HO Tat Man

Mr John Anthony MILLER, *SBS, OBE*

Mr Allen FUNG Yuk Lun

Ms Susanna Wong Sze Lai

*Alternate Director to Mr Raymond KWOK Ping Luen, JP*

***Executive Directors:***

Mr Roger LEE Chak Cheong  
*Managing Director*

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

***Registered Office:***

Clarendon House  
2 Church Street  
Hamilton HM11  
Bermuda

***Hong Kong Principal Office:***

9 Po Lun Street  
Lai Chi Kok  
Kowloon, Hong Kong

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## LETTER FROM THE BOARD

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26 April 2016

To the Shareholders

Dear Sir or Madam,

**GENERAL MANDATES TO ISSUE SHARES AND  
TO REPURCHASE SHARES,  
RE-ELECTION OF RETIRING DIRECTORS,  
FIXING OF REMUNERATION OF DIRECTORS,  
ADOPTION OF SHARE OPTION SCHEME  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

### INTRODUCTION

At the Annual General Meeting, ordinary resolutions will be proposed to, inter alia, (i) grant to the Board general mandates to issue Shares and to repurchase Shares, since the previous general mandates granted to the Board on 21 May 2015 to issue Shares and to repurchase Shares will expire at the Annual General Meeting; (ii) extend the general mandates to issue Shares by adding to the aggregate number of Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Board pursuant to the general mandates to issue Shares the number of Shares repurchased pursuant to the general mandate to repurchase Shares; (iii) re-elect the retiring Directors; (iv) fix the remuneration of Directors; and (v) adopt the Share Option Scheme.

This circular contains information regarding the aforesaid ordinary resolutions to be proposed at the Annual General Meeting, including biographies of the retiring Directors who will stand for re-election as set out in Appendix II to this circular and a summary of the principal terms of the Share Option Scheme as set out in Appendix III to this circular. An explanatory statement giving certain information required by the Listing Rules to enable the Shareholders to make an informed decision on whether to vote for or against the resolutions to approve the repurchase by the Company of its own Shares is set out in Appendix I to this circular.

#### 1. GENERAL MANDATE TO ISSUE SHARES

At the Annual General Meeting, an ordinary resolution will be proposed for the Shareholders to consider and, if thought fit, grant the Share Issue Mandate. The Shares, which may be allotted and issued pursuant to the Share Issue Mandate, shall not exceed 20% of the issued share capital of the Company in issue as at the date of passing of the resolution approving the Share Issue Mandate. The Share Issue Mandate shall expire upon whichever is the earliest of (i) the date of the next annual general meeting of the Company; (ii) the date by which the next annual general meeting of the Company is required to be held by law or the Memorandum of Association and Bye-laws; and (iii) the date upon which such authority given under the Share Issue Mandate is revoked or varied by an ordinary resolution of the Shareholders. Details of the Share Issue Mandate are set out in Resolution 6 in the Notice of Annual General Meeting on pages 24 and 25 of this circular.

In addition, an ordinary resolution will also be proposed for the Shareholders to consider and, if thought fit, approve the Extension of Share Issue Mandate, if granted. Details of the Extension of Share Issue Mandate are set out in Resolution 8 in the Notice of Annual General Meeting on page 26 of this circular.

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## LETTER FROM THE BOARD

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### 2. GENERAL MANDATE TO REPURCHASE SHARES

At the Annual General Meeting, an ordinary resolution will be proposed for the Shareholders to consider and, if thought fit, grant the Share Repurchase Mandate. Under the Share Repurchase Mandate, the number of Shares that the Company may repurchase shall not exceed 10% of the issued share capital of the Company on the date of passing of the resolution approving the Share Repurchase Mandate. The Company's authority is restricted to repurchase made on the Stock Exchange.

As at the Latest Practicable Date, the issued share capital of the Company comprised 403,639,413 Shares. Subject to the passing of the ordinary resolution approving the Share Repurchase Mandate and on the basis that no further Shares are issued or repurchased between the period from the Latest Practicable Date to the date of the Annual General Meeting, the full exercise of the Share Repurchase Mandate could accordingly result in up to 40,363,941 Shares being repurchased by the Company. An explanatory statement as required under the Listing Rules, giving certain information regarding the Share Repurchase Mandate together with the details of the repurchases of the Shares made by the Company during the six months preceding the Latest Practicable Date, is set out in Appendix I to this circular. The Share Repurchase Mandate allows the Company to make repurchases only during the period ending on the earliest of (i) the date of the next annual general meeting of the Company; (ii) the date by which the next annual general meeting of the Company is required to be held by law or the Memorandum of Association and Bye-laws; and (iii) the date upon which such authority given under the Share Repurchase Mandate is revoked or varied by an ordinary resolution of the Shareholders. Details of the Share Repurchase Mandate are set out in Resolution 7 in the Notice of Annual General Meeting on page 25 of this circular.

### 3. RE-ELECTION OF RETIRING DIRECTORS

In accordance with Bye-laws 86 and 87 of the Company and Paragraph A.4.2 of the Corporate Governance Code and Corporate Governance Report as set out in Appendix 14 of the Listing Rules, as at the Latest Practicable Date, the following Directors will retire at the Annual General Meeting and all of them, being eligible, will offer themselves for re-election at the same meeting:

Dr Norman LEUNG Nai Pang<sup>^</sup>, *GBS, JP*  
Mr William LOUEY Lai Kuen<sup>#</sup>

(<sup>^</sup> *Independent Non-executive Director*)

(<sup>#</sup> *Non-executive Director*)

The biographies of the above retiring Directors are set out in Appendix II to this circular.

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## LETTER FROM THE BOARD

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### 4. FIXING OF REMUNERATION OF DIRECTORS

At the Annual General Meeting, an ordinary resolution will be proposed for the Shareholders to consider and, if thought fit, fix the new fees of the Board of Directors with effect from 1 January 2016. The proposed new fee scale and the existing fee scale are set out as follows:

	Existing Fees <i>HK\$</i>	Proposed Fees <i>HK\$</i>
<b>Board</b>		
– Chairman	403,200	<b>453,600</b>
– Other Director	288,000	<b>324,000</b>

The proposed new fee scale shown above was determined in December 2015 by the Remuneration Committee of the Company based on the methodology developed from the “Higgs Report” in the United Kingdom on the “Review of the Role and Effectiveness of Non-executive Directors” which takes into account the expected workload, scale and complexity of the business and the responsibility of the Directors in 2016. Reference was also made to the remuneration of the directors of 20 major companies listed on the Stock Exchange. If approved by the Shareholders, the proposed new scale of fees for the Directors will take effect from 1 January 2016 until the Company in general meeting otherwise determines.

