THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

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

AMS 進智公交

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)

(1) PROPOSED RE-ELECTION OF DIRECTORS, (2) PROPOSED ELECTION OF A NEW DIRECTOR, (3) PROPOSED GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES, (4) PROPOSED PAYMENT OF DIVIDEND OUT OF THE SHARE PREMIUM ACCOUNT, (5) CONTINUING CONNECTED TRANSACTIONS – MINIBUS LEASING AGREEMENT, AND (6) NOTICE OF ANNUAL GENERAL MEETING

Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders

MERDEKA 領智

A notice convening the AGM of the Company to be held at Rooms 1303–1305, Abba Commercial Building, 223 Aberdeen Main Road, Aberdeen, Hong Kong on 27 August 2026, Thursday at 11:00 a.m. is set out on pages AGM-1 to AGM-5 of this circular.

A form of proxy for the AGM is also enclosed. Whether or not you are able to attend the AGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong share registrar and transfer office, Union Registrars Limited, at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM or any adjourned meeting thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjourned meeting thereof should you so wish.

22 July 2026

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

"AGM"	the annual general meeting of the Company for the year 2026 to be held at Rooms 1303–1305, Abba Commercial Building, 223 Aberdeen Main Road, Aberdeen, Hong Kong on 27 August 2026, Thursday at 11:00 a.m.
"AGM Notice"	the notice convening the AGM as set out on pages AGM-1 to AGM-5 of this circular
"All Wealth"	All Wealth Limited, a company incorporated in the BVI and wholly-owned by Metro Success
"Article(s)"	the article(s) in the Articles of Association
"Articles of Association"	the articles of association of the Company
"associates"	shall have the meaning as ascribed under the Listing Rules
"Audit Committee"	the audit committee of the Board
"Benchmark Table"	the benchmark table adopted under the New Minibus Leasing Agreement forming the basis for calculation of Rentals for the PLBs payable thereunder, as may be updated from time to time in accordance with the terms of the New Minibus Leasing Agreement
"Big Three"	Big Three Limited (大叁有限公司), a company incorporated in Hong Kong and owned as to (i) 40% by Mr. Vincent Wong (out of which 10% is held on trust for Mr. Chace Wong as beneficiary) and (ii) 60% by Ms. Ng, Ms. Vivian Wong, Ms. Cecilia Wong and Ms. Maya Wong (as to 10%, 30% (out of which 20% is held on trust for Mr. Chace Wong as beneficiary), 10% and 10% respectively)
"Board"	the board of Directors
"BVI"	the British Virgin Islands
"CCASS"	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited

"Chairman"	the chairman of the Board
"Company"	AMS Public Transport Holdings Limited (進智公共交通控股有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 77)
"Director(s)"	the director(s) of the Company
"Dividend"	the proposed final dividend of HK6.0 cents per Share as recommended by the Board
"Executive Director(s)"	the executive Director(s) of the Company
"Existing Issue Mandate"	has the meaning as defined in the section headed "GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES" of the letter from the Board in this circular
"Existing Repurchase Mandate"	has the meaning as defined in the section headed "GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES" of the letter from the Board in this circular
"Green Minibus(es)"	PLB(s) that provide scheduled services with fixed routes, fares, vehicle allocation, frequency and service hours stipulated by the Transport Department of Hong Kong
"Group"	the Company and its subsidiaries as a whole
"HG Appraisal"	HG Appraisal & Consulting Limited, registered professional surveyors and business valuers
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"HKCT"	Hong Kong & China Transportation Consultants Limited (中港運輸顧問有限公司), a company incorporated in Hong Kong and owned as to 60% by All Wealth and 40% by Ms. Ng, Mr. Vincent Wong, Ms. Cecilia Wong, Ms. Maya Wong and Ms. Vivian Wong

"HKFRS"	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Independent Board Committee"	an independent committee of the Board comprising the Independent Non-Executive Directors, Prof. Chan Yuen Tak Fai, Dorothy, Mr. Kwong Ki Chi and Mr. James Mathew Fong
"Independent Financial Adviser"	Merdeka Corporate Finance Limited
"Independent Non-Executive Director(s)"	the independent non-executive Director(s) of the Company
"Independent Shareholders"	Shareholders not required to abstain from voting on the relevant resolutions pursuant to the Listing Rules
"Issue Mandate"	has the meaning as defined in the section headed "GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES" of the letter from the Board in this circular
"JETSUN"	JETSUN UT Company (PTC) Limited, a company incorporated in the BVI which is wholly-owned by the Trustee as trustee of The JetSun Trust
"Latest Practicable Date"	20 July 2026, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
"Lease Period"	in respect of each PLB, the period during which that PLB is on hire to the Lessee as a Leased Bus under the New Minibus Leasing Agreement, commencing on the later of 1 October 2026 or the date of delivery of such PLB to the Lessee, and expiring on the earliest of: (i) the expiry of the New Minibus Leasing Agreement; (ii) the termination of the lease of that individual PLB; or (iii) the removal or replacement of such PLB pursuant to the terms of the New Minibus Leasing Agreement

"Leased Bus(es)"	at any point in time during the term of the New Minibus Leasing Agreement, each PLB in respect of which a Lease Period has commenced and has not yet expired or been terminated
"Lessee"	Gurnard Holdings Limited, a company incorporated in the BVI and a direct wholly-owned subsidiary of the Company
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Maxson"	Maxson Transportation Limited (萬誠運輸有限公司), a company incorporated in Hong Kong and owned as to 60% by All Wealth and 40% by Ms. Ng, Mr. Vincent Wong, Ms. Cecilia Wong, Ms. Maya Wong and Ms. Vivian Wong
"Memorandum"	the memorandum of association of the Company
"Metro Success"	Metro Success Investments Limited, a company incorporated in the BVI and wholly-owned by JETSUN
"Monthly Administration Fee"	the monthly administration fee payable by the Owners to the Lessee under the New Minibus Leasing Agreement for administration services provided by the Lessee in arranging on behalf of the Owners for mainly the following services: taking out and maintaining relevant insurance policies, arranging vehicle licence renewal and handling the liaison work and other administrative procedures relevant to the payment of vehicle licence fees and insurance premium
"Mr. Chace Wong"	Mr. Wong Tin Yan, Chace, a minor, the son of Mr. Vincent Wong
"Mr. Vincent Wong"	Mr. Wong Ling Sun, Vincent, an Executive Director and the Chairman and the son of the late Mr. Wong and Ms. Ng
"Mr. Wong"	Mr. Wong Man Kit (deceased), a former Executive Director and the honorary chairman of the Board and the spouse of Ms. Ng

"Ms. Cecilia Wong"	Ms. Wong Wai Sze, Cecilia, the daughter of Mr. Wong and Ms. Ng
"Ms. Maya Wong"	Ms. Wong Wai Sum, Maya, an Executive Director and the daughter of Mr. Wong and Ms. Ng
"Ms. Ng"	Ms. Ng Sui Chun, an Executive Director and the spouse of Mr. Wong
"Ms. Vivian Wong"	Ms. Wong Wai Man, Vivian, the Non-Executive Director and the daughter of Mr. Wong and Ms. Ng
"New Annual Caps"	collectively the annual caps on the right-of-use assets and the annual caps on the Monthly Administration Fee as more particularly stated in the section headed "New Annual Caps" of the letter from the Board in this circular
"New Minibus Leasing Agreement"	the minibus leasing framework agreement dated 30 June 2026 entered into between the Owners and the Lessee, details of which are stated in the section headed "Details of the Continuing Connected Transactions" of the letter from the Board in this circular
"Nomination Committee"	the nomination committee of the Board
"Non-Executive Director"	the non-executive Director of the Company
"Original Minibus Leasing Agreement"	the leasing agreement dated 29 June 2023 entered into between the Owners and the Lessee in relation to, among other things, the leasing of the PLBs to the Lessee for a term from 1 October 2023 to 30 September 2026
"Owner(s)"	Maxson, HKCT and Big Three, or any of them (where applicable)
"PLB(s)"	public light bus(es) being minibus(es) licensed to carry a maximum of 16 or 19 passengers in Hong Kong that are owned by the Owners and made available for lease, together with their vehicle registration licences, to the Lessee under the Original Minibus Leasing Agreement or the New Minibus Leasing Agreement (as the case may be)

"Remuneration Committee"	the remuneration committee of the Board
"Rentals"	the daily rental amounts payable by the Lessee to the Owners in respect of each Leased Bus under the New Minibus Leasing Agreement, as determined by the Benchmark Table
"Repurchase Mandate"	has the meaning as defined in the section headed "GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES" of the letter from the Board in this circular
"SCL"	The Seven Capital Limited, a wholly owned subsidiary of SIHL
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	ordinary share(s) of HK$0.10 each in the capital of the Company
"Share Premium Account"	the share premium account of the Company, the amount standing to the credit of which was approximately HK$52,858,000 as at 31 March 2026 based on the audited consolidated financial statement of the Company as at that date
"Shareholder(s)"	registered holder(s) of the Share(s)
"SIHL"	The Seven International Holdings (L) Limited
"Skyblue"	Skyblue Group Limited, a company incorporated in the BVI and is wholly owned by Metro Success, which in turn is a wholly owned subsidiary of JETSUN
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	shall have the meaning as prescribed under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
"Takeovers Code"	The Code on Takeovers and Mergers and Share Buy-backs

"The JetSun Trust"	The JetSun Trust, a discretionary trust set up by Mr. Wong and the discretionary objects of which are Ms. Ng, Mr. Vincent Wong, Ms. Cecilia Wong, Ms. Maya Wong and Ms. Vivian Wong and the grandchildren of Mr. Wong
"Trustee"	HSBC International Trustee Limited
"Wong Family"	Mr. Wong, Ms. Ng and their son, Mr. Vincent Wong, and their daughters Ms. Cecilia Wong, Ms. Maya Wong and Ms. Vivian Wong and the grandchildren of Mr. Wong; for the purpose of this circular, a reference to the Wong Family at a point of time after the death of Mr. Wong shall exclude Mr. Wong
"%"	per cent

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)

Executive Directors:
Mr. Wong Ling Sun, Vincent *(Chairman)*
Ms. Ng Sui Chun
Mr. Chan Man Chun *(Chief executive officer)*
Ms. Wong Wai Sum, Maya

Non-Executive Director:
Ms. Wong Wai Man, Vivian

Independent Non-Executive Directors:
Prof. Chan Yuen Tak Fai, Dorothy
Mr. Kwong Ki Chi
Mr. James Mathew Fong

Registered Office:
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Principal Place of Business in Hong Kong:
11th–12th Floors
Abba Commercial Building
223 Aberdeen Main Road
Aberdeen
Hong Kong

22 July 2026

To the Shareholders

Dear Sir or Madam,

(1) PROPOSED RE-ELECTION OF DIRECTORS,
(2) PROPOSED ELECTION OF A NEW DIRECTOR,
(3) PROPOSED GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
(4) PROPOSED PAYMENT OF DIVIDEND OUT OF THE SHARE PREMIUM ACCOUNT
(5) CONTINUING CONNECTED TRANSACTIONS – MINIBUS LEASING AGREEMENT
AND
(6) NOTICE OF ANNUAL GENERAL MEETING

INTRODUCTION

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the AGM relating to (i) the re-election of Directors; (ii) the election of a new Director; (iii) the granting to the Directors of general mandates for the issue and the repurchase of Shares up to 20% and 10% respectively of the nominal amount of the Company's issued share capital (excluding any treasury Shares); (iv) payment of the Dividend out of the Share Premium

Account; and (v) the approval of the continuing connected transactions regarding the New Minibus Leasing Agreement and the New Annual Caps.

RE-ELECTION OF DIRECTORS

Pursuant to Articles 86(3) and 87(1) of the Articles of Association, Mr. Wong Ling Sun, Vincent and Ms. Ng Sui Chun, being the Executive Directors, shall retire by rotation and, being eligible, offer themselves for re-election at the AGM. Brief biographical details of the retiring Directors are set out in Appendix I to this circular.

Mr. Kwong Ki Chi, being the Independent Non-Executive Director, has informed the Company that he will retire after the conclusion of the AGM and will not stand for re-election.

The Nomination Committee has recommended to the Board that the above-mentioned Directors are eligible for re-election. The nomination of Mr. Wong Ling Sun, Vincent and Ms. Ng Sui Chun for re-election as Executive Directors at the forthcoming AGM have been considered by the Nomination Committee in accordance with the nomination procedures and policy of the Company and the objective selection criteria (including skills, knowledge and experience of the above-mentioned Directors and their good reputation in character, integrity, honesty and experience etc.) as well as taking into account the diversity aspects (including the gender, age, educational background and ethnicity, etc.), with due regard for the benefits of diversity, as set out under the board diversity policy of the Company. In addition, the Nomination Committee had evaluated the performance, including their time commitment and contribution, of each of the retiring Directors during the period from the date of last re-election to the date of this circular and found their performance satisfactory. For the nomination policy and procedures of the Group, please refer to the Corporate Governance Report contained in the annual report 2025/2026.

ELECTION OF A NEW DIRECTOR

Proposed Election of a New Director

Pursuant to Article 86(3) of the Articles, the Board recommends Prof. So Wai Man, Raymond to be elected as a new Director and the relevant Resolution will be proposed at the AGM. Prof. So does not hold six or more listed company directorships (including his proposed directorship with the Company) and has given to the Company his written confirmation concerning his independence as an Independent Non-Executive Director of the Company in accordance with Rule 3.13 of the Listing Rules. He has confirmed that he (1) meets the independence criteria as set out in Rule 3.13 (1) to (8) of the Listing Rules; (2) does not have any past or present financial or other interest in the business of the Company or any of its subsidiaries or any connection with any core connected person of the Company (as defined in the Listing Rules); and (3) is not aware of any other factors that may affect his independence to act as an Independent Non-Executive Director of the Company. The Company believes that with Prof. So's financial expertise and extensive experience in the financial education and transportation sector, he will be a valuable addition to the Board. The biography of Prof. So set out in Appendix 1 to this circular explains how he will contribute to the diversity of the Board. Subject to Prof. So being elected as a new Director at the AGM, he will become an Independent Non-Executive Director of the Company with effect from the conclusion of the AGM. To ensure that the Board has a balance of skills, knowledge, experience and diversity of perspectives appropriate to the Company's business needs and development, the Board reviews its structure, size and composition annually. The Nominations Committee and the Board, when forming their recommendations on the proposals on re-election of retiring Director(s) and election of new Director(s), have been following the Company's nomination policy which sets out a mechanism for nominating talented and capable person(s) to lead the Company, as well as considering the Board diversity policy and Board skill matrix at the same time.

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the last annual general meeting of the Company held on 29 August 2025, ordinary resolutions were passed to grant general mandates authorising the Directors (i) to allot, issue and deal with Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company at that date (i.e. not exceeding 54,382,600 Shares) ("**Existing Issue Mandate**"); and (ii) to repurchase Shares not exceeding 10% of the issued share capital, or the relevant class of Shares, of the Company at that date (i.e. not exceeding 27,191,300 Shares) ("**Existing Repurchase Mandate**").

The Existing Issue Mandate and the Existing Repurchase Mandate will expire upon the conclusion of the AGM. The Directors consider that the Existing Issue Mandate and the Existing Repurchase Mandate increase the flexibility in the Company's affairs and are in the interests of the Shareholders, and that the same shall continue to be adopted by the Company. New general mandates to allot, issue and deal with Shares up to 20% ("**Issue Mandate**") and to repurchase Shares up to 10% ("**Repurchase Mandate**") of the issued share capital of the Company (excluding any treasury Shares) as at the date of passing of Resolutions 5(a) and 5(b) set out in the AGM Notice respectively will be proposed at the AGM. Resolution authorising the extension of the general mandate to the Directors to issue Shares to include the aggregate nominal amount of such Shares repurchased (if any) under the Repurchase Mandate is to be proposed as Resolution 5(c) at the AGM.

The proposed new Issue Mandate and Repurchase Mandate may only continue in force during the period from the passing of the resolutions until the earlier of: (i) the conclusion 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 the Articles of Association or any applicable laws; and (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

With reference to the proposed new Issue Mandate and Repurchase Mandate, the Directors wish to state that they have no immediate plans to issue any new or repurchase any existing Shares pursuant to the relevant mandates. Save as disclosed, the Company did not obtain any other general mandate or special mandate to issue Shares in the past 12 months.

An explanatory statement containing the particulars required by the Listing Rules to enable the Shareholders to make an informed view on whether to vote for or against Resolution 5(b) to be proposed at the AGM in relation to the Repurchase Mandate is set out in Appendix II to this circular.

PAYMENT OF THE DIVIDEND OUT OF THE SHARE PREMIUM ACCOUNT

Subject to approval of the Shareholders, the Board proposes the declaration and payment of the Dividend, i.e. a final dividend of HK6.0 cents per Share out of the Share Premium Account.

As at the Latest Practicable Date, the Company has 271,913,000 Shares in issue. Based on the number of issued Shares as at the Latest Practicable Date, the Dividend, if declared and paid, will amount to an aggregate amount of approximately HK$16,315,000. Subject to the fulfillment of the conditions set out in the section headed "Conditions of the Payment of the Dividend out of the Share Premium Account" below, the Dividend are intended to be paid out of the Share Premium Account pursuant to Article 137 of the Articles of Association. As at 31 March 2026, based on the audited consolidated financial statements of the Company, the amount standing to the credit of the Share Premium Account was approximately HK$52,858,000. Following the payment of the Dividend, there will be a remaining balance of approximately HK$36,543,000 standing to the credit of the Share Premium Account.

Conditions of the payment of the Dividend out of the Share Premium Account

The payment of the Dividend out of the Share Premium Account is conditional upon the satisfaction of the following conditions:

a) the passing of the ordinary resolution by the Shareholders declaring and approving the payment of the Dividend out of the Share Premium Account pursuant to Article 137 of the Articles of Association; and

b) the Directors being satisfied that there are no reasonable grounds for believing that the Company is, immediately following the date on which the Dividend are paid, unable to pay its debts as they fall due in the ordinary course of business.

If such conditions are not satisfied, the Dividend will not be paid.

Subject to the fulfillment of the above conditions, it is expected that the Dividend will be paid on or about Friday, 18 September 2026 to those Shareholders whose names appear on the register of members of the Company at close of business on Wednesday, 9 September 2026, being the record date for determination of entitlements to the Dividend.

Reason for and effect of the payment of the Dividend out of the Share Premium Account

The Board considers it unnecessary to maintain the Share Premium Account under reserves at its current level. In recognition of the Shareholders' support, the Directors consider that the declaration and payment of the Dividend out of the Share Premium Account under reserves is in the interests of the Company and its Shareholders as a whole.

Save for the immaterial expenses incurred as a result of the payment of the Dividend, the Board believes that the payment of the Dividend will not have any material adverse effect on the underlying assets, business, operation or financial position of the Group and does not involve any reduction in the authorised or issued share capital of the Company or reduction in the nominal value of the Shares or result in any change in the trading arrangements in respect of the Shares.

Shareholders should seek professional advice with their own tax advisers regarding the possible tax implications of the payment of the Dividend. The Board is not aware of any Shareholders who have waived or agreed to waive any dividend.

