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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 20 August 2020, SBL (an indirect wholly-owned subsidiary of the Company) entered into the New Bus Services Contract with SHKRE(SL) and as at the date of this announcement (i) SBL had previously entered into the Previous Shuttle Bus Services Contracts with AFFCC, HKBAC, SHKRE(SL), RESC and SHKRE respectively and (ii) the Subsidiaries (a series of indirect wholly-owned subsidiaries of the Company) had previously entered into the Previous Bus Services Contracts with KSMS, regarding the provision of various non-franchised bus services.

At the date of this announcement, SHKP is interested in approximately 39.69% shareholding interest in the Company. Since AFFCC, RESC and SHKRE(SL) are indirect wholly-owned subsidiaries of SHKP, HKBAC is an indirect non wholly-owned subsidiary of SHKP and SHKRE and KSMS are direct wholly-owned subsidiaries 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 Contracts 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 Contracts for the year ending 31 December 2020 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 Contracts 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 CONTRACTS

The Company announces that (a) on 20 August 2020, SBL, an indirect wholly-owned subsidiary of the Company entered into the New Bus Services Contract with SHKRE(SL) (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 AFFCC, HKBAC, SHKRE(SL), RESC and SHKRE respectively (referred to in items 2 to 19 below) and (ii) the Subsidiaries had previously entered into the Previous Bus Services Contracts with KSMS (referred to in item 20 below). Details of the New Bus Services Contract, the Previous Shuttle Bus Services Contracts and the Previous Bus Services Contracts 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.	20 August 2020	SHKRE(SL)	plying between East Point City and Sai Kung (North) Public Transport Interchange	1 September 2020 to 31 August 2021	within 30 days from the date of receipt of the invoice
2.	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
3.	10 March 2020	HKBAC	plying between Hong Kong Business Aviation Centre Apron and Airside Area	1 May 2020 to 31 August 2021	within 30 days from the date of receipt of the invoice
4.	30 December 2019	SHKRE	plying within Park Yoho or between Yoho Mall and Park Yoho	1 January 2020 to 31 December 2020	within 30 days from the date of receipt of the invoice
5.	28 October 2019	SHKRE	plying between APM shopping mall and Kai Tak Cruise Terminal	1 November 2019 to 29 February 2020	within 30 days from the date of receipt of the invoice
6.	2 July 2019	AFFCC	plying between Airport Freight Forwarding Centre and Tsuen Wan Yuen Tun Circuit and HKIA Coach Station/ HKIA Terminal 2	1 July 2019 to 30 November 2021	within 30 days from the date of receipt of the invoice
7.	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
8.	2 July 2019	SHKRE	plying between Tai Po Mega Mall and Hong Kong Science Park	1 July 2019 to 13 September 2020	within 30 days from the date of receipt of the invoice
9.	2 July 2019	SHKRE	plying between East Point City and Sai Kung (North) Public Transport Interchange	1 July 2019 to 30 June 2020	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>
10.	29 June 2020	SHKRE(SL)	plying between East Point City and Sai Kung (North) Public Transport Interchange	1 July 2020 to 31 August 2020	within 30 days from the date of receipt of the invoice
11.	5 July 2019	SHKRE	plying between Park Central and TVB City	15 July 2019 to 14 July 2020	within 30 days from the date of receipt of the invoice
12.	8 June 2020	SHKRE(SL)	plying between Park Central and TVB City	15 July 2020 to 14 July 2021	within 30 days from the date of receipt of the invoice
13.	23 December 2019	SHKRE	plying between Mikiki shopping mall and Muk Ning Street (Circular)	1 January 2020 to 31 January 2020	within 30 days from the date of receipt of the invoice
14.	31 December 2019	SHKRE	plying between Mikiki shopping mall and Muk Ning Street (Circular)	1 February 2020 to 31 May 2020	within 30 days from the date of receipt of the invoice
15.	15 February 2019	SHKRE	plying between 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
16.	4 February 2020	SHKRE(SL)	plying between Harbour North Phase 1 (Hyatt Centric Victoria Harbour Hong Kong) and North Point Estate Lane (Circular)	29 February 2020 to 28 February 2021	within 30 days from the date of receipt of the invoice
17.	5 July 2019	SHKRE	plying between Advanced Technology Centre and Landmark North	15 July 2019 to 14 July 2020	within 30 days from the date of receipt of the invoice
18.	8 June 2020	SHKRE(SL)	plying between Advanced Technology Centre and Landmark North	15 July 2020 to 14 July 2021	within 30 days from the date of receipt of the invoice
19.	20 March 2020	RESC	plying between St. Martin and HomeSquare	21 March 2020 to 20 March 2022	within 30 days from the date of receipt of the invoice
20.	Multiple quotations from 1 January 2020 to 31 March 2020	KSMS	plying between V Walk and Manhattan Hill/ Imperial Cullinan	1 January 2020 to 31 March 2020	cash on delivery or within 30 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 Contracts are determined in accordance with the rates specified in the relevant contracts, ranging from approximately HK\$350 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 caps regarding the New Bus Services Contract, the Previous Shuttle Bus Services Contracts and the Previous Bus Services Contracts for the three years ending 31 December 2020, 2021 and 2022 are estimated to be HK\$6,850,114, HK\$4,206,232 and HK\$244,413 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 the Subsidiaries 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 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) consider that the New Bus Services Contract, the Previous Shuttle Bus Services Contracts and the Previous Bus Services Contracts 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 Contracts. In addition, Dr. Norman LEUNG Nai Pang and Dr. Eric LI Ka Cheung are directors of both the Company and SHKP, Mr. Allen FUNG Yuk Lun is a director of the Company, SHKP and HKBAC, Mr. LEE Luen Fai and Mr. LUNG Po Kwan are directors of the Company and employees 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 Contracts. 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 39.69% shareholding interest in the Company. Since AFFCC, RESC and SHKRE(SL) are indirect wholly-owned subsidiaries of SHKP, HKBAC is an indirect non wholly-owned