### 5. ADOPTION OF THE SHARE OPTION SCHEME

The Directors proposed to adopt the Share Option Scheme, the terms of which are governed by Chapter 17 of the Listing Rules. The Share Option Scheme will become effective after all the conditions precedent as referred to under the paragraph headed “Conditions Precedent of Share Option Scheme” below have been fulfilled.

The Directors believe that attracting, motivating and retaining high quality personnel is a key to the success and growth of the Company. The Directors take the view that the Share Option Scheme may provide Grantees with the opportunity of participating in the growth of the Company by acquiring Shares and may, in turn, assist in the attraction and retention of Grantees who have made contributions to the success of the Company. The purpose of the Share Option Scheme is to provide incentives to Grantees to contribute further to the Company. In order to ensure that this purpose is achieved by granting Options to Grantees who are regarded as valuable human resources of the Group based on their years of service, work experience and knowledge in the industry or who have contributed to the growth and success of the Group based on their performance and other relevant factors, the rules of the Share Option Scheme do not specify any minimum holding period and/or performance targets as conditions of any Option but provide the Board with the authority to determine such conditions as it may at its absolute discretion think fit on a case by case basis. The Directors believe that such authority to impose any minimum holding period and/or performance target as conditions of any Option and the requirement for a minimum subscription price as well as the selection criteria prescribed by the rules of the Share Option Scheme will serve to protect the value of the Company as well as to achieve the purposes of the Share Option Scheme. The Board will be responsible for administering the Share Option Scheme and no trustees will be appointed for the purpose of the Share Option Scheme.



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## LETTER FROM THE BOARD

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### **Scheme mandate limit and maximum number of Shares issuable**

As at the Latest Practicable Date, the issued share capital of the Company comprised 403,639,413 Shares. Assuming that there is no change in the issued share capital of the Company between the period from the Latest Practicable Date up to the Adoption Date, the total number of Shares which may be issued pursuant to the Share Option Scheme on the Adoption Date will be 40,363,941 Shares, representing 10% of the total number of Shares in issue as at the Adoption date, unless the Company obtains a fresh approval from its Shareholders to renew the 10% limit on the basis that the maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme(s) of the Company shall not exceed 10% of the total number of Shares in issue from time to time.

### **Value of the Options**

The Directors consider that it is not appropriate to state the value of all Options that can be granted under the Share Option Scheme as if they had been granted on the Latest Practicable Date. The Directors believe that any statement regarding the value of the Options as at the Latest Practicable Date will not be meaningful and may be misleading to the Shareholders, taking into account that the number of variables which are crucial for the calculation of the Option value have not been determined. Such variables include but not limited to the exercise price, exercise period, vesting period (if any) and other relevant factors.

None of the Directors is a trustee of the Share Option Scheme or has any direct or indirect interest in the trustees of the Share Option Scheme, if any.

### **Conditions Precedent of Share Option Scheme**

The Share Option Scheme will take effect upon satisfaction of the following conditions:

- i) the Listing Committee of the Stock Exchange granting the listing of and permission to deal in any Shares which fall to be issued by the Company pursuant to the exercise of Options in accordance with the terms and conditions of the Share Option Scheme; and
- ii) the passing of an ordinary resolution to adopt the Share Option Scheme.

An application will be made to the Stock Exchange for the grant of listing of and permission to deal in the Shares to be issued pursuant to the exercise of Options granted under the Share Option Scheme in respect of up to 10% of the Shares in issue as at the Adoption Date.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the ordinary resolution to be proposed at the AGM approving the Share Option Scheme.

A summary of the principal terms of the Share Option Scheme which is proposed to be approved and adopted by the Company at the AGM is set out in Appendix III to this circular. This serves as a summary of the terms of the Share Option Scheme but does not constitute the full terms of the same. The full terms of the Share Option Scheme may be inspected at the registered office of the Company at 9 Po Lun Street, Lai Chi Kok, Kowloon, Hong Kong during normal business hours on any Business Day from the date of this circular up to and including the date of the AGM and at the AGM.

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## LETTER FROM THE BOARD

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### 6. RESPONSIBILITY STATEMENT

This circular, for which the Directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

### 7. ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting to be held at the Royal Plaza Hotel, Grand Ballroom I-II, Level 6, 193 Prince Edward Road West, Kowloon, Hong Kong at 3:00 p.m. on Thursday, 26 May 2016 is set out on pages 23 to 28 of this circular. At the Annual General Meeting, resolutions will be proposed to approve, inter alia, the Share Issue Mandate, the Share Repurchase Mandate, the Extension of Share Issue Mandate, the re-election of retiring Directors, the fixing of remuneration of Directors and the adoption of the Share Option Scheme.

The resolutions to be proposed at the Annual General Meeting will be put to vote by way of a poll.

A proxy form for use at the Annual General Meeting is enclosed. Whether or not you are able to attend the Annual General Meeting, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to the Company's principal office at 9 Po Lun Street, Lai Chi Kok, Kowloon, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof. Completion and return of the proxy form will not preclude the Shareholders from attending and voting in person at the Annual General Meeting or any adjournment thereof.

### 8. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders taken at a general meeting must be taken by poll except where the Chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, the Chairman of the Annual General Meeting will demand that the resolutions be decided by poll. An announcement on the poll vote results will be made by the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

### 9. RECOMMENDATION

The Directors consider that the grant of the Share Issue Mandate, the Share Repurchase Mandate and the Extension of Share Issue Mandate, the re-election of retiring Directors and the fixing of remuneration of Directors and the adoption of the Share Option Scheme are in the interest of the Company and the Shareholders taken as a whole. Accordingly, the Board recommends all Shareholders to vote in favour of the resolutions to be proposed at the Annual General Meeting.