CONTINUING CONNECTED TRANSACTIONS – MINIBUS LEASING AGREEMENT

It was announced by the Company on 30 June 2026 that the Owners and the Lessee had entered into the New Minibus Leasing Agreement on 30 June 2026.

References are made to the announcement of the Company dated 29 June 2023 and the circular of the Company dated 28 July 2023 in respect of, among others, the Original Minibus Leasing Agreement.

The Group has been deploying the PLBs leased from the Owners. As the Original Minibus Leasing Agreement will soon expire on 30 September 2026, the Owners and the Lessee entered into the New Minibus Leasing Agreement on 30 June 2026 substantially based on the terms and conditions of the Original Minibus Leasing Agreement with a view to renewing the leasing arrangements for another term of 3 years running from 1 October 2026 to 30 September 2029.

In accordance with HKFRS 16, the PLBs leased under the New Minibus Leasing Agreement as Leased Buses from time to time will be recognised as right-of-use assets, and as a result, the transactions under the New Minibus Leasing Agreement will be recognised as the acquisition of right-of-use assets which will constitute non-exempt continuing connected transactions of the Group pursuant to the Listing Rules. Accordingly, the transactions under the New Minibus Leasing Agreement and the New Annual Caps are subject to reporting, announcement, the approval of Independent Shareholders at the AGM and annual review, and the Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders on the same.

DETAILS OF THE CONTINUING CONNECTED TRANSACTIONS

Particulars of the New Minibus Leasing Agreement are set out below:

Date:	30 June 2026
Parties:	(i) Maxson (ii) HKCT (iii) Big Three (collectively as Owners) (iv) the Lessee

Lease:	Each of the Owners agrees to make available for lease its PLBs and the Lessee agrees to accept the PLBs for lease as Leased Buses upon commencement of the Lease Period in respect of each PLB, pursuant and subject to the terms and conditions of the New Minibus Leasing Agreement (as a framework agreement establishing the terms and conditions applicable to the leasing of PLBs by the Owners to the Lessee on a continuing and recurring basis throughout the term of the New Minibus Leasing Agreement).
Term:	From 1 October 2026 to 30 September 2029, both days inclusive.
Number of PLBs available for lease:	286 PLBs (comprising 221 19-seat PLBs and 65 16-seat PLBs which are fuelled by diesel or liquefied petroleum gas) were initially identified as owned by the Owners and available for lease during the term of the New Minibus Leasing Agreement, provided that at any time and from time to time, the parties may by written agreement vary the number of PLBs to be made available for lease, add or remove any PLB subject to lease or replace any Leased Bus with another PLB and the Lessee may by one month's advance notice request to remove or replace any PLBs. The Rentals of all the PLBs leased under the New Minibus Leasing Agreement are determined by the Benchmark Table and the Owners are obligated to increase the number of PLBs subject to lease under the New Minibus Leasing Agreement up to an aggregate of 315 (representing the number of PLBs available for lease during the term of the New Minibus Leasing Agreement as enlarged by approximately 10%) upon request of the Lessee. *Notes:* 1. As at the Latest Practicable Date, there were 286 PLBs leased by the Owners to the Lessee under the Original Minibus Leasing Agreement. 2. 286 PLBs owned by the Owners have been identified for lease to the Lessee under the New Minibus Leasing Agreement, which is an indicator of the number of PLBs available for lease if there is no variation by the parties as of the commencement of the term of the New Minibus Leasing Agreement (being 1 October 2026). 3. There is no specific requirement on the number of PLBs to be leased for each of the classes in the Benchmark Table under the New Minibus Leasing Agreement.

Rentals: Rentals shall be paid in advance on or before the 5th day of each calendar month. The Rentals in respect of each Leased Bus shall be determined by reference to its age and carrying capacity in accordance with the following Benchmark Table:

Class *(Note 3)*	**Age**	**Daily rental payable under the Original Minibus Leasing Agreement** *(Note 1)*
1	2 years or below (19-seater PLBs)	HK$790
2	Over 2 years (19-seater PLBs)	HK$690
3	All ages (16-seater PLBs)	HK$490

Class *(Note 3)*	**Age**	**Daily rental payable under the New Minibus Leasing Agreement** *(Note 1)*
1	2 years or below (19-seater PLBs)	HK$780
2	Over 2 years (19-seater PLBs) (Note 2)	HK$690
3	All ages (16-seater PLBs)	HK$480

Notes:

1. The daily rental includes vehicle licence fees and insurance premium.

2. It is estimated that the maximum age reached among the 19-seater PLBs would be approximately 13 years by the end of the term of the New Minibus Leasing Agreement.

3. The classification of the Rentals reflects the type and age of PLBs (i) leased under the Original Minibus Leasing Agreement; and (ii) to be made available for lease under the New Minibus Leasing Agreement.

Benchmark Table: The Rentals in respect of each of the 19-seater PLBs will be reduced during their respective Lease Periods by reference to the age of each 19-seater PLB in accordance with the Benchmark Table. Subject to any annual review of the daily Rentals payable by the Lessee under the Benchmark Table which may be required by the Independent Non-Executive Directors, the Benchmark Table will be applied throughout the term of the New Minibus Leasing Agreement and will be reviewed upon the renewal of the New Minibus Leasing Agreement.

Upon request of the Independent Non-Executive Directors*(Note 1)* for an annual review of the Rentals payable by the Lessee under the Benchmark Table, the Lessee and the Owners shall jointly appoint an independent valuer*(Note 2)* to assess the prevailing market rentals of the PLBs. The Benchmark Table should then be adjusted in accordance with the then prevailing market rentals as so assessed by the independent valuer, whose decision shall be final and conclusive and binding on the parties.

Notes:

1. In determining whether to request an annual review of Rentals payable by the Lessee under the Benchmark Table, the Independent Non-Executive Directors will consider factors including whether there is any material change in market conditions or Green Minibus-related laws and regulations.

2. HG Appraisal is qualified as registered professional surveyors and business valuers.

Right of first refusal: Under the New Minibus Leasing Agreement, the Lessee has the right of first refusal if any of the Owners proposes to sell or otherwise dispose of any of the PLBs during the term of the New Minibus Leasing Agreement. If the Lessee opts not to purchase the PLBs or it has failed to give such Owner a reply notice indicating whether it would purchase the PLBs within 28 days of the receipt of such notice of intention to sell/dispose of the PLB(s) from the Owner, the Owner may sell the PLBs to the third party purchaser.

Each of the Owners has undertaken that, in such case, it will only sell or dispose of the PLBs to the third party purchaser on terms and at the price no more favourable to the purchaser than the terms and the price as previously offered to the Lessee and on condition that (unless such condition is waived by the Lessee) the sale shall be subject to the existing lease, or the purchaser shall enter into a new lease with the Lessee on terms which are no less favourable to the Lessee as compared to the existing lease.

Note: The Company shall comply with the applicable requirements under Chapter 14 and/or 14A of the Listing Rules in the event that the Lessee exercises its right of first refusal.

Insurance and vehicle licence: The Lessee has agreed to arrange on behalf of the Owners for the following administration services in relation to the Leased Buses, including mainly taking out and maintaining relevant insurance policies, arranging the vehicle licence renewal and handling the liaison work and other administrative procedures relevant to the payment of vehicle licence fees and insurance premium.

For avoidance of doubt, the vehicle licence fee and insurance premium shall be borne by the Owners (with any such payment incurred by the Lessee (if any) to be reimbursed by the Owners).

In consideration of such administration services, amongst others, the Owners shall pay to the Lessee a Monthly Administration Fee of HK$700 per Leased Bus, which is calculated based on the relevant labour and other office expenses involved at a premium rate of approximately 15% given in favour of the Lessee. The parties adhere to the same rate under the Original Minibus Leasing Agreement. Such fee shall be deducted from the Rentals for the Leased Buses.

The Lessee shall indemnify the Owners against any loss and damage in excess of the insurance coverage arising from loss or damage to the Leased Buses or accidents involving the Leased Buses (other than accidents resulting from the act, neglect or default of the Owners or their employees, agents or contractors) during their respective Lease Periods, provided that the Owners shall first make a claim under the insurance policy.

Maintenance: The Lessee shall be responsible for the cost of service and maintenance in accordance with the cost of any necessary repairs and for all fuels and lubricants for the proper running of the Leased Buses.

The historical amounts of the maintenance costs for the PLBs over the term of the Original Minibus Leasing Agreement are as below:

	For the six months ended 31 March 2024	**For the year ended 31 March 2025**	**For the year ended 31 March 2026**	**For the six months ending 30 September 2026**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Approximate maintenance costs for the leased PLBs	10,518	20,414	21,794	11,115

The expected amounts of the maintenance costs for the PLBs subject to lease over the term of the New Minibus Leasing Agreement are as below (based on the maximum 315 PLBs to be made available for lease by the Owners to the Lessee under the New Minibus Leasing Agreement):

	For the six months ending 31 March 2027	**For the year ending 31 March 2028**	**For the year ending 31 March 2029**	**For the six months ending 30 September 2029**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Estimated maintenance costs for the PLBs subject to lease	11,115	22,674	23,128	11,795

Note: The estimated maintenance costs for the PLBs subject to lease over the term of the New Minibus Leasing Agreement are subject to factors including but not limited to changes in the number of Leased Buses, the conditions of the local economy, the business environment of the Group and the inflation rate.

Change of Owners:	(1) Any third party(ies) beneficially and wholly owned by the Wong Family or any of its member(s); and/or (2) any member(s) of the Wong Family, shall be entitled, at any time with prior written notice from the relevant Owner(s) to the Lessee, to subrogate or supplement any of the Owner(s) insofar as the subject matter under the New Minibus Leasing Agreement (including but not limited to lease of the PLBs and the rights and obligations of each party thereto) is concerned. The provisions of the New Minibus Leasing Agreement shall apply, *mutatis mutandis*, to such third party(ies) and/or member(s). For the avoidance of doubt, such third party(ies) and/or member(s) shall include without limitation (1) company(ies) directly or indirectly and wholly owned by the Wong Family or any of its member(s); (2) trust(s) set up by the Wong Family or any of its member(s); and (3) Ms. Ng, Mr. Vincent Wong, Ms. Cecilia Wong, Ms. Maya Wong and Ms. Vivian Wong. In connection therewith, the Owners shall procure that such third party(ies) and/or member(s) shall irrevocably submit to be bound by and act in accordance with the terms of the New Minibus Leasing Agreement as if it were a party(ies) thereto.

The terms of the New Minibus Leasing Agreement were arrived at after arm's length negotiation between the parties. The Directors (including the Independent Non-Executive Directors) are of the view that (i) the terms of the New Minibus Leasing Agreement are fair and reasonable; (ii) the transactions thereunder are on normal commercial terms and in the ordinary and usual course of business of the Group; and (iii) the entering into of the New Minibus Leasing Agreement and the transactions thereunder are in the interests of the Group and the Shareholders as a whole.

Basis for determining the Rentals of the PLBs

The Company has appointed HG Appraisal to appraise the average rentals prevailing in the market for the PLBs.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the responsible person of HG Appraisal for this matter is a chartered and qualified surveyor and has valuation experience for over 38 years. Apart from being a member of the Royal Institution of Chartered Surveyors, he is also a member of the Hong Kong Institute of Surveyors, a Registered Professional Surveyor (General Practice), a Registered Business Valuer of the Hong Kong Business Valuation Forum, and a China Registered Real Estate Appraiser. His valuation experience touches a wide variety of industry sectors, asset types and geographical markets, including but not limited to previous similar valuations in respect of PLBs for the Group, as well as the valuation of various types of properties (including residential, commercial, offices, industrial and specialized properties), business valuation, intangible assets valuation, purchase price allocation, and machineries and equipment valuation in Hong Kong, Mainland China and other countries/regions, for the purposes of initial public offerings, mergers and acquisitions, accounting, litigation, financing and mortgages, etc.

After considering the qualification and experience of the responsible person of HG Appraisal, the Directors (including the Independent Non-Executive Directors) are of the view that HG Appraisal is properly qualified and has sufficient experience in assets and business valuation, and therefore suitable to act as the independent valuer to assess the prevailing market rentals of the PLBs.

Under the New Minibus Leasing Agreement, the Rentals of the 16-seater PLBs have decreased as compared to the Original Minibus Leasing Agreement. The valuation report of HG Appraisal shows that the prevailing market daily rental for 16-seater PLBs is HK$481, which is almost the same as the daily Rental for the same category set under the Benchmark Table adopted for the New Minibus Leasing Agreement (being HK$480).

Under the New Minibus Leasing Agreement, the Rentals of the 19-seater PLBs with the age of 2 years or less have decreased as compared to the Original Minibus Leasing Agreement. The valuation report of HG Appraisal shows that the prevailing market daily rental for 19-seater PLBs with the age of 2 years or less is HK$780, which is the same as the daily Rental for the same category set under the Benchmark Table adopted for the New Minibus Leasing Agreement (being HK$780).

Under the New Minibus Leasing Agreement, the Rentals of the 19-seater PLBs with the age of over 2 years are the same as compared to the Original Minibus Leasing Agreement. The valuation report of HG Appraisal shows that the prevailing market daily rental for 19-seater PLBs with the age of over 2 years is HK$703, which is slightly higher than the daily Rental for the same category set under the Benchmark Table adopted for the New Minibus Leasing Agreement (being HK$690).

To the best of the knowledge, information and belief of, and having made all reasonable enquiries by, the Board, HG Appraisal is a third party independent from and not connected with the Directors, substantial Shareholders of the Company, its subsidiaries and their respective associates. The appraisal of HG Appraisal was carried out on a market value basis and the market approach was adopted in its appraisal.

Note: "Market value" is defined as "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

With respect to the appraisal, HG Appraisal had considered three generally accepted approaches, namely, the market approach, the cost approach and the income approach:

- the market approach considers prices recently paid for similar assets, with adjustments made to indicate market prices to reflect condition and utility of the appraised assets relative to the comparable market transactions;

- the cost approach considers the cost to reproduce or replace in new condition the assets appraised in accordance with the current market prices for similar assets, with allowance for accrued depreciation as condition or obsolescence present, whether arising from physical, functional or economic causes; and

- the income approach is the conversion of expected periodic benefits of ownership into an indication of value. It is based on the principle that an informed buyer would pay no more for an asset than an amount equal to the present worth of anticipated future benefits (income) from the same or equivalent asset with similar risks.

As explained by HG Appraisal in its valuation report, the market approach was adopted since the cost approach, which considers the replacement cost of an asset, has limitations in properly reflecting the market value of the rental payment for the lease of minibuses. As for the income approach, whilst it may be a means to estimate the required monthly income that could justify the required market return to the value of the relevant PLB licence, it relies on estimation or guesstimate of the required market return rate on the relevant PLB licence to determine the required rental income, which may be subject to uncertainty, and may not be easily observable in the market. Therefore, HG Appraisal considered that the market approach would provide a reasonable basis for the subject appraisal due to the following reasons:

- there exists a market, though not necessarily a well-structured market, on the leasing of minibuses that provides observable market rentals; and

- data on the rental income from the rental of the PLBs, which were obtained from several market participants, were comparable and would provide a reasonable indication of the rentals.

Given the existence of comparable and sufficient market data, the consistency of the results and the conformity of the market participants, HG Appraisal concluded that the use of the market approach is more appropriate than the other two approaches.

In selecting market participants to be interviewed under the valuation process, HG Appraisal considered lessors and lessees who are actively participating in the minibus renting market with frequent transactions. Lessors are the owners of minibuses who lease them out to minibus operators in return for rent, while lessees are the minibus operators who need to rent minibuses for their operations. By interviewing market participants from both the supply and demand sides, more balanced and comprehensive information regarding the PLBs leasing market can be obtained for the purpose of assessing PLB market rentals.

Whilst it has been HG Appraisal's plan to interview as many respondents as possible, such plan is subject to its ability to reach and access the relevant parties and their willingness to participate. In HG Appraisal's market survey, it has interviewed 5 active participants in the PLBs rental market, including lessors and lessees. The total number of PLBs to be rented or leased by these interviewees adds up to approximately 1,800, which represents a significant portion of the total licensed minibuses in Hong Kong. For ease of reference, according to the data from the Transport Department of Hong Kong, as at 31 December 2025, a total of 4,053 PLBs were licensed, amongst which 3,360 were green minibuses. At the time of the interviews under the valuation process, the 5 active interviewees were parties to PLB rental contracts with route operators that renew every 1-2 years, or PLB rental contracts with individual drivers that renew on a monthly basis.

HG Appraisal's interviews with certain PLB route operators and PLB dealers reflect actual market transaction and provide strong evidence on the market rentals of the PLBs. In conducing the appraisal, HG Appraisal has made the following major assumptions: (i) there will be no material change in existing political, legal, technological, fiscal or economic condition, which will adversely affect the normal operation of PLBs; (ii) the market position or the competitiveness of the Company did not change significantly during the period HG Appraisal conducted the interviews; (iii) there are no uncontrollable factor in short term which could adversely impact the Company and its business; and (iv) the market trend and conditions for the PLBs operation in Hong Kong will not deviate significantly from the economic forecasts in general.

The Directors (including the Independent Non-Executive Directors) are of the view that the interviewed market participants selected by HG Appraisal are fair and representative comparables to assess the Rentals under the Benchmark Table, taking into consideration the activeness of such interviewees in the Hong Kong minibus leasing market, the size representation of the PLBs which may be transacted by such interviewees, the up-to-date rental and market information offered by such interviewees, and the different perspectives offered by such interviewees as lessors or lessees, which enabled HG Appraisal to formulate a more informed analysis and valuation on the matter.

As at the Latest Practicable Date, the Company leased two 19-seater PLBs in operation for more than two years from two independent third parties (each of whom owns one PLB only and respectively). The current daily rentals for these two PLBs are approximately HK$635 and HK$680 respectively, which rates were determined under lease agreements entered into in 2017 and 2021 respectively taking into account prevailing market rentals back then.

There has been no adjustment of the daily rentals for the PLBs respectively under the said lease agreements which remain subsisting as of the Latest Practicable Date, taking into account (i) the fact that each of the said independent third-party owners possesses only one single PLB, meaning that any vacancy would result in a total loss of leasing income for them; given this extremely limited scale of ownership, they have relatively weaker bargaining power, highly value a stable leasing relationship with the Group (which has been sustained for over 20 years), and have prioritised tenancy security over rental growth (thereby had not requested any rental adjustments); and (ii) that the Group is not mandated to make periodic rental adjustments for such lease agreements with independent third-party owners, having considered that the daily rentals payable thereunder remain on commercial terms or better.

Furthermore, the proposed daily rentals under the New Minibus Leasing Agreement — namely HK$780 for Class 1 (19-seater PLBs aged 2 years or below), HK$690 for Class 2 (19-seater PLBs aged over 2 years), and HK$480 for Class 3 (16-seater PLBs of all ages) — are consistent with the prevailing market rates. Based on the Valuer's market interviews, the market rentals ranged from HK$403 to HK$800 per day for 19-seater PLBs (2 years or below), HK$373 to HK$750 per day for 19-seater PLBs (over 2 years), and HK$158 to HK$550 per day for 16-seater PLBs (over 2 years). Additionally, according to the official data from the Transport Department of Hong Kong, the daily rentals for green minibuses ranged from HK$520 to HK$820 per day. All proposed daily rentals are within or lower than their respective market ranges, demonstrating their fairness and reasonableness.

