



## AMS PUBLIC TRANSPORT HOLDINGS LIMITED

進智公共交通控股有限公司

*(incorporated in the Cayman Islands with limited liability)*

(Stock Code : 77)

### ANNOUNCEMENT OF APPROVAL GRANTED TO WONG FAMILY AND JETSUN TO PARTICIPATE IN A RESTRICTED ACTIVITY

The Company and all members of the Board of Directors warrant that the information contained in this announcement is trueful, accurate and complete, and jointly accept full responsibility for any false presentations or misleading statements contained in, or material omissions from, this announcement.

This announcement is issued pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

The Company announces that, after reviewing by the INEDs, the Board of Directors has rejected an investment proposal in relation to a Restricted Activity, referred by the Wong Family and JETSUN, and has approved (with those Directors who are interested in such Restricted Activity and their respective associates abstained from voting) the investment, participation or engagement by the Wong Family or JETSUN or other entities controlled by the Wong Family in such Restricted Activity, provided that the terms on which such parties invest, participate, or engage in such Restricted Activity are the same or no more favourable than those disclosed, offered and made available to the Company, by passing a written resolution of Directors on 31 October 2007.

#### THE INVESTMENT PROPOSAL AND REASONS FOR REJECTION

The Wong Family and JETSUN offered a share transfer proposal to the Board of Directors in an offer letter dated 22 October 2007. The share transfer proposal was about acquiring 100% of the issued shares of Big Three, together with nine PLB licenses with vehicles which were held indirectly by the existing shareholders of Big Three. The consideration proposed was approximately HK\$ 57,510,000. Big Three operates green minibus routes running between Wonderland Villas (Tsuen Wan), Tsuen Wan and Cheung Sha Wan. All existing shareholders of Big Three are independent third parties. None of the Directors, the members of the Wong Family or JETSUN holds directorship in Big Three. The Wong Family or JETSUN intended to acquire such shares in Big Three and such PLB licenses with vehicles, in the event that the Company does not wish to proceed.

Having carefully considered the business of the Big Three, the Directors resolved to reject the proposal (Mr. Wong, Ms. Ng Sui Chun and Mr. Wong Ling Sun, Vincent being abstained from voting). The main reasons for rejection were:

1. The profitability of the minibus route operated by Big Three was in doubt. According to the audited accounts for the year ended 31 March 2007 of Big Three, the profit for the year was HK\$13,000 only;

2. The minibus route operated by Big Three was between Wonderland Villas (Tsuen Wan), Tsuen Wan Transport Complex and Cheung Sha Wan. The Directors were of a view that there was no synergy between the route and other existing routes of the Group;
3. The investment proposal includes the purchase of nine PLB licenses with vehicles. Should the Company accept the investment proposal, it would be against the standing business objective of the Group, which positions itself as a PLB service provider, instead of a PLB licenses investor; and
4. Presently, the Company had no enough internal source of cash available for the share transfer proposal. Should the proposal be accepted, the Company had to draw certain amount of bank loans for paying off the consideration. The Directors were of a view that this would further increase the gearing of the Group which might be unhealthy to the Group.

#### **THE NON-COMPETITION UNDERTAKING AND THE APPROVAL GRANTED TO WONG FAMILY AND JETSUN TO PARTICIPATE IN A RESTRICTED ACTIVITY**

Pursuant to the Deed, subject to, among others, approval obtained from the Board of Directors, the Wong Family and JETSUN irrevocably undertook to the Company that each of the Wong Family members and JETSUN shall not on his/her/its own account or with each other or in conjunction with or on behalf of any person, firm or company, carry on or be engaged in, concerned with or interested in directly or indirectly (other than through the Group or its associated companies), whether as a shareholder, director (other than being a director or a shareholder of the Group or its associated company), officer, partner, agent, lender, employee, consultant or otherwise and whether for profit, reward or otherwise, the Restricted Activity.

The business of the Big Three is a Restricted Activity. Since the Directors were of the view that rejection of the proposal would be in the best interest of the Group, the Board of Directors had issued a letter to the Wong Family and JETSUN to reject the proposal and to approve the investment, participation or engagement by the Wong Family or JETSUN or other entities controlled by the Wong Family in such Restricted Activity. The related resolution was passed by the Board of Directors (with those Directors who were interested in such Restricted Activity and their respective associates abstained from voting) on 31 October 2007 by way of written resolution.

## **DEFINITION**

“Big Three”	Big Three Limited, a private company incorporated in Hong Kong with limited liability.
“Company”	AMS Public Transport Holdings Limited, whose shares are listed on the Stock Exchange of Hong Kong Limited
“Deed”	A deed of non-competition undertaking entered into between the Wong Family, JETSUN and the Company on 22 March 2004
“Director(s)”	The director(s) of the Company
“Group”	The Company and its subsidiaries
“INED(s)”	Independent non-executive director(s) of the Company
“JETSUN”	JETSUN UT CO. LTD., a company incorporated in the British Virgin Islands and wholly owned by the trustee of The JetSun Trust;
“Mr. Wong”	means Mr. Wong Man Kit, Chairman of the Board of Directors of the Company;
“PLB(s)”	Public light bus(es) that is/are licensed to carry a maximum of 16 passengers;
“Restricted Activity”	means the activity of operating, engaging, managing and investing in any transportation related business or company (including, but without limitation, the provision of PLB services and the leasing of PLB), pursuant to the Deed;
“The JetSun Trust”	The JetSun Trust, a discretionary trust set up by Mr. Wong and the discretionary objects of which are members of the Wong Family (excluding Mr. Wong);
“Wong Family”	includes Mr. Wong, the executive Directors Ms. Ng Sui Chun and Wong Ling Sun, Vincent, who are the spouse and son of Mr. Wong respectively, and Ms. Wong Wai Man, Vivian, Ms. Wong Wai Sze, Cecilia and Ms. Wong Wai Sum, May, all three being the daughters of Mr. Wong.

By Order of the Board  
Wong Man Kit  
Chairman

Hong Kong, 31 October 2007

Members of the Board as at the date of this announcement:

*Executive Directors*

Mr. Wong Man Kit (*Chairman*)

Ms. Ng Sui Chun

Mr. Chan Man Chun

Mr. Wong Ling Sun, Vincent

*Independent Non-Executive Directors*

Dr. Leung Chi Keung

Dr. Lee Peng Fei, Allen

Mr. Lam Wai Keung