By Order of the Board  
**Roger LEE Chak Cheong**  
*Managing Director*

*The following is the explanatory statement required to be sent to the Shareholders under the Listing Rules in connection with the proposed Share Repurchase Mandate.*

## **1. LISTING RULES**

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their fully-paid up shares traded on the Stock Exchange or any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose subject to certain restrictions.

## **2. SHARE CAPITAL OF THE COMPANY**

As at the Latest Practicable Date, the issued share capital of the Company comprised 403,639,413 Shares. Subject to the passing of the ordinary resolution approving the Share Repurchase Mandate and on the basis that no further Shares will be issued or repurchased between the period from the Latest Practicable Date to the date of the Annual General Meeting, the Company would be allowed under the Share Repurchase Mandate to repurchase a maximum of 40,363,941 Shares.

## **3. REASONS FOR REPURCHASE OF SHARES**

The Directors consider that the Share Repurchase Mandate is in the interest of the Company and the Shareholders as a whole and will provide the Company the flexibility to make repurchases of Shares when appropriate and beneficial to the Company. Such repurchases may, depending on the circumstances, enhance the net asset value of the Company and/or earnings per Share. The Directors intend that repurchases will only be made when they believe that a repurchase of Shares will benefit the Company and the Shareholders.

## **4. DIRECTORS, THEIR ASSOCIATES AND OTHER CONNECTED PERSONS**

None of the Directors nor, to the best of the knowledge of the Directors having made all reasonable enquiries, any associates (as defined in the Listing Rules) of any of the Directors has any present intention, in the event that the Share Repurchase Mandate is approved by the Shareholders, to sell Shares to the Company.

No other connected persons (as defined in the Listing Rules) of the Company has notified the Company that he/she/it has a present intention to sell Shares to the Company nor has undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Company is authorised to make repurchase of Shares.

## **5. UNDERTAKING OF THE DIRECTORS**

The Directors have undertaken to the Stock Exchange that they will exercise the power of the Company to make repurchases pursuant to the Share Repurchase Mandate and in accordance with the Listing Rules, the laws of Hong Kong, all applicable laws of Bermuda, and the regulations set out in the Memorandum of Association and Bye-laws.

**6. EFFECT OF THE TAKEOVERS CODE**

If on the exercise of the power to repurchase Shares pursuant to the Share Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code pursuant to Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company or become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, SHKP was the single largest Shareholder, and it held or beneficially owned approximately 35% of the issued share capital of the Company. In the event that the Directors should exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the Share Repurchase Mandate, and if SHKP's present shareholding remains the same, SHKP would hold approximately 39% of the issued share capital of the Company thereby become obliged to make a general offer in accordance with Rules 26 and 32 of the Takeovers Code.

The Directors have no present intention to exercise the power to repurchase Shares to the extent that SHKP would have the obligation to make the mandatory offer as aforementioned.

**7. SOURCE OF FUNDS**

The Company is empowered by its Memorandum of Association and Bye-laws and the laws of Bermuda to repurchase its Shares. Repurchases will be funded entirely from the funds legally available for that purpose. Bermuda law provides that any amount repaid in connection with a repurchase of Share(s) may only be paid out of either the capital paid up on the relevant Shares, or the profits that would otherwise be available for distribution by way of dividend or the proceeds of a new issue of Shares made for such purpose.

As compared with the financial position of the Company as at 31 December 2015 disclosed in its most recently published audited financial statements, the Directors consider that there might be a material adverse impact on the working capital and on the gearing position of the Company in the event that the proposed share repurchases were to be carried out in full during the proposed repurchase period. However, the Directors propose that no repurchase would be made in the circumstances that would have a material adverse impact on the working capital or gearing ratio of the Company.

**8. SHARE PURCHASE MADE BY THE COMPANY**

No purchase has been made by the Company of its Shares on the Stock Exchange or otherwise during the six months period immediately prior to the Latest Practicable Date.

**9. SHARE PRICES**

During each of the twelve months preceding the Latest Practicable Date, the highest and lowest traded prices for the Shares on the Stock Exchange were as follows:-

<b>Month</b>	<b>Shares</b>	
	<b>Highest Traded Price <i>HK\$</i></b>	<b>Lowest Traded Price <i>HK\$</i></b>
April 2015	19.60	18.12
May 2015	19.58	18.40
June 2015	19.52	18.00
July 2015	22.30	18.30
August 2015	22.25	19.70
September 2015	21.30	19.92
October 2015	21.20	19.90
November 2015	21.20	20.25
December 2015	20.85	19.98
January 2016	21.40	20.25
February 2016	21.00	19.74
March 2016	22.55	20.20
April 2016 (up to the Latest Practicable Date)	21.30	20.50

*The following are the particulars of the retiring Directors proposed for re-election at the Annual General Meeting. Save as disclosed herein, there is no information to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules or any other matters concerning the retiring Directors that need to be brought to the attention of the Shareholders of the Company.*

**1. Dr Norman LEUNG Nai Pang, GBS, JP, LLD, BA**

Chairman and Independent Non-executive Director, aged 75. Dr Leung has been a Director of Transport International Holdings Limited (the “Company”), The Kowloon Motor Bus Company (1933) Limited (“KMB”) and Long Win Bus Company Limited (“LWB”) since 18 March 2000 and Deputy Chairman of the Company, KMB and LWB since 14 June 2001. Dr Leung became an Independent Non-executive Director of the Company with effect from 1 February 2006. He has been appointed as the Chairman of the Company with effect from the conclusion of the Annual General Meeting of the Company held on 17 May 2012. Dr Leung is the Chairman of the Standing Committee of the Company. He is an Independent Non-executive Director of Sun Hung Kai Properties Limited and was the Executive Chairman of Television Broadcasts Limited (“TVB”) from 2012 to 2014 (both companies are listed on the Hong Kong Stock Exchange). Dr Leung has been active in public service for 40 years and he served as Commissioner of the Civil Aid Service from 1993 to 2007, Chairman of the Broadcasting Authority from 1997 to 2002, Council Chairman of City University of Hong Kong from 1997 to 2003 and a member of the Advisory Committee on Post-office Employment for former Chief Executives and Politically Appointed Officials from 2007 to 2013. He is the Pro-Chancellor of City University of Hong Kong and a Council member of The Chinese University of Hong Kong.