Accordingly, the Directors (including the Independent Non-Executive Directors) are of the view that the Rentals payable for the PLBs under the New Minibus Leasing Agreement are fair and reasonable in view of (i) the professional advice and independence of HG Appraisal and the Independent Financial Adviser; (ii) the fact that the Rentals are comparable to the prevailing market rate rentals (details of which are stated in the section headed "Basis for determining the Rentals of the PLBs" of the letter from the Board in this circular); (iii) despite the daily rentals payable under the said two lease agreements with independent third-party owners are lower than the Rentals payable for the equivalent type and age of PLBs, such daily rentals may be considered anomalous and do not reflect current market rate rentals; (iv) the industry overview in respect of minibuses in Hong Kong based on statistics from the Transport Department of Hong Kong (including the total number of licensed PLBs, number of passengers transported by the PLBs and the number of PLB routes in Hong Kong), enabling the Directors to consider the market trends, statistics and demands when determining the rentals payable for leasing the PLBs; and (v) the support of the PLBs rendered to the Group (as the operation of PLB transportation services constitutes a principal business of the Group).

Basis for determining the Monthly Administration Fee

The amount of the Monthly Administration Fee (calculated based on the relevant labour and other office expenses expected to be incurred by the Lessee at a premium rate of approximately 15%) was determined taking into account (i) the fact the 15% premium rate over cost is comparable to the 12.5% mark-up margin on costs incurred by a company for the provision of services which may be regarded by the Inland Revenue Department of Hong Kong as commercially realistic and a reasonable approximation for arm's length transactions, with reference to the latest Departmental Interpretation and Practice Notes No. 24 (Revised) published thereby, (ii) the expertise and knowledge required of the Lessee to perform the administrative services for the Owners, which are specific to the minibus industry, and (iii) that the Monthly Administration Fee amount is similar to that charged by the Group for performing similar administrative services to other independent third party PLB owners.

Based on the above factors which took into account an objectively acceptable standard for the charging of service fees, the Lessee's own expertise and knowledge and the Group's general practice, the Directors (including the Independent Non-Executive Directors) are of the view that the amount of the Monthly Administration Fee and the 15% premium rate in itself are fair and reasonable and on normal commercial terms.

Further, the Directors (including the Independent Non-Executive Directors) are of the view that the transactions under the New Minibus Leasing Agreement are on normal commercial terms and in the ordinary and usual course of business of the Group, and that the entering into of the New Minibus Leasing Agreement and the transactions thereunder are in the interests of the Group and the Shareholders as a whole.

REASONS FOR AND BENEFITS OF THE NEW MINIBUS LEASING AGREEMENT

The usage and operation of each PLB in Hong Kong would require a vehicle registration licence to be obtained individually for such PLB ("**PLB licence**"). Under the New Minibus Leasing Agreement, the lease of each PLB by the Lessee from the Owners will cover the leasing of the PLB licence in relation to such PLB.

According to the applicable accounting standards, PLB licences in relation to PLBs are revaluated with reference to their market value at each reporting date. Thus, if the Group were to own the PLBs (together with their PLB licences) instead of leasing them from third parties, the volatility of the market value of PLB licences may bring significant impact to the Group's financial performance from time to time.

In view of the above, the Directors (including the Independent Non-Executive Directors) considered that it remains beneficial for the Group to operate its business mostly with leased green minibuses as this reduces the financial resources tied up with the PLB licences and the exposure to the risk of fluctuation in the value of such licences, and therefore the leasing of minibuses is a more reasonable option that is beneficial to and in the interest of the Company and its Shareholders as a whole.

Further, the Directors consider that the use of more leased minibuses for use as Green Minibuses will continue to strengthen the Group's role as a Green Minibus routes operator (instead of as an investor in minibus licences). In view of the past cooperation between the Group and the Owners, the Directors believe that the New Minibus Leasing Agreement will continue to facilitate the Group in focusing its business of Green Minibus routes operation and will therefore be in the interests of the Group and the Shareholders as a whole.

HISTORICAL RENTAL AMOUNTS

The aggregate rentals paid by the Lessee to the Owners under the Original Minibus Leasing Agreement for each financial year ended 31 March 2024, 2025 and 2026 and for the three months ended 30 June 2026 (after deduction of the Monthly Administration Fee of HK$700 per Leased Bus) are as follows:

	Rentals paid by the Lessee to the Owners *HK$'000*
Year ended 31 March 2024 *(audited)*	33,407
Year ended 31 March 2025 *(audited)*	66,247
Year ended 31 March 2026 *(audited)*	67,435
Three months ending 30 June 2026 *(unaudited)*	16,812

HISTORICAL ANNUAL CAPS

Pursuant to HKFRS 16 (which came into effect on 1 January 2019), the rental payment payable by the Lessee under the Original Minibus Leasing Agreement shall be recognised as right-of-use assets, which shall be amortised over the term of the Original Minibus Leasing Agreement. According to the requirements of the Stock Exchange, the Lessee was required to set annual caps on the total value of right-of-use assets relating to the leases entered into under the Original Minibus Leasing Agreement.

The original annual caps set on the total value of the right-of-use assets under the Original Minibus Leasing Agreement, as well as the utilisation of such annual caps under the Original Minibus Leasing Agreement, are set out in the table below:

	For the six months ended 31 March 2024	For the year ended 31 March 2025	For the year ended 31 March 2026	For the six months ending 30 September 2026
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Under the Original Minibus Leasing Agreement				
Original annual caps	205,312	22,761	14,029	4,329
Utilisation of the original annual caps	184,197	1,936	752	– (estimated)

The Board is of the view that the low utilisation rate of the original annual caps for the financial years ended 31 March 2025 and 2026 was mainly due to persistent industry-wide difficulties and acute labour shortages within the transportation sector. These headwinds delayed the Group's planned fleet expansion, meaning fewer minibus leasing arrangements were entered into than forecasted. As a result, the Group did not need to draw upon the 10% buffer built into the historical caps. Looking ahead, as general market conditions are expected to gradually recover, the Board considers that the proposed annual caps for the years ending 31 March 2028 and 2029 are necessary and reasonably formulated to support the Group's ongoing operational needs and potential market expansion opportunities.

It is expected that there will be no additional value of right-of-use assets to be recognised for the six months ending 30 September 2026, as no leased PLB is expected to be replaced by newer PLB under the Original Minibus Leasing Agreement during such period. Accordingly, it is expected that the total value of right-of-use assets relating to the leases entered into under the Original Minibus Leasing Agreement for the last six months ending 30 September 2026 will not exceed the annual cap being HK$4,329,000 for the same period.

Further, the Monthly Administration Fee payable by the Owners to the Lessee under the Original Minibus Leasing Agreement shall be recognised as income of the Lessee over the term of the Original Minibus Leasing Agreement. Separate annual caps on such Monthly Administration Fee under the Original Minibus Leasing Agreement were (i) HK$1,307,000 for the six months ended 31 March 2024; (ii) HK$2,615,000 for the financial year ended 31 March 2025; (iii) HK$2,615,000 for the financial year ended 31 March 2026; and (iv) HK$1,307,000 for the last six months ending 30 September 2026.

It is expected that the total Monthly Administration Fee payable by the Owners to the Lessee under the Original Minibus Leasing Agreement for the last six months ending 30 September 2026 will not exceed the annual cap being HK$1,307,000 for the same period.

NEW ANNUAL CAPS

Similarly, pursuant to HKFRS 16, the rental payment payable by the Lessee under the New Minibus Leasing Agreement shall be recognised as right-of-use assets, which shall be amortised over the term of the New Minibus Leasing Agreement. According to the requirements of the Stock Exchange, the Lessee is required to set annual caps on the total value of right-of-use assets relating to the leases entered into under the New Minibus Leasing Agreement.

The Monthly Administration Fee shall be recognised as income of the Lessee over the term of the New Minibus Leasing Agreement and separate annual caps will be set on the Monthly Administration Fee.

Annual caps on the right-of-use assets

The table below sets out the estimated maximum rentals payable by the Lessee to the Owners under the New Minibus Leasing Agreement in different periods:-

	For the 6 months ending 31 March 2027	**For the year ending 31 March 2028**	**For the year ending 31 March 2029**	**For the 6 months ending 30 September 2029**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Estimated maximum rentals payable by the Lessee to the Owners	37,317	76,602	78,391	39,846

In light of HKFRS 16, the proposed annual caps on the right-of-use assets are set out in the table below:-

	For the 6 months ending 31 March 2027 *(Note 1)*	**For the year ending 31 March 2028** *(Note 2)*	**For the year ending 31 March 2029** *(Note 2)*	**For the 6 months ending 30 September 2029** *(Note 2)*
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Annual caps on the right-of-use assets	211,513 *(Note 3)*	23,195	14,187	4,419

Notes:

1. The annual cap on the right-of-use assets for the 6 months ending 31 March 2027 was calculated based on: (i) the initial recognition of the right-of-use assets, which is equivalent to the present value of the lease payments payable over the whole three-year term of the New Minibus Leasing Agreement unpaid at the commencement date of the term, discounted using the Group's incremental borrowing rate; (ii) the additional value of the right-of-use assets in respect of newer Leased Buses which are expected to replace older Leased Buses during the period (including the replacement of 16-seater PLBs by new 19-seater PLBs); and (iii) a 10% upward buffer to provide flexibility to meet unexpected circumstances.

2. The annual caps on the right-of-use assets for the years ending 31 March 2028 and 31 March 2029 and the 6 months ending 30 September 2029 were calculated respectively based on: (i) the additional value of the right-of-use assets in respect of newer Leased Buses which are expected to replace older Leased Buses (including the replacement of 16-seater PLBs by new 19-seater PLBs) during such periods, which will be added on top of the right-of-use assets initially recognised; and (ii) a 10% upward buffer to provide flexibility to meet unexpected circumstances.

3. The annual cap on the right-of-use assets for the 6 months ending 31 March 2027 is in the greatest amount as the Company intends to commence the leasing of most of the PLB(s) available for lease under the New Minibus Leasing Agreement over the three-year term within those 6 months. The annual caps are expected to decrease over time as only the additional value of the right-of-use assets in respect of Leased Buses would be recognised during the periods after the initial 6 months ending 31 March 2027.

The Directors have considered the following factors in determining the proposed annual caps on the right-of-use assets:-

(i) the historical rental amounts under the Original Minibus Leasing Agreement;

(ii) daily rentals of the Leased Buses payable in accordance with the Benchmark Table based on the age and carrying capacity of the Leased Buses;

(iii) the expected fleet size of the Group during the term of the New Minibus Leasing Agreement;

(iv) replacement of older Leased Buses by new Leased Buses (including replacement of 16-seater PLBs by new 19-seater PLBs);

(v) 10% buffer to provide flexibility to meet unexpected circumstances (including addition of PLBs to be leased and any possible adjustment to the market rentals payable under the Benchmark Table as a result of an annual review of the Benchmark Table which may be required by the Independent Non-Executive Directors); and

(vi) the value of the Group's rights to use the leased PLBs during the term of the New Minibus Leasing Agreement which is initially measured on present value basis and calculated by discounting the expected lease payments, using the incremental borrowing rate as the discount rate.

Annual caps on the Monthly Administration Fee

The proposed annual caps in respect of the Monthly Administration Fee receivable under the New Minibus Leasing Agreement are as follows:-

	For the 6 months ending 31 March 2027	For the year ending 31 March 2028	For the year ending 31 March 2029	For the 6 months ending 30 September 2029
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Annual caps on the Monthly Administration Fee	1,321	2,643	2,643	1,321

The Directors have considered the following factors in determining the proposal annual caps in respect of the Monthly Administration Fee: (i) the expected fleet size of the Group during the term of the New Minibus Leasing Agreement, and (ii) a 10% buffer to provide flexibility to meet unexpected circumstances, including addition of PLBs to be leased.

INFORMATION ON THE PARTIES AND LISTING RULES IMPLICATIONS

Information on the Group, the Lessee and its ultimate beneficial owner(s)

The Group, including the Lessee, is principally engaged in the operation of Green Minibus and residents' bus transportation services in Hong Kong.

The Lessee is a direct wholly-owned subsidiary of the Company.

Information on Maxson and HKCT and their ultimate beneficial owner(s)

Maxson and HKCT are principally engaged in minibus leasing business in Hong Kong.

Maxson and HKCT are both owned as to 60% by All Wealth and 40% by Ms. Ng, Mr. Vincent Wong, Ms. Cecilia Wong, Ms. Maya Wong and Ms. Vivian Wong (as to 10%, 15%, 5%, 5% and 5% respectively). The holding company of All Wealth, Metro Success, is wholly and indirectly owned by the Trustee acting as the trustee of The JetSun Trust, a discretionary trust set up by Mr. Wong, the discretionary objects of which are Ms. Ng, Mr. Vincent Wong, Ms. Cecilia Wong, Ms. Maya Wong and Ms. Vivian Wong and the grandchildren of Mr. Wong. Since Mr. Vincent Wong, Ms. Ng, Ms. Maya Wong and Ms. Vivian Wong, who are all Directors and thus connected persons of the Company, are the discretionary objects of The JetSun Trust, the Trustee (acting in its capacity as the trustee of The JetSun Trust) and Maxson and HKCT, both being companies interested as to more than 30% by the Trustee (acting in its capacity as the trustee of The JetSun Trust), are also connected persons of the Company.

Information on Big Three and its ultimate beneficial owner(s)

Big Three is principally engaged in minibus leasing business in Hong Kong.

Big Three is owned as to (i) 40% by Mr. Vincent Wong (out of which 10% is held on trust for Mr. Chace Wong as beneficiary) and (ii) 60% by Ms. Ng, Ms. Vivian Wong, Ms. Cecilia Wong and Ms. Maya Wong (as to 10%, 30% (out of which 20% is held on trust for Mr. Chace Wong as beneficiary), 10% and 10% respectively). Mr. Vincent Wong, Ms. Ng, Ms. Vivian Wong and Ms. Maya Wong are Directors and thus connected persons of the Company. According to the Listing Rules, Big Three is an associate of Mr. Vincent Wong, Ms. Ng, Ms. Vivian Wong and Ms. Maya Wong and thus also a connected person of the Company.

Listing Rules Implications

In light of the aforesaid and in accordance with HKFRS 16, the PLBs leased under the New Minibus Leasing Agreement as Leased Buses from time to time will be recognised as right-of-use assets, and as a result, the leasing of the PLBs under the New Minibus Leasing Agreement will be recognised as the acquisition of right-of-use assets, which will constitute non-exempt continuing connected transactions of the Group pursuant to the Listing Rules. The transactions under the New Minibus Leasing Agreement and the New Annual Caps in respect of the leasing of PLBs are subject to reporting, announcement and annual review requirements and the approval of the Independent Shareholders under Chapter 14A of the Listing Rules.

In respect of the Monthly Administration Fee payable by the Owners to the Lessee, as all applicable percentage ratio(s) (as defined in the Listing Rules) in respect of the largest annual cap for the Monthly Administration Fee are higher than 0.1% but less than 5% and such largest annual cap is less than HK$3,000,000, the transaction in respect of the Monthly Administration Fee under the New Minibus Leasing Agreement and the corresponding annual caps are fully exempted from reporting, announcement and annual review requirements and the approval of the Independent Shareholders under Chapter 14A of the Listing Rules.

For the avoidance of doubt, the transactions under the New Minibus Leasing Agreement and the New Annual Caps, and the Monthly Administration Fee and its annual caps, are classified as revenue in nature, taking into account that: (i) the said transactions are being carried out as part of the operation and provision of franchised public light bus related services of the Group and are therefore in the ordinary and usual course of business of the Group; (ii) such transactions under the Original Minibus Leasing Agreement (and previous similar minibus leasing agreement(s) entered into by the Lessee and the Owners) and the historical annual caps thereunder respectively were classified as revenue in nature by the Group; and (iii) the said transactions are being carried out under the New Minibus Leasing Agreement which operates as a framework agreement on a continuing and recurring basis during its term under which each Leased Bus may be leased by the Lessee from the Owners from time to time. Accordingly, the said transactions and their respective annual caps do not constitute notifications transactions under Chapter 14 of the Listing Rules.

Ms. Ng, Mr. Vincent Wong, Ms. Maya Wong and Ms. Vivian Wong, all being Directors and each having a material interest in the New Minibus Leasing Agreement and the transactions thereunder, had abstained from voting on the Board resolution passed on 30 June 2026 for approving the same. None of the other Directors has a material interest in the New Minibus Leasing Agreement and the transactions thereunder or was required to abstain from voting on such Board resolution.

AGM

The AGM Notice is set out on pages AGM-1 to AGM-5 of this circular. Ordinary resolutions in respect of (i) the re-election of Directors, (ii) the election of a new Director, (iii) the grant of the Issue Mandate and the Repurchase Mandate to the Directors, (iv) payment of the Dividend out of the Share Premium Account, and (v) the approval of the continuing connected transactions regarding the New Minibus Leasing Agreement and the New Annual Caps, as referred to above will be proposed at the AGM.

A form of proxy for the AGM is also enclosed with this circular and published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.amspt.com). Whether or not you are able to attend the AGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong share registrar and transfer office, Union Registrars Limited, at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM or any adjourned meeting thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjourned meeting thereof should you so desire.

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders 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 AGM will exercise his right under Article 66 of the Articles of Association to demand a poll on each of the resolutions to be proposed at the AGM.

The following Shareholders shall abstain from voting at the AGM on the proposed resolutions approving the New Minibus Leasing Agreement (and the transactions contemplated thereunder) and the New Annual Caps (unless otherwise specified, the number of Shares and relevant percentage of shareholding in the Company of each of the Shareholders have been disclosed in the section headed "Directors' and Chief Executives' Interest in Shares" in Appendix V to this circular):

(i) Skyblue, being a company interested as to more than 30% by the Trustee (acting in its capacity as the trustee of The JetSun Trust);

(ii) Ms. Ng (holding Shares as beneficial owner);

(iii) Mr. Vincent Wong (holding Shares as beneficial owner, and as trustee for the benefit of Mr. Chace Wong and Mr. Wong Tin Yue, Noah (the sons of Mr. Vincent Wong) and Miss Wong Tin Lam, Olivia (the daughter of Mr. Vincent Wong));

(iv) Mr. Chace Wong, Mr. Wong Tin Yue, Noah and Miss Wong Tin Lam, Olivia (holding Shares as beneficial owners through Mr. Vincent Wong);

(v) Ms. Loo Natasha Christie (the spouse of Mr. Vincent Wong, holding Shares as beneficial owner);

(vi) Ms. Cecilia Wong (holding Shares as beneficial owner);

(vii) Ms. Maya Wong (holding Shares as beneficial owner);

(viii) Ms. Vivian Wong (holding Shares as beneficial owner, and as trustee for the benefit of Miss Au Tze Yu (the daughter of Ms. Vivian Wong) and Mr. Au Chun Hay Davis (the son of Ms. Vivian Wong)); and

(ix) Miss Au Tze Yu and Mr. Au Chun Hay Davis (holding Shares as beneficial owners through Ms. Vivian Wong),

holding in aggregate 194,034,800 Shares representing approximately 71.4% of the shareholding in the Company as at the Latest Practicable Date, as detailed in Appendix V to this circular.