subsidiary of SHKP and SHKRE and KSMS are direct wholly-owned subsidiaries 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 Contracts 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 Contracts for the year ending 31 December 2020 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 Contracts 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 centre at the Chek Lap Kok Airport; SHKRE is principally engaged in the business of provision of asset and project management services and investment holding; SHKRE(SL) is principally engaged in the provision of property agency services; and RESC and KSMS are principally engaged in the business of property management services.

## **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
“Group”	the Company and its subsidiaries
“HKBAC”	Hong Kong Business Aviation Centre Limited, a company incorporated in Hong Kong with limited liability and held as to 70% by Hong Kong Business Aviation Holding Limited, a company which is ultimately controlled by SHKP and held as to 20% and 10% by China Southern Airlines Co., Limited and Signature Aviation PLC. respectively; China Southern Airlines Co., Limited and Signature Aviation PLC. are principally engaged in air transportation.
“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
“KSMS”	Kai Shing Management Services Limited, a company incorporated in Hong Kong with limited liability and a direct wholly-owned subsidiary of SHKP
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Bus Services Contract”	the contract dated 20 August 2020 entered into by SBL with SHKRE(SL), details of which are set out as item 1 in the table above
“Previous Bus Services Contracts”	the various contracts entered into by the Subsidiaries with KSMS, details of which are set out as item 20 in the table above
“Previous Shuttle Bus Services Contracts”	the contracts entered into by SBL with each of AFFCC, HKBAC, SHKRE(SL), RESC and SHKRE respectively, details of which are set out as items 2 to 19 in the table above
“RESC”	Royal Elite Service Company Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of SHKP
“SBL”	Sun Bus Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“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 (Stock Code: 16), the principal business of which is investment holding according to public information

“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
“SHKRE(SL)”	Sun Hung Kai Real Estate (Sales and Leasing) Agency Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of SHKP
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiaries”	Hoi Tai Tours Limited, SBL, King Yip Travel Company Limited, CAG Limited, Bun Tang Bus Service Company Limited, Frontier Transportation Limited and Sau Luen P.L.B. Company Limited, all companies incorporated in Hong Kong with limited liability and indirect wholly-owned subsidiaries of the Company
“%”	per cent

By order of the Board  
**Lana Woo**  
*Company Secretary*

Hong Kong, 20 August 2020

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*