As at the Latest Practicable Date, Dr Leung does not have any service contract with the Company. Dr Leung is subject to retirement by rotation and re-election at an Annual General Meeting of the Company in accordance with the Bye-laws of the Company and the Listing Rules. Dr Leung receives Director’s fees determined by the Board of Directors of the Company with reference to his duties, responsibilities and the prevailing market practice for the remuneration of Directors, which are subject to the approval of the Shareholders at general meetings of the Company. The total Director’s fee of Dr Leung was HK\$756,000 for the financial year ended 31 December 2015 and there is no other emolument. Subject to the Shareholders’ approval of his re-election as a Director of the Company at the forthcoming Annual General Meeting, he will be subject to retirement by rotation and re-election at the Company’s Annual General Meetings at least once every three years in accordance with the Bye-laws of the Company and the Listing Rules.

As at the Latest Practicable Date, Dr Leung did not have any interests in shares of the Company and its subsidiaries within the meaning of Part XV of the Securities and Futures Ordinance.

Dr Leung, who is an Independent Non-executive Director of the Company, the Chairman of the Company and the Chairman of the Standing Committee of the Board, has served the Board for more than 16 years (as a Non-executive Director since 18 March 2000 and as an Independent Non-executive Director since 1 February 2006). Dr Leung has no relationship with any Directors, senior management, substantial or controlling shareholders of the Company. In light of the valuable independent judgement and impartial advice he has given to the Company over the past years in his capacity as an Independent Non-executive Director, the Board is satisfied that Dr Leung has the character, integrity, independence, experience and calibre to continue to serve as an Independent Non-executive Director of the Company. The Board is not aware of any evidence or circumstances that the length of Dr Leung's tenure of service has any adverse effect on his independence. The election of Dr Leung, same as the election of the other retiring directors, is subject to Shareholder voting by a separate resolution.

Dr Leung was formerly a non-executive director of Chrysanthemum Chinese Restaurant Limited ("Chrysanthemum") and The New China Hong Kong Group Limited ("NCHKG"). Chrysanthemum was incorporated in Hong Kong and carried on the business of a Chinese restaurant. Chrysanthemum was put into liquidation on 5 February 1999 and was dissolved on 15 May 2002. NCHKG was incorporated in Hong Kong and carried on the business of an investment holding company. NCHKG was liquidated on 1 March 1999 and the liquidation thereof is still in progress.

Dr Leung retired as the Executive Chairman of TVB on 1 January 2015 and prior to his retirement he resigned on 1 December 2014 as a director of the following four subsidiaries of TVB which operated a satellite television service in Europe:-

<u>Name of Company</u>	<u>Country of Incorporation</u>	<u>Date of Liquidation</u>
The Chinese Channel (France) S.A.S.	France	15 December 2014
CC Decoders Ltd.	UK	11 December 2014
The Chinese Channel Ltd.	UK	11 December 2014
TVB (UK) Ltd.	UK	11 December 2014

The liquidation of these companies is still in progress.

**2. Mr William LOUEY Lai Kuen, BSc(Econ)**

Non-executive Director, aged 56. Mr Louey has been a Director of Transport International Holdings Limited since 4 September 1997 and of its subsidiaries, The Kowloon Motor Bus Company (1933) Limited since 14 January 1993 and Long Win Bus Company Limited since 8 May 1997.

Formerly, Mr Louey had a successful career in the United Kingdom, with an international merchant bank for five years and an international accounting firm for three years afterwards.

In memory of his grandfather, Mr William S D Louey, William S D Louey Educational Foundation was set up in 1995 to offer scholarship and bursaries to students with academic excellence from Hong Kong and Greater China to pursue their studies abroad. The Foundation has extended its financial support to promising candidates from other countries in recent years. In 1999, Mr Louey was invited to join the committee of the China Oxford Scholarship Fund, and subsequently in 2011, appointed as Member of Vice-Chancellor's Circle, University of Oxford.

Between 2003 and 2012, he also served as Executive Committee Member of The Friends of Cambridge University in Hong Kong, the sponsor of Prince Philip Scholarship.

In recognition of his exceptional contribution to education, Mr Louey was presented with Elizabeth Wordsworth Fellowship by St Hugh's College in February 2013, the very first recipient of this top accolade bestowed by University of Oxford.

As at the Latest Practicable Date, Mr Louey does not have any service contract with the Company. Mr Louey is subject to retirement by rotation and re-election at an Annual General Meeting of the Company in accordance with the Bye-laws of the Company and the Listing Rules. Mr Louey receives Director's fees determined by the Board of Directors of the Company with reference to his duties, responsibilities and the prevailing market practice for the remuneration of Directors, which are subject to the approval of the Shareholders at general meetings of the Company. The total Director's fee of Mr Louey was HK\$288,000 for the financial year ended 31 December 2015 and there is no other emolument. Subject to the Shareholders' approval of his re-election as a Director of the Company at the forthcoming Annual General Meeting, he will be subject to retirement by rotation and re-election at the Company's Annual General Meetings at least once every three years in accordance with the Bye-laws of the Company and the Listing Rules.

Mr Louey does not have any relationship with any Directors, senior management, substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr Louey has personal interests in 6,251,416 shares in the Company and 412,371 shares in RoadShow Holdings Limited, an indirect subsidiary of the Company listed on the Stock Exchange, within the meaning of Part XV of the Securities and Futures Ordinance.



*The following is a summary of the principal terms of the Share Option Scheme to be approved at the AGM. It does not form part of, nor is it intended to be part of the rules of the Share Option Scheme and it should not be taken as affecting the interpretation of the rules of the Share Option Scheme. The Directors reserve the right at any time prior to the AGM to make such amendments to the Share Option Scheme as they may consider necessary or appropriate provided that such amendments do not conflict with any material aspects with the summary of this appendix.*

### **1. PURPOSE OF THE SHARE OPTION SCHEME AND CONDITIONS**

The purpose of the Share Option Scheme is to enable the Company to grant Options to selected Eligible Persons as incentives or rewards for their retention and contribution or potential contribution to the Group. The Board considers that appropriate Eligible Persons determined by the Board from time to time on the basis of their contribution or potential contribution to the development and growth of the Group should be given incentives in the form of Options to subscribe for Shares.