RESPONSIBILITY STATEMENT

This circular, for which the Directors 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.

RECOMMENDATION

The Directors consider that the proposed ordinary resolutions for approval of the re-election of the retiring Directors, the election of a new Director, the grant of the Issue Mandate and the Repurchase Mandate to the Directors and adding the aggregate nominal amount of Shares repurchased (if any) under the Repurchase Mandate to the aggregate nominal amount of Shares that may be allotted pursuant to the Issue Mandate, and the payment of the Dividend out of the Share Premium Account are each in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend all Shareholders to vote in favour of all relevant resolutions to be proposed at the AGM.

As set out in its letter to the Independent Shareholders, based on the advice of the Independent Financial Adviser, the Independent Board Committee is of the view that the terms of the New Minibus Leasing Agreement and the New Annual Caps are fair and reasonable and the transactions thereunder are in the interests of the Group and the Shareholders as a whole. Accordingly, the Directors recommend all Independent Shareholders to vote in favour of all relevant resolutions regarding the New Minibus Leasing Agreement and the transactions contemplated thereunder, and the New Annual Caps, to be proposed at the AGM. The recommendations and advice from the Independent Board Committee and the Independent Financial Adviser are set out in Appendix III and Appendix IV to this circular respectively.

GENERAL INFORMATION

Your attention is drawn to the additional information set out in the Appendices to this circular. The English text of this circular shall prevail over the Chinese text.

Yours faithfully,
For and on behalf of the Board
AMS Public Transport Holdings Limited
Wong Ling Sun, Vincent
Chairman

PROPOSED RE-ELECTION OF RETIRING DIRECTOR

The biographical details of the Directors proposed to be re-elected at the forthcoming AGM are set out as follows:

1. WONG LING SUN, VINCENT *MILT, JP*

Mr. Vincent Wong, aged 51, is the Chairman and an Executive Director. Mr. Wong holds a Bachelor of Arts degree in economics and is an honorary fellow of School of Professional and Continuing Education of The University of Hong Kong. After graduating from university, he worked for a large smart card system provider company in Hong Kong. He joined the Group in 2002 and has been responsible for monitoring the operation and internal control of the Group. As the Chairman, Mr. Vincent Wong is responsible for chairing and leading the Board in formulating the overall business strategies, monitoring the corporate development of the Group and maintaining good standard of corporate governance practices throughout the Group. Mr. Wong is a member of the Chartered Institute of Logistics and Transport in Hong Kong and was also an elected member of the Southern District Council from 2008 to 2015.

Mr. Vincent Wong is the son of Mr. Wong and Ms. Ng, the brother of Ms. Maya Wong and Ms. Vivian Wong and the nephew of Mr. Wong Man Chiu, who is the engineering manager of the Group. He was appointed as Executive Director of the Company on 16 October 2004. Before that, he was a Non-Executive Director of the Company. Mr. Vincent Wong was appointed as the vice chairman of the Board on 23 June 2014 and then appointed as the Chairman on 12 December 2014. Mr. Vincent Wong also holds directorships in all of the subsidiaries of the Company. He does not hold any other directorship in any other listed public companies in the last three years.

As at the Latest Practicable Date, Mr. Vincent Wong was deemed to be interested in 117,677,000 Shares, representing approximately 43.27% of the total issued Share capital of the Company, held by Skyblue under Part XV of the SFO as he is one of the beneficiaries of The JetSun Trust. Skyblue is a wholly owned subsidiary of Metro Success, which in turn is a wholly owned subsidiary of JETSUN. JETSUN is the trustee of The JetSun Unit Trust, which is wholly owned by the Trustee as the trustee of The JetSun Trust. The entire issued share capital of JETSUN is owned by the Trustee. The JetSun Trust is a discretionary trust set up by Mr. Wong and its discretionary objects include Mr. Vincent Wong, Ms. Ng, Ms. Maya Wong, Ms. Cecilia Wong and Ms. Vivian Wong. Also, Mr. Vincent Wong is directly interested in 34,664,900 Shares and has family interest of 11,003,200 shares of the Company, representing approximately 12.75% and 4.05% of the total issued share capital of the Company respectively as at the Latest Practicable Date.

Mr. Vincent Wong entered into a service agreement with the Company for an initial term of three years from 16 October 2004 which shall continue thereafter until terminated by either party by serving on the other party not less than six months' notice in writing. He also entered into seven supplemental service agreements with the Company subsequently. The amount of remuneration payable to Mr. Vincent Wong as set out in the supplemental service agreements is approximately HK$1,040,000 per annum, which includes an annual fixed sum bonus equal to his one month's fixed director's fee. He is also entitled to a discretionary bonus calculated by reference to a percentage (which is determined by the Board with reference to the Group's results and Mr. Vincent Wong's performance) of audited consolidated net profit of the Group after taxation and minority interest but before extraordinary items of the Group and before such bonus. The amount of discretionary bonus paid to Mr. Vincent Wong for the year ended 31 March 2026 was HK$138,000. He is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. Apart from the aforesaid, Mr. Vincent Wong has no service agreement or proposed service agreement with any other members of the Group. The amount of the emoluments payable to Mr. Vincent Wong under the service agreements is determined by the remuneration committee of the Board with reference to the level and/or range of remuneration package normally granted by employers in Hong Kong to a senior executive of comparable caliber and job responsibilities.

In relation to the re-election of Mr. Vincent Wong, there is no further information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions of Rules 13.51(2)(h) to (v) of the Listing Rules. Save as disclosed herein, there is no other matter which needs to be brought to the attention of the Shareholders and there is no other information which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

2. NG SUI CHUN

Ms. Ng Sui Chun, aged 75, is the finance director of the Company and one of the founders of the Group. Ms. Ng has been actively involved in the management of the daily operations of the Group for over 50 years and is responsible for the implementation of corporate policy, particularly in the area of finance and administration of the Group. She also actively participates in charitable activities, including being the president of the Aberdeen Women Compassion Association, a committee member of the Association for the Elders of Aberdeen and a committee member of The Tung Wah Group of Hospitals Aberdeen District Committee.

Ms. Ng holds directorships in all of the subsidiaries of the Company. Ms. Ng is the mother of Mr. Vincent Wong, Ms. Maya Wong and Ms. Vivian Wong, and the sister-in-law of Mr. Wong Man Chiu, the engineering manager of the Group. Ms. Ng does not hold any directorship in other listed public companies in the last three years.

As at the Latest Practicable Date, Ms. Ng was deemed to be interested in 117,677,000 Shares, representing approximately 43.27% of the total issued Share capital of the Company, held by Skyblue under Part XV of the SFO as she is one of the beneficiaries of The JetSun Trust. In addition, Ms. Ng was directly interested in 13,725,900 Shares, representing approximately 5.05% of the total issued Share capital of the Company as at the Latest Practicable Date.

Ms. Ng entered into a service agreement with the Company for an initial term of three years from 22 March 2004 which shall continue thereafter until terminated by either party by serving on the other party not less than six months' notice in writing terminating on or after the expiry of the initial term of three years. She also entered into five supplemental service agreements with the Company subsequently. The amount of remuneration as set out in the supplemental service agreements is approximately HK$910,000 per annum, which includes an annual fixed sum bonus equal to her one month's fixed director's fee. She is also entitled to a discretionary bonus calculated by reference to a percentage (which is determined by the Board with reference to the Group's results and Ms. Ng's performance) of audited consolidated net profit of the Group after taxation and minority interest but before extraordinary items of the

Group and before such bonus. The amount of discretionary bonus paid to Ms. Ng for the year ended 31 March 2026 was HK$138,000. She is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. Apart from this, Ms. Ng has no service agreement or proposed service agreement with any other members of the Group. The amount of the emoluments payable to Ms. Ng under the service agreement is determined by the remuneration committee of the Board with reference to the level and/or range of remuneration package normally granted by employers in Hong Kong to a senior executive of comparable caliber and job responsibilities.

In relation to the re-election of Ms. Ng, there is no further information which is discloseable nor is/was she involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions of Rules 13.51(2)(h) to (v) of the Listing Rules. Save as disclosed herein, there is no other matter which needs to be brought to the attention of the Shareholders and there is no other information which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

PROPOSED ELECTION OF A NEW DIRECTOR

Professor SO WAI MAN, RAYMOND, *BBS, JP*

Prof. So Wai-man Raymond, aged 61, is proposed to be elected as an Independent Non-Executive Director of the Company. If he is elected, he will serve as the Chairman of the Audit Committee and a member of both the Nomination Committee and the Remuneration Committee as well.

Prof. So is a seasoned financial economist and public administrator with over 30 years of experience spanning financial management, public service, and tertiary education.

Possessing strong expertise in financial markets and corporate governance, Prof. So currently serves as the Senior Assistant Executive Director at the Vocational Training Council (VTC) and is a member of Products Advisory Committee of the Securities and Futures Commission. His previous public and academic leadership roles include serving as the Under Secretary for Transport and Housing for the HKSAR Government from 2017 to 2022, the Dean of the School of Continuing Education at Hong Kong Baptist University, and the Dean of the School of Business at Hang Seng Management College (currently known as The Hang Seng University of Hong Kong). He was also an Associate Professor of Finance at the Faculty of Business Administration of The Chinese University of Hong Kong. In addition, Prof. So was also a former independent non-executive director of two Main board listed companies TCL Multimedia Technology Holdings Limited (now TCL Electronics Holdings Limited), where he also acted as the chairman of its audit committee, and Bolina Holding Co., Limited.

Prof. So holds a Doctor of Philosophy (Ph.D.) degree in finance from Louisiana State University, alongside a bachelor's and a master's degree in business administration from The Chinese University of Hong Kong. He also holds a bachelor's degree in law from Tsinghua University.

Subject to the Shareholders' approval on the election of Prof. So, it is proposed that Prof. So will serve as an Independent Non-executive Director until the conclusion of the AGM of the Company of 2029 and is subject to retirement by rotation and re-election at the said AGM 2029 in accordance with the Articles of Association. The Company intends to enter into a letter of appointment with Prof. So and he is entitled to receive from the Company a director's emolument of HK$384,000 per annum which is determined by the Board and its remuneration committee with reference to his duties and responsibilities within the Company. Apart from this, Prof. So has no service contract or proposed service contract with any other members of the Group.

Prof. So has confirmed to the Company that he had met the independence guideline as set out in Rule 3.13 of the Listing Rules. Therefore, the Board considers him to be independent and believes he should be elected in view of his extensive professional experience and valuable contribution he would bring to the Board.

Save as disclosed above, as at the Latest Practicable Date, Prof. So does not hold any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years and he does not have any relationship with any Directors, senior management, substantial or controlling shareholders (as defined in the Listing Rules) of the Company. Prof. So does not hold any position with the Company or any other member of its group. As at the Latest Practicable Date, Prof. So does not have any other interests in the Shares within the meaning of Part XV of the SFO.

In relation to the election of Prof. So, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions of rules 13.51(2)(h) to (v) of the Listing Rules. Save as disclosed herein, there is no other matter which needs to be brought to the attention of the Shareholders and there is no other information requiring disclosure under rule 13.51(2) of the Listing Rules.

This Appendix contains the particulars that are required by the Listing Rules to be included in an explanatory statement to enable the Shareholders to make an informed view on whether to vote for or against the resolution to be proposed at the AGM in relation to the proposed Repurchase Mandate.

SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company was HK$27,191,300 divided into 271,913,000 fully paid Shares.

Subject to the passing of the resolution granting the proposed Repurchase Mandate and on the basis that no further Shares will be issued or repurchased before the AGM, the Company will be allowed to repurchase a maximum of 27,191,300 Shares during the period ending on the earlier of the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required to be held by the Articles of Association or any applicable laws or the date upon which such authority is revoked or varied by a resolution of the Shareholders in general meeting.

REASONS FOR REPURCHASE

The Board believes that it is in the best interests of the Company and the Shareholders as a whole for the Directors to have a general authority from the Shareholders to enable the Company to repurchase Shares on the Stock Exchange. Any repurchase of Shares may, depending on market conditions and funding arrangements at the prevailing time, lead to an enhancement of the net asset value and/or earnings per Share and will only be made when the Board believes that a repurchase of Shares will benefit the Company and the Shareholders as a whole.

If the Company repurchases any Shares pursuant to the Repurchase Mandate, the Company may cancel such repurchased Shares or hold them as treasury Shares, subject to market conditions and the Group's capital management needs at the relevant time of the repurchase.

If there are any treasury Shares deposited with CCASS pending resale on the Stock Exchange, the Company will adopt appropriate measures to ensure that it does not exercise any Shareholders' rights or receive any entitlements which would otherwise be suspended under the applicable laws if those Shares were registered in the Company's own name as treasury Shares, which may include approval by the Board that (i) the Company would not (or would procure its broker not to) give any instructions to Hong Kong Securities Clearing Company Limited to vote at general meetings for the treasury Shares deposited with CCASS; and (ii) in the case of dividends or distributions, the Company will withdraw the treasury Shares from CCASS, and either re-register them in its own name as treasury Shares or cancel them, in each case before the record date for the dividends or distributions.

FUNDING OF REPURCHASE

Repurchase must be funded out of funds which are legally available for such purpose in accordance with the Memorandum and Articles of Association and the Companies Act of the Cayman Islands. The Company may not repurchase its own Shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Under the Cayman Islands law, repurchase by the Company may only be made out of the profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose, or, if so authorised by the Memorandum and Articles of Association and subject to the provisions of the Companies Act of the Cayman Islands, out of capital under certain circumstances.

Any premium payable on repurchase over the par value of the Shares to be repurchased must be provided for out of the profits of the Company or out of the Company's share premium account, or, if so authorised by the Memorandum and Articles of Association and subject to the provisions of the Companies Act of the Cayman Islands, out of capital under certain circumstances.

POSSIBLE MATERIAL ADVERSE IMPACT

Taking into account the current working capital position of the Company, the Directors consider that, if the Repurchase Mandate is to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of the Company as compared with the position as at 31 March 2026, being the date of its latest audited consolidated financial statements. Therefore, the Directors do not intend to make any repurchase to such an extent as would, in the circumstances, have a material adverse effect on the appropriate working capital requirements or the gearing position of the Company as they would consider from time to time.

The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are to be repurchased will be decided by the Directors at the relevant time having regard to the circumstances then prevailing.

TAKEOVERS CODE AND MINIMUM PUBLIC HOLDING

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

As at the Latest Practicable Date, so far as known to the Directors and according to the register of interests and short positions of substantial Shareholders maintained by the Company pursuant to section 336 of the SFO, Skyblue, which is wholly owned by Metro Success, was interested in 117,677,000 Shares, representing approximately 43.28% of the entire issued capital of the Company. Metro Success is wholly owned by JETSUN, which is wholly owned by the Trustee (as trustee of The JetSun Trust). The entire issued share capital of JETSUN is owned by the Trustee.

Assuming that Skyblue (being the controlling shareholder (as defined in the Listing Rules) as at the Latest Practicable Date) does not dispose of its Shares, if, which is not presently contemplated, the Repurchase Mandate is to be exercised in full, the percentage of shareholding of Skyblue would be increased to approximately 48.08% after such repurchase.

Apart from the aforesaid increase in shareholding held by Skyblue, the Directors are not aware of any consequences of such repurchase of Shares that would result in Skyblue or any other Shareholder, or group of Shareholders acting in concert, becoming obliged to make a mandatory offer under Rules 26 and 32 of the Takeovers Code. If the Repurchase Mandate is to be exercised in full, the percentage of shareholding held by the existing Shareholders who being excluded from the definition of "members of the public" given under Rule 8.24 of the Listing Rules, currently altogether holding an aggregate of approximately 73.19% of the shareholding of the Company, will then exceed 75% and thus, the number of Shares held by the public would fall below 25% of the total number of issued Shares. Nevertheless, the Company has no present intention to repurchase Shares or exercise the Repurchase Mandate in full so that the public float of the Company would not fall below 25% of the total number of issued Shares.

SHARE PRICES

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

	Highest *(HK$)*	**Lowest** *(HK$)*
2025		
July	0.450	0.390
August	0.485	0.430
September	0.490	0.405
October	0.470	0.410
November	0.475	0.430
December	0.460	0.415
2026		
January	0.460	0.420
February	0.460	0.410
March	0.440	0.420
April	0.430	0.410
May	0.450	0.410
June	0.455	0.425
July (up to the Latest Practicable Date)	0.500	0.470

SHARE REPURCHASE MADE BY THE COMPANY

Neither the Company nor any of its subsidiaries has repurchased any of the Shares (whether on the Stock Exchange or otherwise) in the six months immediately preceding the Latest Practicable Date.

GENERAL

To the best of the Directors' knowledge and having made all reasonable enquiries, none of the Directors nor any of his/her associates has any present intention to sell Shares to the Company or its subsidiaries. The Directors will exercise the Repurchase Mandate to repurchase Shares in accordance with the Listing Rules and applicable laws of the Cayman Islands.

No core connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she/it has a present intention to sell Shares held by him/her/it to the Company, or has undertaken not to sell Shares to the Company in the event that the Company is authorised to repurchase the Shares.

Neither this explanatory statement nor the proposed Repurchase Mandate has any unusual features.

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)

22 July 2026

To the Independent Shareholders

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTIONS – MINIBUS LEASING AGREEMENT

INTRODUCTION

We refer to the circular dated 22 July 2026 (the "**Circular**") of the Company of which this letter forms part. Terms defined in the Circular shall have the same meanings when used herein unless the context requires otherwise.

Under the Listing Rules, the transactions under the New Minibus Leasing Agreement and the New Annual Caps are required to be approved by the Independent Shareholders at a general meeting of the Company. We, being the Independent Non-Executive Directors constituting the Independent Board Committee, are writing to you to set out our opinion in respect of the terms of the New Minibus Leasing Agreement and the New Annual Caps.

The Independent Board Committee was set up to advise you as an Independent Shareholder whether in its view the terms of the New Minibus Leasing Agreement and the transactions thereunder as well as the New Annual Caps are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

We wish to draw your attention to the letter from the Board as set out on pages 8 to 31 of the Circular, and the letter from the Independent Financial Adviser as set out in Appendix IV of the Circular which contains, among other things, its advice and recommendations to us regarding the terms of the New Minibus Leasing Agreement and the New Annual Caps with the principal factors and reasons for its advice and recommendations.

RECOMMENDATION

Having taken into account the advice and recommendation of the Independent Financial Adviser, we consider that the New Minibus Leasing Agreement was entered into in the ordinary and usual course of business of the Group and on normal commercial terms (including the payment terms), and the entering into of the New Minibus Leasing Agreement and the transactions thereunder is in the interests of the Group and the Shareholders as a whole, and that the terms thereof and the New Annual Caps are fair and reasonable as far as the Shareholders are concerned. Accordingly, we recommend the Independent Shareholders to vote in favour of the resolutions to be proposed at the AGM to approve the New Minibus Leasing Agreement (and the transactions thereunder) and the New Annual Caps.

Yours faithfully
For and on behalf of
the Independent Board Committee
Prof. Chan Yuen Tak Fai, Dorothy
Mr. Kwong Ki Chi
Mr. James Mathew Fong
Independent Non-Executive Directors

The following is the full text of the letter from Merdeka Corporate Finance Limited, which sets out its advice to the Independent Board Committee and the Independent Shareholders for inclusion in this Circular.

MERDEKA 領智

Room 1108-1110, 11/F.
Wing On Centre
111 Connaught Road Central
Hong Kong

22 July 2026

To: The Independent Board Committee and the Independent Shareholders of AMS Public Transport Holdings Limited

Dear Sirs or Madams,

CONTINUING CONNECTED TRANSACTIONS — MINIBUS LEASING AGREEMENT

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders with regard to the continuing connected transactions in relation to the New Minibus Leasing Agreement. Details of the continuing connected transactions and the proposed caps for the period from 1 October 2026 to 30 September 2029 are set out in the "Letter from the Board" contained in the circular to the Shareholders dated 22 July 2026 (the "**Circular**"), of which this letter forms part. Unless otherwise stated, terms defined in the Circular shall have the same meanings in this letter.

Reference is made to the announcement of the Company dated 30 June 2026 in respect of the New Minibus Leasing Agreement and the New Annual Caps.

As set out in the Company's announcement of 30 June 2026, the Lessee, which is a wholly-owned subsidiary of the Company, entered into the New Minibus Leasing Agreement with the Owners under which the Lessee conditionally agreed to rent from the Owners certain minibuses owned by them, and the Owners conditionally agreed to lease such minibuses to the Lessee during the period from 1 October 2026 to 30 September 2029 (the "**Leasing Transactions**").

As each of the Owners, namely Maxson, HKCT and Big Three, is a connected person of the Company under the Listing Rules, and the PLBs leased under the New Minibus Leasing Agreement will be recognised as right-of-use assets in accordance with HKFRS 16, as a result, the transactions under the New Minibus Leasing Agreement will be recognised as the acquisition of right-of-use assets, which constitute non-exempt continuing connected transactions of the Group pursuant to the Listing Rules. Accordingly, the transactions under the New Minibus Leasing Agreement and the New Annual Caps are subject to reporting, announcement and annual review requirements and the approval of the Independent Shareholders under Chapter 14A of the Listing Rules.

THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee comprising all Independent Non-Executive Directors, namely, Prof. Chan Yuen Tak Fai, Dorothy, Mr. Kwong Ki Chi and Mr. James Mathew Fong, has been established to consider the terms of the New Minibus Leasing Agreement and the New Annual Caps for the three years ending 30 September 2029. As the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, our role is to give an independent opinion to the Independent Board Committee and the Independent Shareholders as to whether (i) the New Minibus Leasing Agreement and the transactions contemplated thereunder and the New Annual Caps are in the interests of the Company and the Independent Shareholders as a whole and are fair and reasonable so far as the shareholders are concerned; (ii) the New Minibus Leasing Agreement and the transactions contemplated thereunder are on normal commercial terms and in the ordinary and usual course of business of the Group; and (iii) the Independent Shareholders should vote in favour of the resolutions to approve the New Minibus Leasing Agreement at the AGM.

OUR INDEPENDENCE

As at the Latest Practicable Date, we did not have any relationship with or interest in the Company and any other parties that could reasonably be regarded as relevant to our independence. During the past two years, we have not been appointed as an independent financial adviser for the Company. We were independent from and not connected with the Group under Rule 13.84 of the Listing Rules, and accordingly, qualified to give independent advice regarding the New Minibus Leasing Agreement and the transactions contemplated thereunder (including the New Annual Caps). Apart from the normal advisory fee payable to us in connection with our appointment as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, no arrangement exists whereby we shall receive any other fees or benefits from the Company.

BASIS OF OUR ADVICE

In formulating our opinion and advice, we have relied on the statements, information, opinions and representations contained or referred to in this Circular and the representations made to us by the Directors and the management of the Company (the "**Management**"). We have assumed that all statements, information and representations provided by the Directors and the Management, for which they are solely responsible, are true and accurate at the time when they were provided and continue to be so as at the Latest Practicable Date. Shareholders will be notified of material changes as soon as possible, if any, to the information and representations provided and made to us after the Latest Practicable Date and up to and including the date of the AGM. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in this Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its adviser and/or the Directors, which have been provided to us. We have also relied on certain information available to the public and have assumed such information to be accurate and reliable and there are no reasons to doubt the accuracy and reliability of such public information.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this Circular have been arrived at after due and careful consideration and there are no other facts not contained in this Circular, the omission of which would make any statement contained in this Circular misleading.

We consider that we have reviewed all currently available information and documents, among others: (i) the annual results announcement of the Company for the year ended 31 March 2026 (the "**Annual Results Announcement 2025/26**"); (ii) the annual report of the Company for the year ended 31 March 2025 (the "**Annual Report 2025**"); (iii) the New Minibus Leasing Agreement; (iv) the valuation report (the "**Valuation Report**") regarding market value of the rental payment of Green Minibus as at 19 May 2026 as appraised by HG Appraisal & Consulting Limited (the "**Valuer**") together with the relevant supporting documents; (v) the basis and assumptions of the New Annual Caps contemplated under the New Minibus Leasing Agreement; (vi) the minutes of the board meeting regarding the New Minibus Leasing Agreement; and (vii) the internal control measures governing continuing connected transactions.

We consider that we have reviewed sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, carried out any independent investigation into the business, affairs, borrowing, financial position or prospects of the Company or the Group.

This letter is issued for the information of the Independent Board Committee and the Independent Shareholders solely in connection with their consideration of the terms of the New Minibus Leasing Agreement and the transactions contemplated thereunder (including the New Annual Caps), and except for its inclusion in this Circular, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes, without our prior written consent.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and recommendation to the Independent Board Committee and the Independent Shareholders, in relation to the terms of the New Minibus Leasing Agreement and the transactions contemplated thereunder (including the New Annual Caps), we have considered the principal factors and reasons as set out below:

1. Background information of the parties to the New Minibus Leasing Agreement

1.1. Information of the Group and the Lessee

The Group, including the Lessee, is principally engaged in the operation of Green Minibus services in Hong Kong.

The Lessee is a direct wholly-owned subsidiary of the Company.

1.2. *Historical financial information of the Group*

The following is financial information of the Group for each of the three financial years ended 31 March 2024, 2025 and 2026, as extracted from the Annual Report 2025 and the Annual Results Announcement 2025/26, respectively.

	For the year ended 31 March		
	2026	**2025**	**2024**
	(audited)	*(audited)*	*(audited)*
	HK$'000	*HK$'000*	*HK$'000*
Revenue	436,137	415,029	393,686
– *Franchised PLB services income*	*428,998*	*408,087*	*387,379*
– *Residents' bus services income*	*7,139*	*6,942*	*6,307*
Gross profit	81,404	76,459	70,650
Operating profit	47,092	39,109	37,311
Profit/(loss) before income tax	24,492	12,881	(7,788)
Profit/(loss) for the year	17,969	8,396	(11,952)

According to the Annual Results Announcement 2025/26, the Group's total revenue was approximately HK$436.1 million for the year ended 31 March 2026, representing an increase of approximately 5.1% as compared to the revenue of approximately HK$415.0 million for the year ended 31 March 2025. The revenue generated from franchised public light bus ("**PLB**") services amounted to approximately HK$429.0 million for the year ended 31 March 2026, representing an increase of approximately 5.1% as compared to approximately HK$408.1 million for the prior financial year, while the revenue generated from residents' bus services amounted to approximately HK$7.1 million for the year ended 31 March 2026, representing an increase of approximately 2.8% as compared to approximately HK$6.9 million for the prior financial year. As understood from the Annual Results Announcement 2025/26, such increase was primarily attributable to the increase in patronage by approximately 3.2%, coupled with the full-year effect of fare increases approved in the prior financial year. According to the Annual Results Announcement 2025/26, the Group's franchised PLB services recorded an increase in patronage by approximately 3.2% to approximately 57.8 million for the year ended 31 March 2026, as compared to approximately 56.0 million for the year ended 31 March 2025. The acute driver shortage that previously impacted certain core operational routes was successfully mitigated during the year ended 31 March 2026, primarily through the integration of imported drivers from Mainland China under the relevant labour importation schemes initiated in the prior financial year. With an enhanced driver workforce, the Group was able to restore and optimise its service frequencies on affected routes.

According to the Annual Report 2025, the Group's total revenue was approximately HK$415.0 million for the year ended 31 March 2025, representing an increase of approximately 5.4% as compared to the revenue of approximately HK$393.7 million for the year ended 31 March 2024. The revenue generated from franchised PLB services amounted to approximately HK$408.1 million for the year ended 31 March 2025, representing an increase of approximately 5.3% as compared to approximately HK$387.4 million for the year ended 31 March 2024, while the revenue generated from residents' bus services amounted to approximately HK$6.9 million for the year ended 31 March 2025, representing an increase of approximately 10.1% as compared to approximately HK$6.3 million for the year ended 31 March 2024. Such increase was primarily driven by stable patronage and fare increases during the year. As set out in the Annual Report 2025, the patronage of the Group's franchised PLB services increased by approximately 0.9% to approximately 56.0 million for the year ended 31 March 2025, as compared to approximately 55.5 million for the year ended 31 March 2024. With the increasing number of trained imported captains from Mainland China in the second half of the year, the captain shortage issue on several routes was partially alleviated, enabling the Group to enhance its service frequency.

1.3 Information on the Owners and their respective ultimate beneficial owner(s)

As stated in the Letter from the Board, each of the Owners is principally engaged in the minibus leasing business in Hong Kong. As at the date of the New Minibus Leasing Agreement and the Latest Practicable Date:

1. Maxson and HKCT are principally engaged in minibus leasing business in Hong Kong. Maxson and HKCT are both owned as to 60% by All Wealth and 40% by Ms. Ng, Mr. Vincent Wong, Ms. Cecilia Wong, Ms. Maya Wong and Ms. Vivian Wong (as to 10%, 15%, 5%, 5% and 5% respectively). The holding company of All Wealth, Metro Success, is wholly and indirectly owned by the Trustee acting as the trustee of The JetSun Trust, a discretionary trust set up by Mr. Wong and the discretionary objects of which are Ms. Ng, Mr. Vincent Wong, Ms. Cecilia Wong, Ms. Maya Wong and Ms. Vivian Wong and the grandchildren of Mr. Wong. Since Mr. Vincent Wong, Ms. Ng, Ms. Maya Wong and Ms. Vivian Wong, who are all Directors and thus connected persons of the Company, are the discretionary objects of The JetSun Trust, the Trustee (acting in its capacity as the trustee of The JetSun Trust) and Maxson and HKCT, both being companies interested as to more than 30% by the Trustee (acting in its capacity as the trustee of The JetSun Trust), are also connected persons of the Company.

2. Big Three is principally engaged in minibus leasing business in Hong Kong. Big Three is owned as to (i) 40% by Mr. Vincent Wong (out of which 10% is held on trust for Mr. Chace Wong as beneficiary) and (ii) 60% by Ms. Ng, Ms. Vivian Wong, Ms. Cecilia Wong and Ms. Maya Wong (as to 10%, 30% (out of which 20% is held on trust for Mr. Chace Wong as beneficiary), 10% and 10% respectively). Mr. Vincent Wong, Ms. Ng, Ms. Vivian Wong and Ms. Maya Wong are Directors and thus connected persons of the Company. According to the Listing Rules, Big Three is an associate of Mr. Vincent Wong, Ms. Ng, Ms. Vivian Wong and Ms. Maya Wong and thus also a connected person of the Company.

2. Reasons and benefits for entering into the New Minibus Leasing Agreement

As understood from the 2025 Annual Report, the Group is principally engaged in the provision of franchised PLBs, commonly known as Green Minibus, and residents' bus transportation services in Hong Kong. In particular, the franchised PLB operation represents the core business and principal revenue contributor of the Group. The Group operates a sizeable network of Green Minibus routes in Hong Kong, and the availability of a sufficient and stable fleet of PLBs is therefore fundamental to the continuity, reliability and service capacity of its daily route operations.

The New Minibus Leasing Agreement will be the eighth agreement of its kind entered into between the Owners and the Group since 1 April 2003. The Original Minibus Leasing Agreement, being the latest agreement in force, was entered into on 29 June 2023 to further renew the lease for a term of three years from 1 October 2023 to 30 September 2026. Having considered the long-standing leasing arrangement between the Group and the Owners, and the continuing deployment of the leased PLBs in the Group's ordinary and usual course of business, we consider that the entering into of the New Minibus Leasing Agreement represents a continuation of the Group's existing operational arrangement.

As the Original Minibus Leasing Agreement will expire on 30 September 2026, it is expected that the Group will continue to require the PLBs leased from the Owners for the operation of its Green Minibus routes. According to the official website of the Transport Department of Hong Kong, Green Minibuses operate on fixed routes with scheduled headway and fixed fares, and their routes, fares, vehicle allocation and timetable are subject to approval by the Transport Department. Accordingly, any material disruption to the availability of PLBs may affect the Group's ability to maintain route coverage, service frequency and operational stability.

In addition, the usage and operation of each PLB in Hong Kong would require a vehicle registration licence to be obtained individually for such PLB ("**PLB licence**"). As the lease of each PLB under the New Minibus Leasing Agreement will cover the leasing of the relevant PLB licence, the arrangement enables the Group to secure both the vehicles and the corresponding PLB licences required for its Green Minibus operations.

The New Minibus Leasing Agreement therefore provides the Group with continued access to the leased PLBs and the relevant PLB licences for a further term of three years from 1 October 2026 to 30 September 2029, thereby supporting the continuity of the Group's core Green Minibus operations.

In view of the above, the Directors (including the Independent Non-Executive Directors) are of the view that the deployment of a greater number of leased minibuses for operation as Green Minibuses will further strengthen the Group's positioning as an operator of Green Minibus routes, rather than as an investor in minibus licences. Furthermore, in view of the past cooperation between the Group and the Owners, the Directors (including the Independent Board Committee) believe that the New Minibus Leasing Agreement will continue to facilitate the Group in focusing its business of Green Minibus routes operation and will therefore be in the interests of the Group and the Shareholders as a whole.

Having considered (i) the Group's principal business as a Green Minibus and residents' bus transportation service provider in Hong Kong; (ii) the operational necessity of maintaining a stable and sufficient fleet of PLBs for the Group's Green Minibus routes; (iii) the long-standing leasing arrangement between the Group and the Owners since 2003; (iv) the potential accounting volatility associated with owning PLB licences; (v) the flexibility afforded to the Group under the New Minibus Leasing Agreement as discussed below; and (vi) the internal control measures established for monitoring the continuing connected transactions under the New Minibus Leasing Agreement as referred to the sub-section headed 5. Conditions of the New Annual Caps below in this letter, we concur with the Directors' view that the entering into of the New Minibus Leasing Agreement will facilitate the Group in focusing on its core Green Minibus route operations and is in the interests of the Company and the Shareholders as a whole.

3. New Minibus Leasing Agreement

The principal terms under the New Minibus Leasing Agreement are set out below:

Date:	30 June 2026
Parties:	(i) Maxson; (ii) HKCT; (iii) Big Three (collectively as Owners); and (iv) the Lessee
Lease:	Each of the Owners agrees to make available for lease its PLBs and the Lessee agrees to accept the PLBs for lease as Leased Buses upon commencement of the Lease Period in respect of each PLB, pursuant and subject to the terms and conditions of the New Minibus Leasing Agreement (as a framework agreement establishing the terms and conditions applicable to the leasing of PLBs by the Owners to the Lessee on a continuing and recurring basis throughout the term of the New Minibus Leasing Agreement).
Term:	From 1 October 2026 to 30 September 2029, both days inclusive.

Rentals: Rentals shall be paid in advance on or before the 5th day of each calendar month. The rentals in respect of each Leased Bus shall be determined by reference to its age and carrying capacity in accordance with the following benchmark table ("**Benchmark Table**"):

Class *(Note 3)*	**Age**	**Daily rental payable under the Original Minibus Leasing Agreement** *(Note 1)*
1	2 years or below (19-seater PLBs)	HK$790
2	Over 2 years (19-seater PLBs)	HK$690
3	All ages (16-seater PLBs)	HK$490

Note:

1. The daily rental includes vehicle licence fees and insurance premium.

Class *(Note 3)*	**Age**	**Daily rental payable under the New Minibus Leasing Agreement** *(Note 1)*
1	2 years or below (19-seater PLBs)	HK$780
2	Over 2 years (19-seater PLBs) *(Note 2)*	HK$690
3	All ages (16-seater PLBs)	HK$480

Notes:

1. The daily rental includes vehicle licence fees and insurance premium.
2. It is estimated that the maximum age reached among the 19-seater PLBs would be approximately 13 years by the end of the term of the New Minibus Leasing Agreement.
3. The classification of the Rentals reflects the type and age of PLBs (i) leased under the Original Minibus Leasing Agreement; and (ii) to be made available for lease under the New Minibus Leasing Agreement.

Benchmark Table: The rentals in respect of each of the 19-seater PLBs will be reduced during their respective Lease Periods by reference to the age of each 19-seater PLB in accordance with the Benchmark Table. Subject to any annual review of the daily rentals payable by the Lessee under the Benchmark Table which may be required by the Independent Non-Executive Directors, the Benchmark Table will be applied throughout the term of the New Minibus Leasing Agreement and will be reviewed upon the renewal of the New Minibus Leasing Agreement.

Upon request of the Independent Non-Executive Directors *(Note 1)* for an annual review of the daily rentals payable by the Lessee under the Benchmark Table, the Lessee and the Owners shall jointly appoint an independent valuer *(Note 2)* to assess the prevailing market rentals of the PLBs. The Benchmark Table should then be adjusted in accordance with the then prevailing market rentals as so assessed by the independent valuer, whose decision shall be final and conclusive and binding on the parties to the New Minibus Leasing Agreement.

Notes:

1. In determining whether to request an annual review of Rentals payable by the Lessee under the Benchmark Table, the Independent Non-Executive Directors will consider factors including whether there is any material change in market conditions or Green Minibus-related laws and regulations.

2. HG Appraisal & Consulting Limited is qualified as registered professional surveyors and business valuers.

Number of PLBs available for lease: 286 PLBs (comprising 221 19-seater PLBs and 65 16-seater PLBs which are fuelled by diesel or liquefied petroleum gas) were initially identified as owned by the Owners and available for lease during the term of the New Minibus Leasing Agreement, provided that at any time and from time to time, the parties may by written agreement vary the number of PLBs to be made available for lease, add or remove any PLB subject to lease or replace any Leased Bus with another PLB and the Lessee may by one month's advance notice request to remove or replace any PLBs.