### **2. ELIGIBLE PERSONS OF THE SHARE OPTION SCHEME**

Any employee (including any director) of the Company or its subsidiaries who have contributed to the Company or the Group are eligible to participate in the Share Option Scheme. Subject to the terms and conditions under the Share Option Scheme, the Board may at its absolute discretion grant Options to Eligible Persons. In determining the basis of eligibility of each Eligible Person, the Board would take into account such factors as the Board may at its discretion consider appropriate.

### **3. MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION**

- (a) The total number of Shares which may be issued upon exercise of all Options to be granted under the Share Option Scheme and any other share option scheme(s) of the Company must not in aggregate exceed 10% of the number of Shares in issue as at the Adoption Date, unless the Company obtains an approval from its Shareholders pursuant to sub-paragraphs 3(b) or 3(c). Options lapsed in accordance with the terms of the Share Option Scheme will not be counted for the purpose of calculating such 10% limit.
- (b) The Company may seek approval of its Shareholders in general meeting to refresh the 10% limit set out in sub-paragraph 3(a) under the Share Option Scheme such that the total number of Shares which may be issued upon exercise of all Options to be granted under the Share Option Scheme and any other share option schemes of the Company under the limit as “refreshed” shall not exceed 10% of the total number of Shares in issue as at the date of approval to refresh such limit. Options previously granted under the Share Option Scheme and any other share option schemes of the Company (including those outstanding, cancelled, lapsed in accordance with the Share Option Scheme or exercised Options) will not be counted for the purpose of calculating such limit as refreshed. In such a case, the Company shall send a circular to its Shareholders containing the information required under the Listing Rules.

- (c) The Company may seek separate approval of its Shareholders in general meeting for granting options beyond the 10% limit set out in sub-paragraphs 3(a) or (b) (as the case may be) provided that the Options in excess of such limit are granted only to the Eligible Persons specially identified by the Company before such approval is sought. In such case, the Company shall send a circular to its Shareholders containing a generic description of the specified Eligible Person(s) who may be granted such Options, the number of Shares subject to the Options to be granted, the terms of the Options to be granted, the purpose of granting Options to the specified Eligible Person(s), an explanation as to how the terms of these Options serve such purpose, and such other information as required under the Listing Rules.
- (d) The limit on the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share options schemes of the Company must not exceed 10% of the total number of Shares in issue from time to time. No options may be granted under the Share Option Scheme and any other share option schemes of the Company if this will result in such limit being exceeded.
- (e) If the Company conducts a share consolidation or subdivision after the 10% limit set out in sub-paragraphs 3(a) or (b) (as the case may be) has been approved in general meeting, the maximum number of Shares that may be issued upon exercise of all options to be granted under all of the share option schemes of the Company under the 10% limit set out in sub-paragraphs 3(a) or (b) (as the case may be) as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same.

#### **4. MAXIMUM ENTITLEMENT OF EACH ELIGIBLE PERSON**

Unless approved by Shareholders in the manner as set out in this paragraph, the total number of Shares issued and to be issued upon exercise of the options granted to each Eligible Person under the Share Option Scheme or any other share option scheme(s) adopted by the Company (including both exercised, cancelled and outstanding Options) in any 12-month period must not exceed 1% of the total number of Shares in issue. Where any further grant of Options to an Eligible Person would result in the Shares issued and to be issued upon exercise of all options granted and to be granted to such Eligible Person under the Share Option Scheme and any other share option scheme(s) of the Company (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the total number of Shares in issue, such further grant must be separately approved by the Shareholders in general meeting with such Eligible Person and such Eligible Person's close associates (within the meaning as ascribed under the Listing Rules) (or his associates if the Eligible Person is a connected person) abstaining from voting. The Company shall send a circular to its Shareholders containing, amongst other terms, the identity of such Eligible Person, the number and the terms of the Options to be granted (and options previously granted to such Eligible Person), and such other information as required under the Listing Rules. The number and terms (including the Subscription Price) of Options to be granted to such Eligible Person shall be fixed before shareholders' approval and the date of Board meeting for proposing such further grant should be taken as the Date of Grant for the purpose of calculating the Subscription Price.

**5. OPTION PERIOD**

- (a) The period within which the Options must be exercised will be specified by the Company at the time of grant. This period must expire no later than 10 years from the relevant Date of Grant (being the Business Day on which the Board resolves to make an offer of Option to the relevant Grantee). The Board may also provide restrictions on the exercise of an Option during the period an Option may be exercised.
- (b) If the Grantee is an Eligible Person and ceases to be an Eligible Person for any reason other than death or for serious misconduct or other grounds referred to in sub-paragraph 5(d) below before exercising his Option in full, the Option (to the extent which has become exercisable and not already exercised) will lapse on the date of cessation and will not be exercisable unless the Board otherwise determines in which event the Grantee may exercise the Option (to the extent not already exercised) in whole or in part (but if in part only in respect of a board lot for dealing in Shares on the Stock Exchange or any integral multiple thereof) within such period as the Board may determine following the date of such cessation, which will be taken to be the last day on which the Grantee was at work with the Group whether salary is paid in lieu of notice or not.
- (c) If the Grantee is an Eligible Person and ceases to be an Eligible Person by reason of his death before exercising the Option in full, his legal personal representative(s) may exercise the Option (to the extent which has become exercisable and not already exercised) in whole or in part (but if in part only in respect of a board lot for dealing in Shares on the Stock Exchange or any integral multiple thereof) within a period of 12 months, following the date of death or such longer period as the Board may determine.
- (d) If the Grantee is an Eligible Person and ceases to be an Eligible Person by reason that he has been guilty of misconduct or has committed an act of bankruptcy or has become insolvent or has made any arrangements or composition with his creditors generally, or has been convicted of any criminal offence involving his integrity or honesty or (if so determined by the Board) on any ground on which an employer would be entitled to terminate his employment at common law or pursuant to any applicable laws or under the Eligible Person's service contract with the Company or the relevant Subsidiary, his Option will lapse automatically on the date the Eligible Person ceases to be an employee of the relevant member of the Group.
- (e) If the Board at its absolute discretion determines that the Grantee of any Option (other than an Eligible Person) or his associate has committed any breach of any contract entered into between the Grantee or his associate or that the Grantee has committed any act of bankruptcy or has become insolvent or is subject to any winding-up, liquidation or analogous proceedings or has made any arrangement or composition with his creditors generally, the Board shall determine that the outstanding Option granted to the Grantee shall lapse. In such event, his Option will lapse automatically and will not in any event be exercisable on or after the date on which the Board has so determined.