The Rentals of all the PLBs leased under the New Minibus Leasing Agreement are determined by the Benchmark Table and provided always that the Owners shall be obligated to increase the number of PLBs subject to lease under the New Minibus Leasing Agreement up to an aggregate of 315 (representing the original number of PLBs subject to the New Minibus Leasing Agreement as enlarged by approximately 10%) upon request of the Lessee.

(Notes:

1. As at the Latest Practicable Date, there are 286 PLBs leased by the Owners to the Lessee under the Original Minibus Leasing Agreement.

2. 286 PLBs owned by the Owners have been identified for lease to the Lessee under the New Minibus Leasing Agreement, which is an indicator of the number of PLBs available for lease if there is no variation by the parties as of the commencement of the term of the New Minibus Leasing Agreement (being 1 October 2026).

3. There is no specific requirement on the number of PLBs to be leased for each of the classes in the Benchmark Table under the New Minibus Leasing Agreement).

Right of first refusal: Under the New Minibus Leasing Agreement, the Lessee has the right of first refusal if any of the Owners proposes to sell or otherwise dispose of any of the PLBs during the term of the New Minibus Leasing Agreement. If the Lessee opts not to purchase the PLBs or it has failed to give such Owner a reply notice indicating whether it would purchase the PLBs within 28 days of the receipt of such notice of intention to sell/dispose of the PLB(s) from the Owner, the Owner may sell the PLBs to the third party purchaser.

Each of the Owners has undertaken that, in such case, it will only sell or dispose of the PLBs to the third party purchaser on terms and at the price no more favourable to the purchaser than the terms and the price as previously offered to the Lessee and on condition that (unless such condition is waived by the Lessee) the sale shall be subject to the existing lease, or the purchaser shall enter into a new lease with the Lessee on terms which are no less favourable to the Lessee as compared to the existing lease.

Note: The Company shall comply with the applicable requirements under Chapter 14 and/or 14A of the Listing Rules in the event that the Lessee exercises its right of first refusal.

Insurance and vehicle licence: The Lessee has agreed to arrange on behalf of the Owners for the following administration services in relation to the Leased Buses, including mainly taking out and maintaining relevant insurance policies, arranging the vehicle license renewal and handling the liaison work and other administrative procedures relevant to the payment of vehicle licence fees and insurance premium.

For avoidance of doubt, the vehicle licence fee and insurance premium shall be borne by the Owners (with any such payment incurred by the Lessee (if any) to be reimbursed by the Owners).

In consideration of such administration services, amongst others, the Owners shall pay to the Lessee a Monthly Administration Fee of HK$700 per Leased Bus, which is calculated based on the relevant labour and other office expenses involved at a premium rate of approximately 15% given in favour of the Lessee. The parties adhere to the same rate under the Original Minibus Leasing Agreement. Such fee shall be deducted from the rentals for the Leased Buses.

The Lessee shall indemnify the Owners against any loss and damage in excess of the insurance coverage arising from loss or damage to the Leased Buses or accidents involving the Leased Buses (other than accidents resulting from the act, neglect or default of the Owners or their employees, agents or contractors) during their respective Lease Periods, provided that the Owners shall first make a claim under the insurance policy.

Maintenance: The Lessee shall be responsible for the cost of service and maintenance in accordance with the cost of any necessary repairs and for all fuels and lubricants for the proper running of the Leased Buses.

Change of Owners: (1) Any third party(ies) beneficially and wholly owned by the Wong Family or any of its member(s); and/or (2) any member(s) of the Wong Family, shall be entitled, at any time with prior written notice from the relevant Owner(s) to the Lessee, to subrogate or supplement any of the Owner(s) insofar as the subject matter under the New Minibus Leasing Agreement (including but not limited to lease of the PLBs and the rights and obligations of each party thereto) is concerned. The provisions of the New Minibus Leasing Agreement shall apply, mutatis mutandis, to such third party(ies) and/or member(s). For the avoidance of doubt, such third party(ies) and/or member(s) shall include without limitation (1) company(ies) directly or indirectly and wholly owned by the Wong Family or any of its member(s); (2) trust(s) set up by the Wong Family or any of its member(s); and (3) Ms. Ng, Mr. Vincent Wong, Ms. Cecilia Wong, Ms. Maya Wong and Ms. Vivian Wong.

In connection therewith, the Owners shall procure that such third party(ies) and/or member(s) shall irrevocably submit to be bound by and act in accordance with the terms of the New Minibus Leasing Agreement as if it were a party(ies) thereto.

(i) Rentals

According to the Letter from the Board, the rentals in respect of the 19-seater PLBs will be reduced during the respective lease periods by reference to the age of each 19-seater PLB in accordance with the Benchmark Table, in addition, the rental of the 16-seater PLBs under the New Minibus Leasing Agreement has also decreased as compared to that under the Original Minibus Leasing Agreement.

Also, pursuant to the terms of the New Minibus Leasing Agreement, subject to any annual review of the daily rentals payable by the Lessee under the Benchmark Table which may be required by the Independent Non-Executive Directors, the Benchmark Table will be applied throughout the term of the New Minibus Leasing Agreement and will be reviewed upon renewal of the New Minibus Leasing Agreement. Upon request of the Independent Non-Executive Directors for an annual review of the daily rentals payable by the Lessee under the Benchmark Table, the Lessee and the Owners shall jointly appoint an independent valuer to assess the prevailing market rentals of the PLBs. The Benchmark Table should then be adjusted in accordance with the then prevailing market rentals as so assessed by the independent valuer, whose decision shall be final and conclusive and binding on the parties to the New Minibus Leasing Agreement.

We understand that the Benchmark Table was determined with reference to the Valuation Report regarding the valuation of the rental payment for PLBs carried out by the Valuer using the market approach. Set out below is our analysis of the Valuation Report.

From our review of the engagement letter dated 2 March 2026 in relation to the valuation entered into between the Valuer and the Company and our discussion with the Valuer, we understand that the works performed by the Valuer were generally in line with the scope of work set out in the engagement letter, which included, among others, designing and discussing with the Company the questionnaire and survey schedule, interviewing route operators and collecting market rent information for PLBs where possible, assessing the market rent based on the survey results, presenting the findings and conclusions of the PLB market rent survey, attending meetings and responding to enquiries relating to the survey, and preparing the survey report and providing its opinion on the market rent for PLBs.

We have also reviewed the qualifications and relevant experience of the person responsible for this valuation project, namely Mr. Raymond Ho ("**Mr. Ho**"), the Managing Director of the Valuer. We noted that Mr. Ho is a chartered and qualified surveyor with valuation experience for over 38 years, in a variety of industry sectors, asset types and geographical markets, including, among others, previous similar valuations in respect of PLBs for the Group, the valuation of various types of properties, business valuation, intangible assets valuation, purchase price allocation, and machineries and equipment valuation in Hong Kong, Mainland China and other countries/regions, for the purposes of initial public offerings, mergers and acquisitions, accounting, litigation, financing and mortgages, etc. Further, the Valuer confirmed during our interview that it is independent from, and suitable to act as an independent valuer for, the Company and the relevant parties in respect of the valuation.

Having considered the above, in particular the relevant qualifications and experience of Mr. Ho, and the scope of services performed under the engagement letter for the Valuation Report, we consider that the Valuer is suitably qualified and competent to act as the independent valuer to assess the prevailing market rentals of PLBs.

In addition, we have obtained and reviewed the Valuation Report regarding the market value of the rental payment for PLBs as of 19 May 2026 together with the relevant computation documents, and have discussed with the Valuer regarding (i) the valuation approach, (ii) the assumptions applied in the valuation; and (iii) the selection basis and coverage period of market rental data.

In assessing the market value of the rental payment for PLBs (the "**Rentals**"), the Valuer adopted the market approach. As advised by the Valuer, although there is no formal trading platform for the leasing of PLBs, a leasing market for PLBs exists, and PLB owners and route operators are able to access each other through dealers or direct contact and negotiate the Rentals with reference to market information. Such market interaction provides observable rental data and a reasonable indication of the market value of the Rentals. The Valuer also considered that the cost approach may have limitations in properly reflecting the market value of the Rentals, while the income approach would require estimation of the market required return rate on PLB licences, which may be subject to uncertainty and not easily observable in the market. Having considered the above, we consider the adoption of the market approach for the valuation of the Rentals to be fair and reasonable.

In assessing the market value of the Rentals, the Valuer assumes that (i) there will be no material change in existing political, legal, technological, fiscal or economic condition, which will adversely affect the normal operation of PLBs; (ii) the market position or the competitiveness of the Company does not change significantly during the period the Valuer conducted interviews; (iii) no uncontrollable factor in short term which could adversely impact on the Company and its business; and (iv) the market trend and conditions for the PLBs operation in Hong Kong will not deviate significantly from the economic forecasts in general (collectively, the "**Assumption**"). We have reviewed the existing government policies on minibus transportation and the data available from the Transport Department as provided by the Valuer and the Management, and we are not aware of any government policies or existing business environment that would bring about material adverse changes to the Company and its business. Accordingly, we consider the Assumptions adopted by the Valuer to be fair and reasonable.

We noted from the Valuation Report, the relevant computation documents and our discussion with the Valuer that the Valuer conducted interviews with five interviewees (the "**Comparable Interviewees**") comprising different market participants of varying sizes who are involved in, or familiar with, the ownership, leasing and/or operation of PLBs and who were willing to participate in the interviews. These interviewees included a minibus operator association whose members leased out about 1,000 minibuses; two PLB route operators which leased in/operated approximately 50 minibuses and 700 minibuses, respectively; and two PLB dealers, which leased out approximately 50 to 60 minibuses and 30 minibuses, respectively. In aggregate, the aforesaid Comparable Interviewees covered approximately 1,830 to 1,840 minibuses, representing approximately 45.2% to 45.4% of the total number of licensed PLBs of 4,053 as at the end of

2025 based on the information from the Transport Department. The interviews were conducted to obtain market information on the leasing of PLBs, including rental levels for 16-seater and 19-seater PLBs of different ages and the allocation of expenses such as insurance, maintenance expenses, and annual checking expenses between owners and lessees.

The Rentals data were based on the latest available market rental information for PLBs (the "**Latest Available Market Data**") obtained by the Valuer from the interview with the Comparable Interviewees.

We further noted that the Latest Available Market Data covered (a) different categories of PLBs, namely (i) 19-seater PLBs; and (ii) 16-seater PLBs, and (b) different age groups, namely (i) PLBs in operation for two years or less; and (ii) PLBs in operation for more than two years. In order to provide a comparable basis for the rental data collected, the Valuer adjusted the quoted market rentals, where necessary, by excluding maintenance expenses from the rental amount, such that the reported rental amount represented the rental payment under which the lessee bears the maintenance expenses and annual checking expenses, while the owner bears the insurance expenses.

Given that (i) there is no open and formal trading platform or publicly available market information regarding the market rental payments of PLBs; (ii) the Latest Available Market Data was obtained from different types and sizes of the Comparable Interviewees with different roles in the PLB market, comprising (a) a minibus operator association; (b) two PLB route operators; and (c) two PLB dealers, which covered market players with different levels of business scale and leasing experience, including market participants with leasing arrangements involving approximately 30 minibuses, 50 to 60 minibuses, 50 minibuses, 700 minibuses and about 1,000 minibuses; (iii) the Latest Available Market Data covered different categories of PLBs and different age groups; and (iv) the Comparable Interviewees covered approximately 1,830 to 1,840 minibuses in aggregate, representing approximately 45.2% to 45.4% of the total number of licensed PLBs as at the end of 2025, we consider that the selection basis of the Comparable Interviewees and the coverage of the Latest Available Market Data are representative, fair and reasonable.

Based on the Valuation Report, the workings provided by the Valuer and our discussion with the Valuer, we noted that the Valuer arrived at the market value of the Rentals for 19-seater PLBs in operation for two years or less, 19-seater PLBs in operation for more than two years and 16-seater PLBs in operation for more than two years at HK$780 per day, HK$703 per day and HK$481 per day, respectively. We have discussed with the Valuer regarding the calculation of the market value of the Rentals and noted that the Valuer adopted a weighted average calculation based on the comparable market rental data collected from the Comparable Interviewees. In simple terms, the Valuer multiplied each comparable rental by its relevant weighting, added up the weighted rental amounts, to arrive at the weighted average rental for each type of PLBs under the valuation. Given that the Valuer included all the Latest Available Market Data in its weighted average calculation, we are of the view that the calculation of the market value of the Rentals for 19-seater PLBs in operation for two years or less, 19-seater PLBs in operation for more than two years and 16-seater PLBs in operation for more than two years is fair and reasonable.

Having considered the assumptions, the methodology, and the basis applied by the Valuer in its assessment of the market rental for PLBs and its professional opinion that there is sufficient information from the market on the market rental for market data to be collected, indicating a benchmark or market equilibrium PLBs daily rental price, we consider that the valuation on the Rentals has been conducted on a fair and reasonable basis. As the proposed rental for each class of PLBs under the Benchmark Table is equal to or slightly less than the respective daily market rental concluded from the Valuation Report, we are of the view that the proposed rentals under the Benchmark Table are not less favourable than the prevailing rentals for PLBs in the market.

In addition, based on our discussion with the Management, we noted that the Group also leases PLBs from other PLB owners who are independent third parties. In this regard, we have obtained and reviewed two leasing agreements provided by the Management, and understand that such agreements represent all leasing agreements entered into by the Group with independent third parties as at the Latest Practicable Date, as confirmed by the Management. We have also discussed with the Management regarding the comparison between the daily rentals under the Benchmark Table and the existing daily rentals paid by the Group to independent third-party PLB owners. In this connection, we noted that, as at the Latest Practicable Date, the Group leased only two PLBs from independent third parties, both of which were 19-seater PLBs in operation for more than two years, with daily rentals of approximately HK$635 and HK$680, respectively. Such daily rentals are lower than the proposed daily rental of HK$690 for a 19-seater PLB in operation for more than two years under the Benchmark Table.

Although the rentals of such 19-seater PLBs are below the daily rentals agreed with the Owners, we understand from the Management that the rental arrangements with the independent third-party PLB owners were determined based on the pricing mechanisms under the respective existing leasing agreements previously entered into, and such rentals may be subject to review upon request by the relevant independent third-party PLB owners. We also noted from the Letter from the Board that, there has been no adjustment of the daily rentals for the PLBs respectively under the said lease agreements which remain subsisting as of the Latest Practicable Date, given that (i) the fact that each of the said independent third-party owners possesses only one single PLB, meaning that any vacancy would result in a total loss of leasing income for them; given this extremely limited scale of ownership, they have relatively weaker bargaining power, highly value a stable leasing relationship with the Group (which has been sustained for over 20 years), and have prioritised tenancy security over rental growth (thereby had not requested any rental adjustments); and (ii) that the Group is not mandated to make periodic rental adjustments for such lease agreements with independent third-party owners, having considered that the daily rentals payable thereunder remain on commercial terms or better. In addition, based on our review of the rental information provided by the five Comparable Interviewees as quoted by the Valuer, we noted that the rentals ranged from HK$403 to HK$800 per day for 19-seater PLBs in operation for two years or less, from HK$373 to HK$750 per day for 19-seater PLBs in operation for more than two years, and from HK$158 to HK$550 per day for 16-seater PLBs in operation for more than two years. We further noted that the proposed daily Rentals under the Benchmark Table are generally towards the upper end of the respective rental ranges quoted by the Comparable Interviewees. Based on our review of the Valuation Report and the relevant computation documents and our discussion with the Valuer, we understand that the Valuer applied a weighted-average calculation based on the number of PLBs covered by each Comparable Interviewee in determining the assessed market rentals. In this regard, the two largest Comparable Interviewees covered approximately 1,700 out of the aggregate 1,835 PLBs covered by the five Comparable Interviewees, representing approximately 92.6% of the total, and their adjusted rental quotations were generally towards the higher end of the respective ranges. Accordingly, such quotations carried greater weight in the calculation, resulting in assessed market rentals of approximately HK$780, HK$703 and HK$481 per day for 19-seater PLBs in operation for two years or less, 19-seater PLBs in operation for more than two years and 16-seater PLBs in operation for more than two years, respectively. Having considered that the weighting assigned to each Comparable Interviewee reflects the relative number of PLBs covered by its rental information, notwithstanding that the proposed daily Rentals under the Benchmark Table are close to the upper end of the respective rental ranges, we consider such Rentals to be justifiable.

Moreover, we have checked the rental information quoted from the Transport Department of Hong Kong and noted that the daily rentals for green minibus routes, regardless of age and seating capacity, ranged from HK$520 to HK$820 per day. Given that the proposed daily rental of HK$690 for 19-seater PLBs in operation for more than two years under the Benchmark Table falls within both (i) the range of daily rentals quoted from the Transport Department of Hong Kong; and (ii) the range of Rentals obtained from the independent PLB owners and market participants interviewed by the Valuer; we consider that the relatively lower daily rentals payable by the Group to the two independent third-party PLB owners are justifiable. Therefore, we are of the view that the Benchmark Table is favourable to the Company and is fair and reasonable so far as the Independent Shareholders are concerned. Moreover, given that the Benchmark Table will be subject to annual review if required by the Independent Non-Executive Directors and may be adjusted in accordance with the then prevailing market rentals as so assessed by an independent valuer, we are also of the view that any adjustment to be made to the Benchmark Table on such basis will be fair and reasonable.

We also noted that the Group has maintained a long-standing leasing relationship with Maxson, HKCT and Big Three, and that the New Minibus Leasing Agreement represents a continuation of the leasing arrangements between the Group and the Owners, which have been in place since 2003. Given that the Owners collectively own a substantial fleet of PLBs and have initially identified 286 PLBs for lease to the Lessee, with the capacity to make available up to 315 PLBs upon request by the Lessee, the leasing arrangement provides the Group with access to a sizeable and stable source of PLBs required for its route operations. Having considered the established relationship between the parties, the Owners' substantial fleet size and their ability to provide additional PLBs to meet the Group's operational requirements, we consider that the New Minibus Leasing Agreement supports the continuity, stability and flexibility of the Group's PLB operations and is therefore in the interests of the Company and the Shareholders as a whole.

Having considered that (i) the selection basis of the Comparable Interviewees and the coverage of the Latest Available Market Data are representative, fair and reasonable; (ii) the Benchmark Table is favourable to the Company and is fair and reasonable so far as the Independent Shareholders are concerned as discussed above; (iii) any changes to the

Benchmark Table will be subject to annual review if required by the Independent Non-Executive Directors; and (iv) the long-standing leasing relationship between the Group and the Owners, the substantial number of PLBs available for lease and the flexibility for the Lessee to request additional PLBs supports the continuity and stability of the Group's PLB operations; we consider the Rentals to be fair and reasonable.