- (f) If a general offer (whether by takeover offer, merger, privatisation proposal, by scheme of arrangement between the Company and its members or otherwise in like manner other than a compromise or arrangement specified in paragraph (h)) is made to all the holders of Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror) and such offer, having been approved in accordance with applicable laws and regulatory requirements, becomes or is declared unconditional, the Grantee (or his legal personal representative(s)) shall be entitled to exercise in full the Option (to the extent not already exercised) at any time until whichever is the earlier of the date of expiry of the Option Period or the last day of the period of 14 days after the date on which the offer becomes or is declared unconditional, after which the Option shall lapse.
- (g) In the event of an effective resolution being proposed for the voluntary winding-up of the Company during the Option Period, the Grantee may, subject to the provisions of all applicable laws, by notice in writing to the Company at any time no later than two Business Days prior to the date on which such resolution is passed, exercise his Option (to the extent which has become exercisable and not already exercised) to its full extent in accordance with the provisions of the Share Option Scheme. Subject to the above, an Option will lapse automatically (to the extent not exercised) on the date of the commencement of the winding-up of the Company.
- (h) If a compromise or arrangement between the Company and its members or creditors is proposed, the Company shall give notice to all Option Holders on the same date as it despatches to each member or creditor of the Company a notice summoning the meeting to consider such a compromise or arrangement, and thereupon each Option Holder shall be entitled to exercise all or any of his Options in whole at any time not later than five Business Days prior to the proposed date of the meeting directed to be convened by the Court for the purposes of considering such compromise or arrangement. With effect from the date of such meeting, the rights of all Option Holders to exercise their respective Options shall forthwith be suspended. Upon such compromise or arrangement becoming effective, all Options shall to the extent that they have not been exercised thereupon lapse and determine.

**6. GRANT OF OPTIONS**

- (a) Any grant of Options to an Eligible Person who is a Director, chief executive or substantial shareholder of the Company, or any of their respective associates (as such term is defined in the Listing Rules) must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the Grantee).
  
- (b) Where any grant of Options is proposed to be made to an Eligible Person who is a substantial shareholder or an independent non-executive Director, or any of their respective associates (as such term is defined in the Listing Rules), which would result in the Shares issued and to be issued upon exercise of all Options already granted and to be granted under the Share Option Scheme and any other share option schemes of the Company (including Options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the Date of Grant:
  - (i) representing in aggregate over 0.1% of the total number of the Shares in issue; and
  - (ii) having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK\$5 million,

such further grant of Options must be approved by the Shareholders in general meeting. In such case, the Company shall send a circular to its Shareholders containing all those terms as required under the Listing Rules. Any vote taken at the meeting to approve the grant of such Options must be taken on a poll. Such Grantee, his associates and all core connected persons (as such term is defined in the Listing Rules) of the Company shall abstain from voting at such general meeting.

**7. PERFORMANCE TARGET AND THE OTHER CONDITIONS**

The Share Option Scheme does not require a minimum period for which an Option must be held nor a performance target which must be achieved before an Option can be exercised. In the event that the Board resolves to impose any performance target or minimum period on the grant of an Option which decision may vary on a case by case basis, such terms should be stated in the offer to the relevant Eligible Person.

**8. PAYMENT ON ACCEPTANCE OF AN OPTION**

An Option shall be regarded as having been accepted when the duplicate of the grant letter, comprising acceptance of the Option, duly signed by the Eligible Person together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof is received by the Company within 28 days from the Date of Grant. The remittance shall not be refundable.

**9. SUBSCRIPTION PRICE**

Subject to any adjustments made pursuant to paragraph 13, the Subscription Price in respect of each Share issued pursuant to the exercise of Options granted under the Share Option Scheme shall be determined by the Board and notified to an Eligible Person at the time the grant of the Option(s) (and subject to acceptance by) the Eligible Person and shall be at least the highest of:-

- (a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the Date of Grant, which must be a Business Day;
- (b) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the Date of Grant; and
- (c) the nominal value of a Share on the Date of Grant.

**10. RIGHTS ATTACHING TO NEW SHARES**

The new Shares to be issued upon the exercise of an Option will be subject to all the provisions of the Bye-laws and the Companies Act and will rank *pari passu* in all respects with the fully paid Shares in issue on the relevant issue date of the new Shares, and accordingly will entitle the holders to vote and participate in all dividends or other distributions or capitalisation issue or rights issue paid or made on or after the relevant issue date (including those arising on the liquidation of the Company), other than any dividend or other distribution or entitlement previously declared to be paid or made with respect to a record date before the relevant issue date.

**11. DURATION OF THE SHARE OPTION SCHEME**

The Share Option Scheme shall be valid and effective for a period of 10 years from the date of fulfilment of the conditions precedent for the Share Option Scheme.

**12. LAPSE OF OPTION**

An Option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of:

- (a) the expiry of the Option Period;
- (b) the expiry of the periods referred to in sub-paragraphs 5(b) to 5(h) above; or
- (c) where the Grantee commits a breach of paragraph 15, the date on which the Board shall exercise the Company's right to cancel the Option.

**13. ADJUSTMENTS RELATING TO REORGANISATION OF CAPITAL STRUCTURE**

In the event of any capitalisation issue, rights issue, sub-division or consolidation of shares or reduction of capital of the Company or otherwise howsoever in accordance with legal requirements and requirements of the Stock Exchange whilst any Option remains exercisable, excluding any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in respect of a transaction to which the Company is a party, corresponding adjustments (if any) shall be made in:

- (a) the number or nominal amount of Shares comprised in the Options so far as outstanding and unexercised; and/or
- (b) the Subscription Price,

provided that any such adjustments shall be made such that the proportion of the issued share capital of the Company to which an Option entitles the Grantee to subscribe after such adjustment must be in the same proportion as that to which the Option entitled the Grantee to subscribe immediately before such adjustment, but so that no such adjustment shall be made to the extent that the effect of such adjustments would be to enable any Share to be issued at less than its nominal value (if any). The issue of Shares as consideration in a transaction may not be regarded as a circumstance requiring adjustment. In respect of any adjustments required referred to in this paragraph, other than any made on a capitalisation issue, an independent financial adviser or the Company's auditors (acting as experts and not as arbitrators) shall confirm to the Directors in writing that the adjustments satisfy the requirements mentioned in this sub-paragraph and those set out in the note to rule 17.03(13) of the Listing Rules having regard to the supplementary guidance set out in the letter issued by the Stock Exchange dated 5 September 2005 and any further guidance/interpretation of Rule 17.03(13) of the Listing Rules issued by the Stock Exchange from time to time. The capacity and role of the independent financial adviser or the Company's auditors pursuant to this paragraph is that of experts and not of arbitrators and their confirmation shall (in the absence of manifest error) be final and binding on the Company and the Grantees. The costs of the independent financial adviser or the Company's auditor shall be borne by the Company.

**14. TERMINATION OF THE SHARE OPTION SCHEME**

The Board may at any time terminate the operation of the Share Option Scheme and in such event no further Options will be granted or accepted but the provisions of the Share Option Scheme shall remain in force and effect to the extent necessary to give effect to the exercise of any Options granted prior thereto or otherwise as may be required in accordance with the provisions of the Share Option Scheme, and all Options granted and accepted prior to such termination but not then exercised shall continue to be valid and exercisable subject to and in accordance with the Share Option Scheme and their terms of issue. After such termination, details of the Options granted (including Options exercised or outstanding) under the Share Option Scheme are required under the Listing Rules to be disclosed in the circular to the Shareholders seeking approval of the first new scheme established after such termination.

**15. TRANSFERABILITY OF OPTIONS**

An Option shall be personal to the Grantee and shall not be assignable and no Grantee shall in any way sell, transfer, assign, charge, mortgage, encumber or create any interests (legal or beneficial) in favour of any third party over or in relation to any Option or attempt to do so. Any breach of the foregoing by a Grantee shall entitle the Company to cancel any outstanding Option or any part thereof granted to such Grantee (to the extent that it has not already been exercised) without incurring any liability on the part of the Company.

**16. ALTERATION OF THE SHARE OPTION SCHEME**

- (a) Those specific provisions of the Share Option Scheme which relate to the matters set out in Rule 17.03 of the Listing Rules cannot be altered to the advantage of the Eligible Persons without the prior approval of Shareholders in general meeting.
- (b) Any alterations to the terms and conditions of the Share Option Scheme which are of a material nature or any change to the terms of the Options granted, must be approved by the Shareholders in general meeting, except where the alterations take effect automatically under the then existing terms of the Share Option Scheme.
- (c) Any change to the authority of the Directors or scheme administrators in relation to any alteration to the terms of the Share Option Scheme must be approved by the Shareholders in general meeting.
- (d) The amended terms of the Share Option Scheme or the Options must still comply with the relevant requirements under Chapter 17 of the Listing Rules.

**17. CANCELLATION OF OPTIONS**

- (a) The Board may at any time at its absolute discretion effect the cancellation of any Options granted but not exercised.
- (b) Where the Company cancels any Options granted but not exercised and grants new Options to the same Grantee, such grant of new Options may only be made under the Share Option Scheme if there is available unissued Options (excluding the cancelled Options) within the limit approved by the Shareholders as referred to in paragraph 3 above.

**18. RESTRICTION ON THE TIME OF GRANT OF OPTIONS**

A grant of Options may not be made after inside information has come to the knowledge of the Company until the Company has announced the information, in particular, during the period commencing one month immediately before the earlier of:

- (a) the date of the Board meeting (as such date is first notified to the Stock Exchange under the Listing Rules) for approving the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
- (b) the deadline for the Company to announce its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),

and ending on the date of the results announcement.

No Option may be granted during any period of delay in publishing results announcement.



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## NOTICE OF ANNUAL GENERAL MEETING

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### TRANSPORT INTERNATIONAL HOLDINGS LIMITED

*(incorporated in Bermuda with limited liability)*

*(Stock code: 62)*

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of Transport International Holdings Limited (the “Company”) will be held at the Royal Plaza Hotel, Grand Ballroom I-II, Level 6, 193 Prince Edward Road West, Kowloon, Hong Kong at 3:00 p.m. on Thursday, 26 May 2016 to transact the following business:-

1. to receive and consider the Audited Financial Statements and the Reports of the Directors and Auditors for the year ended 31 December 2015;
2. to declare an ordinary final dividend;
3. to re-elect retiring Directors;
4. to appoint auditors and to authorise the Board of Directors of the Company to fix their remuneration; and
5. to consider and, if thought fit, pass with or without modifications the following resolution as ordinary resolution:

“**THAT** the fees of the Chairman and each of the other Directors of the Board shall be fixed at the sum as set out below with effect from 1 January 2016 until the Company in general meeting otherwise determines.