(ii) Monthly Administration Fee

Under the New Minibus Leasing Agreement, the Group has agreed to arrange, on behalf of the Owners, the taking out and maintenance of insurance policies, payment of vehicle licence fees and renewal of vehicle licences in respect of the PLBs leased under the New Minibus Leasing Agreement, subject to reimbursement of such fees and expenses by the Owners (the "**Administrative Services**"). In consideration of the Administrative Services, the Owners shall pay to the Group a monthly administration fee of HK$700 per PLB (the "**Monthly Administration Fee**"), which shall be deducted from the rentals payable by the Company for the PLBs. On the other hand, the Group shall be responsible for the costs of service and maintenance, including but not limited to materials, oil, grease and lubricants, in accordance with the manufacturers' recommendations, together with the costs of any necessary repairs and all fuels and lubricants for the proper running of the PLBs.

As advised by the Valuer, the valuation of the market rentals of the PLBs was conducted on the basis that the lessee would bear the maintenance costs and annual vehicle examination/checking expenses in respect of the leased PLBs. Accordingly, the rental benchmarks adopted by the Valuer have been assessed on a like-for-like basis with reference to such cost allocation arrangement.

Given the above, we have discussed with the Company as to whether it expects to incur substantial costs of repairs and maintenance under the New Minibus Leasing Agreement. In this connection, we understand from the Company that its repair and maintenance costs have generally remained stable from year to year depending on the fleet size and fleet age and the Company does not expect to have any substantial increase in its repairs and maintenance costs as a result of the New Minibus Leasing Agreement. As explained by the Company, it has maintained a practice of carrying out routine maintenance under stringent standards so that the PLBs leased by the Group kept in good operating condition, which will also help the Group avoid any unexpected overhaul with substantial costs for the leased PLBs.

We understand from the Company that the Monthly Administration Fee was determined on a cost-plus basis with reference to the relevant labour costs and other office expenses expected to be incurred by the Lessee, with a mark-up of approximately 15%. The Company has provided us with its internal computation supporting the Monthly Administration Fee, which indicates that the projected administration fee income is expected to cover the estimated costs of providing the Administrative Services, including personnel costs and general administrative expenses, together with a mark-up broadly in line with the approximately 15% mark-up adopted by the Company. We have reviewed Departmental Interpretation and Practice Notes No. 24 (Revised) ("**DIPN 24**") issued by the Inland Revenue Department in July 2009, in particular paragraph 26 thereof, which states that, in the context of a service company arrangement, provided that the overall claim does not exceed the expenditure actually incurred, a margin not exceeding 12.5% of the cost element will generally be accepted as commercially realistic and as providing a reasonable approximation of those applicable in arm's length business operations. We consider the 12.5% margin referred to in DIPN 24 to be a useful reference point for assessing the commercial reasonableness of a cost-plus service fee arrangement. Having considered that the mark-up adopted by the Company is above such 12.5% reference margin, and that the Monthly Administration Fee was determined with reference to the estimated costs to be incurred by the Group in providing the Administrative Services, we consider the cost-plus basis for determining the Monthly Administration Fee to be reasonable.

As further advised by the Company, the arrangements for the Monthly Administration Fee between the Group and the Owners are on similar terms to those with independent third-party PLB owners who lease PLBs to the Group. In particular, the Company also charges the independent third party PLB owners a monthly administration fee of HK$700 per PLB and arranges on their behalf, the taking out and maintaining insurance policies, payment of vehicle licence fees and renewal of vehicle licences in respect of the PLBs leased to the Group. In this regard, we have reviewed both PLB leasing agreements entered into between the Group and independent third-party PLB owners, which are effective as at the Latest Practicable Date, and noted that the independent third-party PLB owners are also required to pay to the Group a monthly administration fees at HK$700 per PLB.

On the basis that (i) the Monthly Administration Fee is determined with reference to the estimated costs to be incurred by the Group in providing the Administrative Services, plus a mark-up of approximately 15%; (ii) the same monthly administration fee of HK$700 per PLB is also charged to independent third-party PLB owners; and (iii) the Monthly Administration Fee and the related payment arrangement are no more favourable to the Owners than those offered by the Company to independent third-party PLB owners, we consider that the Monthly Administration Fee and the related payment arrangement are fair and reasonable and on normal commercial terms as far as the Independent Shareholders are concerned.

Pursuant to the New Minibus Leasing Agreement, the Lessee shall indemnify the Owners against any loss or damage in excess of the insurance coverage arising from loss or damage to the PLBs or accidents involving the PLBs (other than accidents resulting from the act, neglect or default of the Owners or their employees, agents or contractors) during the lease period, provided that the Owners shall first make a claim under the insurance policy. As discussed with the Company, we understand that the Group has also given similar indemnities to other independent third party PLB owners from whom the Group leases PLBs. Given that lessees are basically the operators who would be responsible for traffic accidents arising from their misconduct, it would not be fair for the PLB owners to accept all the losses incurred from traffic accidents under the lessees' operation which could be significant. Based on the aforesaid practice and the rationale behind it, we are of the view that the indemnity to be given by the Lessee to the Owners is on normal commercial term and fair and reasonable.

(iii) Number of PLBs subject to lease

Pursuant to the New Minibus Leasing Agreement, the Group will lease a total of 286 PLBs from the Owners and such number of PLBs may be varied from time to time by written agreement between the parties, including by adding or removing any PLB or replacing any PLB with another PLB, provided that the rentals of all PLBs leased under the New Minibus Leasing Agreement shall be determined by reference to the Benchmark Table. In addition, the Owners shall be obligated to increase the number of PLBs subject to lease under the New Minibus Leasing Agreement up to an aggregate of 315 PLBs, representing the original number of PLBs subject to the New Minibus Leasing Agreement as enlarged by approximately 10%, upon request of the Lessee. As at the Latest Practicable Date, there were 286 PLBs leased by the Owners to the Lessee under the Original Minibus Leasing Agreement.

We understand from the Company that the number of PLBs initially subject to the New Minibus Leasing Agreement, being 286 PLBs, was determined with reference to the actual number of PLBs leased by the Owners to the Lessee under the Original Minibus Leasing Agreement as at the date of the New Minibus Leasing Agreement. Given that the New Minibus Leasing Agreement provides the Lessee with the right, but not the obligation, to request the Owners to make available additional PLBs for lease, subject to the aggregate number of PLBs leased thereunder not exceeding 315 PLBs, we consider that such arrangement provides the Group with flexibility to expand its PLB fleet size during the term of the New Minibus Leasing Agreement, if required. In addition, as the rentals of any additional PLBs to be leased under the New Minibus Leasing Agreement shall also be determined by reference to the Benchmark Table, we consider that the arrangement is on normal commercial terms and is in the interests of the Company and the Shareholders as a whole.

(iv) Right of first refusal

Pursuant to the New Minibus Leasing Agreement, the Lessee has the right of first refusal if any of the Owners proposes to sell or otherwise dispose of any of the PLBs during the term of the New Minibus Leasing Agreement. If the Lessee opts not to purchase the relevant PLB(s), or fails to give the relevant Owner a reply notice indicating whether it would purchase the relevant PLB(s) within 28 days of receipt of the notice of intention to sell or dispose of such PLB(s) from the Owner, the Owner may sell or dispose of the relevant PLB(s) to a third-party purchaser. Each of the Owners has undertaken that, in such case, it will only sell or dispose of the relevant PLB(s) to the third-party purchaser on terms and at a price no more favourable to the purchaser than the terms and price previously offered to the Lessee, and on condition that, unless such condition is waived by the Lessee, the sale shall be subject to the existing lease, or the purchaser shall enter into a new lease with the Lessee on terms which are no less favourable to the Lessee as compared to the existing lease.

Given that the leasing of PLBs is essential to the continuation of the Group's core business as a Green Minibus routes operator, we consider it important for the Group to have sufficient protection against any possible interruption to its use of the PLBs leased under the New Minibus Leasing Agreement. By virtue of the right of first refusal, where any Owner proposes to sell or otherwise dispose of any PLB during the term of the New Minibus Leasing Agreement, the Lessee will have the pre-emptive right to purchase such PLB(s). Even if the Lessee does not exercise such right, the relevant Owner may only sell or dispose of the PLB(s) to a third-party purchaser on terms and at a price no more favourable than those previously offered to the Lessee and, unless waived by the Lessee, subject to the existing lease or a new lease to be entered into by the purchaser with the Lessee on terms no less favourable to the Lessee. Accordingly, such arrangement helps safeguard the Group's ability to continue using the PLBs without material disruption arising from any disposal of the PLBs by the Owners.

Based on the above, we consider that the right of first refusal provides the Group with additional protection in respect of the continuity of its PLB fleet during the term of the New Minibus Leasing Agreement and is therefore fair and reasonable and in the interests of the Company and the Shareholders as a whole.

(v) Our view

On the basis that (i) the rentals payable under the New Minibus Leasing Agreement shall be determined in accordance with the Benchmark Table which is in line with the prevailing market rentals as appraised by the Valuer; (ii) the Monthly Administration Fee of HK$700 per PLB is the same as the monthly administration fee charged by the Group to independent third-party PLB owners; (iii) the right of first refusal granted to the Lessee under the New Minibus Leasing Agreement would help safeguard the Group's continued use of the leased PLBs and protect the Group from possible disruption to its operation arising from any potential disposal of the PLBs by the Owners; (iv) the Lessee has the right, but not the obligation, to request the Owners to make available additional PLBs for lease, which provides the Group with flexibility to expand its PLB fleet size during the term of the New Minibus Leasing Agreement, if required; (v) the long-standing leasing relationship between the Group and the Owners, the substantial number of PLBs available for lease and the flexibility for the Lessee to request additional PLBs supports the continuity and stability of the Group's PLB operations; and (vi) the New Minibus Leasing Agreement is substantially based on the terms and conditions of the Original Minibus Leasing Agreement, under which the past leasing transactions have been conducted in accordance with its terms and on normal commercial terms, we are of the view that the terms of the New Minibus Leasing Agreement are fair and reasonable so far as the Independent Shareholders are concerned, and the entering into of the New Minibus Leasing Agreement is in the interests of the Company and the Shareholders as a whole.

4. The New Annual Caps

(i) The estimated maximum rentals payable as well as the new annual caps for the right-of-uses assets

As set out in the Letter from the Board, pursuant to HKFRS 16 "Leases", the rental payments payable by the Lessee under the New Minibus Leasing Agreement shall be recognised as right-of-use assets (the "**ROU Assets**"), which shall be amortised over the term of the New Minibus Leasing Agreement. According to the requirements of the Stock Exchange, the Lessee is required to set annual caps on the total value of right-of-use assets relating to the leases entered into under the New Minibus Leasing Agreement.

Set out below are the tables setting out (i) the estimated maximum rentals payable by the Lessee to the Owners and (ii) the proposed annual caps on the ROU Assets.

The table below sets out the estimated maximum rentals payable by the Lessee to the Owners under the New Minibus Leasing Agreement in different periods:

	For the 6 months ending 31 March 2027	**For the year ending 31 March 2028**	**For the year ending 31 March 2029**	**For the 6 months ending 30 September 2029**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Estimated maximum rentals payable by the Lessee to the Owners	37,317	76,602	78,391	39,846

In light of HKFRS 16, the table below sets out the proposed annual caps on the ROU Assets in different periods:

	For the 6 months ending 31 March 2027	**For the year ending 31 March 2028**	**For the year ending 31 March 2029**	**For the 6 months ending 30 September 2029**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Annual caps on the ROU Assets	211,513	23,195	14,187	4,419

Based on the Company's forecast of the leasing transactions to be carried out during the term of the New Minibus Leasing Agreement from 1 October 2026 to 30 September 2029, we noted that the initial number of PLBs to be leased from the Owners will be 286, which is based on the actual number of PLBs leased by the Owners to the Lessee under the Original Minibus Leasing Agreement as at the date of the New Minibus Leasing Agreement. We understand from the Company that it does not currently expect any material change to its fleet size in respect of the PLBs to be leased from the Owners in the near future.

As noted from the Letter from the Board, in determining the proposed annual caps on the ROU Assets under the New Minibus Leasing Agreement, the Directors have taken into account, among others, (i) the historical rental amounts under the Original Minibus Leasing Agreement; (ii) the daily rentals of the PLBs payable in accordance with the Benchmark Table based on the age and carrying capacity of the PLBs; (iii) the expected fleet size of the Group during the term of the New Minibus Leasing Agreement; (iv) the replacement of older PLBs by new PLBs, including the replacement of 16-seater PLBs by new 19-seater PLBs; (v) a 10% buffer rate to provide flexibility to meet unexpected circumstances, including the addition of PLBs to be leased and any possible adjustment to the market rentals payable under the Benchmark which may be required by the Independent Non-Executive Directors); and (vi) the value of the Group's rights to use the leased PLBs during the term of the New Minibus Leasing Agreement, which is initially measured on a present value basis and calculated by discounting the expected lease payments using the incremental borrowing rate as the discount rate.

To assess the estimated maximum rentals payable and the proposed annual caps on the ROU Assets, we obtained the New Annual Caps forecast calculation from Management (the "**Calculation**"), reviewed the Calculation and discussed the relevant underlying assumptions and methodology with the Management.

Based on our discussion with the Management, we understand that the estimated value of the ROU Assets in respect of the PLBs is calculated based on the present value of the future lease payments payable by the Lessee under the terms of the New Minibus Leasing Agreement, discounted by the applicable discount rate. Such discount rate is determined by reference to the lower of (i) the latest available HIBOR in Hong Kong plus 1.8%; and (ii) the latest available Prime Lending Rate in Hong Kong minus 0.75%. Based on the Calculation, the discount rate adopted was 4.25%, being the lower of HIBOR plus 1.8% and Prime Lending Rate minus 0.75%, with reference to the relevant rates as at 28 May 2026. We consider that the use of the discounted cash flow approach in determining the proposed annual caps for ROU Assets value is reasonable and consistent with the recognition basis of ROU Assets under HKFRS 16. We also consider the discount rate adopted by the Company to be fair and reasonable, as it was determined with reference to commonly adopted market interest rate benchmarks in Hong Kong, namely HIBOR and the Prime Lending Rate.

Based on our review of the Calculation, we noted that the Company has assumed an average number of 286 PLBs to be leased from the Owners throughout the term of the New Minibus Leasing Agreement, with no planned addition of PLBs from the Owners during the term, while older PLBs are expected to be replaced progressively by new 19-seater PLBs. In addition, we noted that the Company has included a 10% buffer in determining the proposed annual caps for ROU Assets. We consider such buffer rate to be fair and reasonable, given that the New Minibus Leasing Agreement provides the Lessee with the right, but not the obligation, to request the Owners to increase the number of PLBs subject to lease up to an aggregate of 315 PLBs, representing the original number of 286 PLBs subject to the New Minibus Leasing Agreement as enlarged by approximately 10%. Such buffer also provides flexibility to cater for possible additions of PLBs and any adjustment to the Benchmark Table following an annual review, while any rentals payable for additional PLBs shall continue to be determined by reference to the Benchmark Table.

We further noted the above table that the proposed annual cap on the ROU Assets for the six months ending 31 March 2027 is substantially higher than the proposed annual caps for the years ending 31 March 2028 and 2029, and the six months ending 30 September 2029, respectively. In this regard, we made enquiries with the Management and were advised that the Company expects to recognise the ROU Assets in respect of most of the PLB(s) available for lease under the New Minibus Leasing Agreement during the six months ending 31 March 2027. Accordingly, the proposed annual cap on the ROU Assets for such period reflects the initial recognition of the present value of lease payments for most of the PLBs to be leased under the New Minibus Leasing Agreement. For the years ending 31 March 2028 and 2029 and the six months ending 30 September 2029, the proposed annual caps on the ROU Assets are expected to be lower, as they are mainly attributable to the additional value of ROU Assets arising from the replacement of older PLBs by newer PLBs, including the replacement of 16-seater PLBs by new 19-seater PLBs, rather than the initial recognition of the entire fleet. On this basis, we consider it fair and reasonable that the proposed annual cap on the ROU Assets for the six months ending 31 March 2027 is significantly higher than those for the subsequent periods.

As advised by the Company, it is expected that the 16-seater PLBs will gradually be phased out and replaced by new 19-seater PLBs. The Directors have fixed the annual caps on the right-of-use assets for the two years ending 31 March 2029 and the six months ending 30 September 2029 to be approximately HK$23.2 million, HK$14.2 million and HK$4.4 million, respectively.

Given the aforesaid, we consider the estimated maximum rentals payable by the Lessee to the Owners and the proposed annual caps on the ROU Assets to be fair and reasonable.

(ii) The Proposed Annual Caps for the Monthly Administration Fee

As mentioned in the Letter from the Board, the Monthly Administration Fee shall be recognised as income of the Lessee over the term of the New Minibus Leasing Agreement and separate annual caps will be set on the Monthly Administration Fee.

The proposed annual caps in respect of the Monthly Administration Fee receivable under the New Minibus Leasing Agreement are as follows:

	For the 6 months ending 31 March 2027	**For the year ending 31 March 2028**	**For the year ending 31 March 2029**	**For the 6 months ending 30 September 2029**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Annual caps on the Monthly Administration Fee	1,321	2,643	2,643	1,321

With reference to the Letter from the Board, in determining the proposed annual caps on the Monthly Administration Fee, the Directors have taken into account (i) the expected fleet size of the Group during the term of the New Minibus Leasing Agreement; and (ii) a 10% buffer to provide flexibility to meet unexpected circumstances, including the addition of PLBs to be leased. On such basis, the Directors have fixed the proposed annual caps on the Monthly Administration Fee at approximately HK$1.3 million, HK$2.6 million, HK$2.6 million and HK$1.3 million for the six months ending 31 March 2027, the years ending 31 March 2028 and 2029 and the six months ending 30 September 2029, respectively.

As the Monthly Administration Fee is charged at a fixed amount of HK$700 per PLB per month, we consider that the proposed annual caps on the Monthly Administration Fee have been principally determined with reference to the expected number of PLBs to be leased under the New Minibus Leasing Agreement, together with a 10% buffer to cater for possible additions of PLBs during the term of the New Minibus Leasing Agreement. Having also considered that the inclusion of such 10% buffer is consistent with the Lessee's right, but not obligation, to request the Owners to increase the number of PLBs subject to lease up to an aggregate of 315 PLBs under the New Minibus Leasing Agreement, we are of the view that the proposed annual caps on the Monthly Administration Fee are fair and reasonable.

5. Conditions of the New Annual Caps

There are certain conditions of the annual caps pursuant to the Listing Rules, in particular, (i) the restriction of the value of the leasing transactions by way of the annual cap for each period over the three-year term of the New Minibus Leasing Agreement ending 30 September 2029 (i.e. the New Annual Caps); and (ii) the annual review by the Independent Non-Executive Directors on whether the leasing transactions have been conducted in accordance with the terms of the New Minibus Leasing Agreement and whether the New Annual Caps have been exceeded, details of which must be included in the Company's subsequent published annual reports and accounts. In addition, pursuant to the Listing Rules, the auditors of the Company are required to provide a letter to the Board annually confirming, among other things, whether the leasing transactions have been conducted in accordance with the New Minibus Leasing Agreement and whether the New Annual Caps have not been exceeded. Further, pursuant to the Listing Rules, the Company shall publish an announcement if it knows or has reason to believe that the Independent Non-Executive Directors and/or its auditors will not be able to confirm the terms of the leasing transactions or the New Annual Caps not being exceeded.