	Fees per annum
Chairman	<i>HK\$</i> 453,600
Other Director	324,000”

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## NOTICE OF ANNUAL GENERAL MEETING

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As special business, to consider and, if thought fit, pass with or without modifications the following resolutions as ordinary resolutions:

6. **“THAT:-**

- (i) subject to paragraph 6(iii) of this Resolution, pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), the exercise by the Board of Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph 6(i) of this Resolution shall authorise the Board of Directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the expiry of the Relevant Period;
- (iii) the total number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Board of Directors of the Company pursuant to the approval in paragraph 6(i) of this Resolution, otherwise than pursuant to:-
  - (a) a Rights Issue (as hereinafter defined);
  - (b) an issue of shares of the Company upon the exercise of the subscription rights under any option scheme or similar arrangement for the time being adopted for the grant or issue to the Directors and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or
  - (c) any scrip dividend scheme or similar arrangement providing for issue of shares of the Company in lieu of the whole or part of the dividend on shares of the Company in accordance with the Bye-laws of the Company;

shall not exceed 20 per cent of the total number of shares of the Company in issue as at the date of the passing of this Resolution and the said approval shall be limited accordingly; and

- (iv) for the purposes of this Resolution:-

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:-

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or the laws of Bermuda or any applicable laws to be held; or

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## NOTICE OF ANNUAL GENERAL MEETING

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- (c) the time when such mandate is revoked or varied by an ordinary resolution by shareholders of the Company in general meeting; and

“Rights Issue” means an offer of shares and/or other securities of the Company open for a period fixed by the Board of Directors of the Company to holders of shares of the Company or any class thereof whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion or other arrangements as the Board of Directors of the Company may deem necessary or expedient in relation to fractional entitlements or legal or practical problems having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

7. **“THAT:-**

- (i) subject to paragraph 7(ii) of this Resolution, the exercise by the Board of Directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase shares of the Company on the Stock Exchange or any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (ii) the total number of shares of the Company which the Company is authorised to repurchase pursuant to the approval in paragraph 7(i) of this Resolution during the Relevant Period shall not exceed 10 per cent of the total number of shares of the Company in issue as at the date of the passing of this Resolution and the authority pursuant to paragraph 7(i) of this Resolution shall be limited accordingly; and
- (iii) for the purposes of this Resolution:-

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:-

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or the laws of Bermuda or any applicable laws to be held; or
- (c) the time when such mandate is revoked or varied by an ordinary resolution by shareholders of the Company in general meeting.”

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## NOTICE OF ANNUAL GENERAL MEETING

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8. **“THAT:-**

conditional upon the passing of Resolutions 6 and 7 set out in the Notice of this Meeting, the general unconditional mandate granted to the Board of Directors of the Company and for the time being in force to exercise the powers of the Company to allot, issue and deal with additional shares of the Company pursuant to Resolution 6 be and is hereby extended by the addition to the total number of shares of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Board of Directors of the Company pursuant to such general mandate of an amount representing the total number of shares of the Company repurchased by the Company pursuant to the general unconditional mandate to repurchase shares referred in Resolution 7 provided that such extended amount shall not exceed 10 per cent of the total number of shares of the Company in issue as at the date of the passing of this Resolution.”

9. **“THAT:-**

subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting approval of the listing of, and permission to deal in, the shares of the Company (not exceeding 10% of the Company’s issued share capital on the date of this resolution) which may fall to be allotted and issued upon the exercise of the options to be granted under the share option scheme of the Company (the “Share Option Scheme”), the terms of which are contained in the document marked “A” produced to the meeting and signed by the chairman of the meeting for identification purposes, the Share Option Scheme be and is hereby approved and adopted and the Board of Directors of the Company be and is hereby authorised to do all such acts and to enter into such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Share Option Scheme, including without limitation:

- (i) to administer the Share Option Scheme under which options will be granted to participants eligible under the Share Option Scheme to subscribe for shares in the Company;
- (ii) to modify and/or amend the Share Option Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the Share Option Scheme relating to modification and/or amendment;
- (iii) to allot and issue from time to time such number of shares in the Company as may be required to be allotted and issued pursuant to the exercise of the options under the Share Option Scheme and subject to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (iv) to make application at the appropriate time or times to The Stock Exchange of Hong Kong Limited and any other stock exchanges upon which the issued shares of the Company may for the time being be listed, for the listing of, and permission to deal in, any shares in the Company which may hereafter from time to time be allotted and issued pursuant to the exercise of the options granted under the Share Option Scheme, and where any such application has been made prior to the date of passing this resolution, the same be approved, confirmed and ratified; and
  
- (v) to consent, if it so deems fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the Share Option Scheme.”

By Order of the Board  
**Lana WOO**  
*Company Secretary*

Hong Kong, 26 April 2016

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## NOTICE OF ANNUAL GENERAL MEETING

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Notes:

- (1) Any member of the Company entitled to attend and vote at the Annual General Meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote in his stead. On a poll, votes may be given either personally or by proxy. A proxy need not be a member of the Company. A member who is a holder of two or more shares of the Company may appoint more than one proxy to represent him and vote on his behalf at the Annual General Meeting.
- (2) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority must be delivered to the Company's principal office at 9 Po Lun Street, Lai Chi Kok, Kowloon, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting or adjourned meeting.
- (3) Each of the above resolutions will be put to vote by way of a poll at the Annual General Meeting.
- (4) The Board has declared an ordinary final dividend of HK\$0.90 per share. The proposed dividend is subject to the approval of the members at the Annual General Meeting.

In order to qualify for attending the Annual General Meeting or any adjournment thereof, the Register of Members of the Company will be closed from Thursday, 19 May 2016 to Thursday, 26 May 2016 (both days inclusive), during which period no transfer of shares will be effected. All transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited (the "Branch Share Registrar") at 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 18 May 2016.

In order to determine the entitlement of members to receive the proposed ordinary final dividend, the Register of Members will be closed on Tuesday, 31 May 2016, during which period no transfer of shares in the Company will be effected. All transfer documents accompanied by the relevant share certificates must be lodged with the Branch Share Registrar at the aforesaid address for registration not later than 4:30 p.m. on Tuesday, 31 May 2016.

- (5) Regarding Resolution 3 above, Dr Norman LEUNG Nai Pang<sup>^</sup> and Mr William LOUEY Lai Kuen<sup>#</sup> will retire and, being eligible, offer themselves for re-election at the Annual General Meeting. The biographies of these Directors are set out in Appendix II to the circular dated 26 April 2016 of which this notice forms part. The re-election of the aforementioned retiring Directors will be individually voted on by the members of the Company at the Annual General Meeting.
- (6) Regarding Resolutions 6, 7 and 8 above, the Directors wish to state that they have no immediate plans to repurchase any existing shares of the Company or issue any new shares pursuant to the relevant mandate.

<sup>(^</sup> *Independent Non-executive Director*)

<sup>(#</sup> *Non-executive Director*)