For our assessment, we obtained and reviewed the supporting documents relating to the annual review of the continuing connected transactions under the Original Minibus Leasing Agreement. We noted that the audit committee of the Board (the "**Audit Committee**"), comprising the Independent Non-Executive Directors, reviewed the continuing connected transactions for the years ended 31 March 2025 and 2026. Based on the information reviewed, the Audit Committee confirmed that the transaction amounts did not exceed, or would not exceed, the approved annual caps. We also noted that the Audit Committee concluded that the transactions were conducted in accordance with the relevant agreements, on fair and reasonable terms, and in the interests of the Company and its Shareholders as a whole. Furthermore, we reviewed the internal control review reports prepared by the Group's internal auditors. We noted that the internal auditors had reviewed, among other things, the Group's internal control policies and procedures relating to related and connected party transactions, including the relevant approval processes and annual cap monitoring, and no deficiency was identified in this area.

Accordingly, we are of the view that appropriate measures have been put in place to govern the conduct of the transactions contemplated under the New Minibus Leasing Agreement and to safeguard the interests of the Independent Shareholders.

RECOMMENDATION

In formulating our recommendation to the Independent Board Committee and the Independent Shareholders, we have considered the above principal factors and reasons, in particular, the following:

(i) the background of and reasons for entering into the New Minibus Leasing Agreement;

(ii) the transactions contemplated under the New Minibus Leasing Agreement will be conducted in the ordinary and usual course of business of the Group;

(iii) the rental rates under the New Minibus Leasing Agreement are not less favourable to the Group than the prevailing market rental rates as assessed by the Valuer and are therefore fair and reasonable;

(iv) the Group has put in place procedures to monitor the transactions contemplated under the Original Minibus Leasing Agreement and such procedures and measures will continue to apply to the transactions contemplated under the New Minibus Leasing Agreement; and

(v) the value of, and the basis for determining, the New Annual Caps are fair and reasonable.

Based on the above considerations, we are of the opinion that the New Minibus Leasing Agreement is on normal commercial terms and in the ordinary and usual course of business of the Group, in the interests of the Company and the Shareholders as a whole, and the terms of the New Minibus Leasing Agreement and transactions contemplated thereunder (including the New Annual Caps) are fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, we would advise the Independent Board Committee and the Independent Shareholders that the Independent Shareholders should vote in favour of the ordinary resolution to approve the New Minibus Leasing Agreement and the New Annual Caps at the AGM.

Yours faithfully,
For and on behalf of
Merdeka Corporate Finance Limited
Wallace So
Managing Director

Mr. Wallace So is a licensed person registered with the Securities and Futures Commission of Hong Kong, a responsible officer of Merdeka Corporate Finance Limited to carry out type 6 (advising on corporate finance) regulated activity under the SFO and a licensed representative of Merdeka Investment Management Limited to carry out type 4 (advising on securities) and type 9 (asset management) regulated activities under the SFO. Mr. Wallace So has over 13 years of experience in corporate finance industry.

1. DISCLOSURE OF INTERESTS AND SHORT POSITIONS OF DIRECTORS, CHIEF EXECUTIVES AND SUBSTANTIAL SHAREHOLDERS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATIONS

Directors' and Chief Executives' Interests in Shares

Directors' and chief executives' interests and short positions in the Shares and underlying Shares in the Company and its associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executives of the Company in the Shares, underlying Shares and debentures in/of the Company and its associated corporations (within the meaning of Part XV of the SFO) which have been recorded in the register required to be kept under section 352 of the SFO or notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers ("**Model Code**"), were as follows:

Long positions in the Shares and the underlying Shares

Name of Director	Capacity	Nature of Interest	Number of ordinary Shares held	Approximate % of shareholding
Mr. Vincent Wong *(Notes (a) & (b))*	Beneficiary of discretionary trust	Other	117,677,000	43.28%
	Beneficial owner	Personal	34,664,900	12.74%
	Spouse of Ms. Loo Natasha Christie	Family	352,000	0.13%
	Father of Mr. Chace Wong	Family	6,651,200	2.44%
	Father of Mr. Wong Tin Yue, Noah	Family	2,000,000	0.74%
	Father of Miss Wong Tin Lam, Olivia	Family	2,000,000	0.74%
Ms. Ng *(Note (a))*	Beneficiary of discretionary trust	Other	117,677,000	43.28%
	Beneficial owner	Personal	13,725,900	5.04%
Mr. Chan Man Chun	Beneficial owner	Personal	3,539,500	1.30%
	Spouse of Ms. Chan Lai Ling	Family	220,000	0.08%

Name of Director	Capacity	Nature of Interest	Number of ordinary Shares held	Approximate % of shareholding
Ms. Maya Wong *(Note (a))*	Beneficiary of discretionary trust	Other	117,677,000	43.28%
	Beneficial owner	Personal	5,682,600	2.08%
Ms. Vivian Wong *(Notes (a) & (c))*	Beneficiary of discretionary trust	Other	117,677,000	43.28%
	Beneficial owner	Personal	2,325,600	0.85%
	Mother of Miss Au Tze Yu	Family	2,200,000	0.80%
	Mother of Mr. Au Chun Hay Davis	Family	2,000,000	0.74%
Prof. Chan Yuen Tak Fai, Dorothy	Beneficial owner	Personal	588,000	0.21%
Mr. Kwong Ki Chi	Beneficial owner	Personal	588,000	0.21%

Notes:

(a) As at the Latest Practicable Date, a total of 117,677,000 Shares were held by Skyblue, which is a wholly owned subsidiary of Metro Success. Metro Success is a wholly owned subsidiary of JETSUN, which is wholly owned by the Trustee (as trustee of The JetSun Trust). The JetSun Trust is a discretionary trust, and its discretionary objects include Mr. Vincent Wong, Ms. Ng and Ms. Maya Wong, Ms. Vivian Wong and Ms. Cecilia Wong.

(b) As at the Latest Practicable Date, Mr. Vincent Wong held 6,651,200, 2,000,000 and 2,000,000 ordinary Shares as trustee for the benefit of his children Mr. Chace Wong (a minor), Mr. Wong Tin Yue, Noah (a minor) and Miss Wong Tin Lam, Olivia (a minor) respectively.

(c) As at the Latest Practicable Date, Ms. Vivian Wong held 2,200,000 and 2,000,000 ordinary Shares as trustee for the benefit of her children Miss Au Tze Yu (a minor) and Mr. Au Chun Hay Davis (a minor) respectively.

Save as disclosed herein and other than certain shares in subsidiaries held as nominees by certain directors of the Group, as at the Latest Practicable Date, none of the Directors or the chief executives of the Company and their associates have any interests or short positions in any Shares, underlying Shares and debentures in/of the Company or any of its associated corporations (within the meaning of the SFO) as recorded in the register required to be kept under section 352 of Part XV of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Share Options

The share option scheme adopted by the Company on 30 August 2013 expired on 29 August 2023. As of the Latest Practicable Date, there were no share options granted and outstanding under any share option scheme(s) of the Company.

Substantial Shareholders

As at the Latest Practicable Date, the following persons (other than the Directors) had interests or short positions in the Shares and underlying Shares as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

Name of Shareholders		Number of Shares held	Approximate % of the total number of issued Shares
The Trustee	*(Note a)*	117,677,000	43.28%
JETSUN	*(Note a)*	117,677,000	43.28%
Metro Success	*(Note a)*	117,677,000	43.28%
Skyblue	*(Note a)*	117,677,000	43.28%
SIHL	*(Note b)*	14,850,000	5.46%
SCL	*(Note b)*	14,850,000	5.46%

Notes:

(a) As at the Latest Practicable Date, a total of 117,677,000 Shares were held by Skyblue, a wholly owned subsidiary of Metro Success, which in turn is a wholly owned subsidiary of JETSUN. JETSUN is wholly owned by the Trustee (as trustee of The JetSun Trust). The JetSun Trust is a discretionary trust, and its discretionary objects include Mr. Vincent Wong, Ms. Ng and Ms. Maya Wong, Ms. Vivian Wong and Ms. Cecilia Wong.

(b) According to the disclosure of interest forms submitted by SIHL and SCL on 2 September 2016 in accordance with Part XV of the SFO, a total of 14,850,000 ordinary shares were held by SCL, which is a wholly-owned subsidiary of SIHL. By virtue of the SFO, SIHL is deemed to be interested in all the shares in which SCL is interested.

All the interests disclosed above represent long positions in the Shares.

Save as disclosed herein, the Company has not been notified of any other person (other than a Director and the chief executive officer) having an interest or a short position in the Shares and/or underlying Shares as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO as at the Latest Practicable Date.

2. EXPERTS

(a) The following are the qualifications of the experts who have given opinion or advice contained in this circular:

Name	Qualification
Merdeka Corporate Finance Limited	A licensed corporation to carry out type 6 (advising on corporate finance) regulated activity under the SFO
HG Appraisal & Consulting Limited	Registered professional surveyors and business valuers

(b) To the best of the knowledge and belief of the Directors having made all reasonable enquiries, as at the Latest Practicable Date, none of the aforesaid experts had any shareholding in any member of the Group nor did they have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

(c) As at the Latest Practicable Date, each of the aforesaid experts had given and had not withdrawn its written consent to the issue of this circular with the inclusion of its letter or valuation report dated 22 July 2026 and 26 June 2026 respectively (as the case may be) and/or any statements made therein (which were made by the relevant expert for incorporation into this circular) and references to its name in the form and context in which they are included.

(d) To the best of the knowledge and belief of the Directors having made all reasonable enquiries, as at the Latest Practicable Date, none of the aforesaid experts had any interest (direct or indirect) in any assets which had been, since 31 March 2026 (the date to which the latest published audited accounts of the Group were made up), acquired or disposed of by or leased to any member of the Group, or proposed to be acquired or disposed of by or leased to any member of the Group.

3. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 March 2026 (the date to which the latest published audited financial statements of the Group were made up) and up to the Latest Practicable Date.

4. DIRECTORS' SERVICE CONTRACTS

None of the Directors has a service contract with any member of the Group which is not expiring or determinable by the relevant member of the Group within one year without payment of compensation (other than statutory compensation).

5. DIRECTORS' INTERESTS IN ASSETS AND CONTRACTS/ARRANGEMENTS OF SIGNIFICANCE

As at the Latest Practicable Date, Ms. Ng, Mr. Vincent Wong and Ms. Maya Wong, all being Executive Directors, and Ms. Vivian Wong, being the Non-Executive Director (together with the Wong Family), were indirectly interested in:

(i) the Original Minibus Leasing Agreement entered into between the Lessee as lessee and the Owners as lessors. The Owners are beneficially owned and controlled by the major Shareholders, the Wong Family. The aggregate rentals for the lease of PLBs paid by the Lessee to the Owners (after deducting the Monthly Administration Fee of HK$700 per PLB per month) under the Original Minibus Leasing Agreement for the three months ended 30 June 2026 since 31 March 2026 (the date to which the latest published audited consolidated financial statements of the Group were made up) was HK$16,812,000; and

(ii) property rental agreements entered into between a wholly-owned subsidiary of the Company and Maxson. The rental amount paid by the wholly-owned subsidiary to Maxson for the three months ended 30 June 2026 since 31 March 2026 was HK$121,000.

Save as disclosed above, as at the Latest Practicable Date: (i) none of the Directors had any direct or indirect interest in any assets acquired or disposed of by, or leased to, or proposed to be acquired or disposed of by, or leased to, any member of the Group since 31 March 2026, the date to which the latest published audited consolidated financial statements of the Group were made up; and (ii) there was no contract or arrangement subsisting in which a Director was materially interested and which was significant in relation to the business of the Group as at the Latest Practicable Date.

6. COMPETING INTERESTS

The Directors are not aware that any Director or any proposed Director or his/her respective close associates had, as at the Latest Practicable Date, any interest in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group which would be required to be disclosed under the Listing Rules.

7. GENERAL

(a) The share registrar and transfer office of the Company in Hong Kong is Union Registrars Limited of Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong.

(b) As at the Latest Practicable Date, the Board comprised Mr. Vincent Wong, Ms. Ng, Mr. Chan Man Chun and Ms. Maya Wong as Executive Directors, Ms. Vivian Wong as Non-Executive Director, and Prof. Chan Yuen Tak Fai Dorothy, Mr. Kwong Ki Chi and Mr. James Mathew Fong as Independent Non-Executive Directors.

(c) The secretary of the Company is Ms. Wong Ka Yan. Ms. Wong Ka Yan is a fellow member of the Hong Kong Institute of Certified Public Accountants and The Hong Kong Chartered Governance Institute.

(d) The English text of this circular shall prevail over the Chinese text.

8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be published on the websites of the Stock Exchange (www.hkex.com.hk) and the Company (www.amspt.com) for a period of not less than 14 days from the date of this circular up to and including the date of the AGM:

(a) the Original Minibus Leasing Agreement, which is also the contract referred to in paragraph 5 of this Appendix;

(b) the New Minibus Leasing Agreement;

(c) the letter from the Independent Board Committee, the text of which is set out in Appendix III to this circular;

(d) the letter from the Independent Financial Adviser, the text of which is set out in Appendix IV to this circular; and

(e) the written consent of the experts referred to in paragraph 2 of this Appendix.

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)

NOTICE IS HEREBY GIVEN that an annual general meeting ("**AGM**") of AMS Public Transport Holdings Limited ("**Company**") will be held at Rooms 1303–1305, Abba Commercial Building, 223 Aberdeen Main Road, Aberdeen, Hong Kong on 27 August 2026, Thursday at 11:00 a.m. for the purpose of transacting the following business:

ORDINARY RESOLUTIONS

1. To receive, consider and adopt the audited consolidated financial statements and the reports of the directors ("**Director(s)**") and auditors of the Company for the year ended 31 March 2026;

2. To declare Dividend for the year ended 31 March 2026 out of the Share Premium Account under reserves of the Company; *Note 4*

3. (a) To re-elect Mr. Wong Ling Sun, Vincent as Executive Director;

   (b) To re-elect Ms. Ng Sui Chun as Executive Director;

   (c) To elect Prof. So Wai Man, Raymond as new Independent Non-Executive Director;

   (d) To authorise the board of Directors to fix their remuneration for the ensuing year;

4. To re-appoint the retiring auditors, Grant Thornton Hong Kong Limited, and authorise the board of Directors to fix their remuneration;

5. To consider and, if thought fit, to pass the following resolutions with or without amendments as ordinary resolutions:

   (a) "**THAT**:

   (1) a general mandate be and is hereby unconditionally given to the board of Directors of the Company during the Relevant Period (as defined below) to issue, allot or otherwise 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 power ("**Issue Mandate**"), subject to the following conditions:

   (a) the Issue Mandate shall not extend beyond the Relevant Period save that the board of Directors of the Company may during the

Relevant Period make or grant offers, agreements and options which might require the exercise of such powers at any time during or after the end of the Relevant Period; and

(b) the aggregate nominal amount of shares in the capital of the Company which may be allotted, issued or otherwise dealt with by the board of Directors of the Company pursuant to the Issue Mandate, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of rights of subscription or conversion under the terms of any warrants or other securities issued by the Company carrying a right to subscribe for or purchase shares of the Company; or (iii) the exercise of any option under any share option scheme of the Company adopted by its shareholders for the grant or issue of options to subscribe for or rights to acquire shares in the Company to employees of the Company and/or any of its subsidiaries; or (iv) any scrip dividend or other similar scheme implemented in accordance with the Memorandum and Articles of Association of the Company, shall not exceed 20 per cent of the aggregate nominal amount of the share capital of the Company in issue (excluding any treasury Shares) at the date of passing this resolution; and

(2) for the purpose 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 its Memorandum and Articles of Association or any applicable laws of the Cayman Islands to be held; and

(c) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

"Rights Issue" means an offer of shares open for a period fixed by the board of Directors of the Company to holders of shares on its register of members on a fixed record date in proportion to their holdings of shares (subject to such exclusions or other arrangements as the board of Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws, or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong applicable to the Company).";

(b) "**THAT**:

(1) a general mandate be and is hereby unconditionally given to the board of Directors of the Company during the Relevant Period (as defined below) to exercise all powers of the Company to repurchase a maximum of 27,191,300 ordinary shares in the capital of the Company ("**Repurchase Mandate**"), subject to the following conditions:

(a) the exercise of all powers pursuant to the Repurchase Mandate shall be subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited or of any other applicable stock exchange; and

(b) the aggregate nominal amount of shares in the share capital of the Company which may be purchased pursuant to the Repurchase Mandate shall not exceed 10 per cent of the aggregate nominal amount of the share capital of the Company in issue (excluding any treasury Shares) at the date of passing this resolution;

(2) for the purpose 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 its Memorandum and Articles of Association or any applicable laws of the Cayman Islands to be held; and

(c) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting."; and

(c) "**THAT** the Issue Mandate granted to the board of Directors of the Company pursuant to resolution 5(a) above be and is hereby extended to the aggregate nominal amount of shares in the capital of the Company repurchased pursuant to the exercise of the Repurchase Mandate in resolution 5(b) above, provided that such amount shall not exceed 10 per cent of the aggregate nominal amount of the share capital of the Company in issue (excluding any treasury Shares) at the date of passing this resolution."

6. To consider and, if thought fit, to pass that the agreement ("**New Minibus Leasing Agreement**") dated 30 June 2026 and conditionally entered into between Maxson Transportation Limited, Hong Kong & China Transportation Consultants Limited and Big Three Limited as owners and Gurnard Holdings Limited (a direct wholly-owned subsidiary of the Company) as lessee in relation to, among other things, the framework of leasing of public light buses from time to time during a term of 3 years from 1 October 2026 to 30 September 2029 (both days inclusive), a copy of which has been produced to the meeting marked "A" and has been initialled by the Chairman of the meeting for identification purpose, and the transactions contemplated thereunder be and are hereby approved, and that any one Director of the Company be and is hereby authorised to do or execute for and on behalf of the Company all such acts and things and such other documents which in his/her opinion may be necessary, desirable or expedient (which include without limitation, if necessary, affixing the Company's seal to the relevant documents) to carry into effect or to give effect to the New Minibus Leasing Agreement and all transactions contemplated thereunder; and

7. To consider and, if thought fit, to pass that the New Annual Caps (such term shall have the meaning as defined in the circular to the shareholders of the Company dated 22 July 2026) be and is hereby approved and that any one Director be and is hereby authorised to do or execute for and on behalf of the Company all such acts and things and such documents which in his/her opinion may be necessary, desirable or expedient (which include without limitation, if necessary, affixing the Company's seal to the relevant documents) in connection therewith.

By order of the Board
AMS Public Transport Holdings Limited
Wong Ling Sun, Vincent
Chairman

Hong Kong, 22 July 2026

Notes:

(1) A member entitled to attend and vote at the AGM is entitled to appoint one or more proxies (if the member holds two or more shares) to attend and vote in his stead. A proxy need not be a member of the Company.

(2) To be valid, the form of proxy together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority must be deposited at the Company's Hong Kong share registrar and transfer office (the "**Registrar**"), Union Registrars Limited at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and delivery of the form of proxy will not preclude a member from attending in person and voting at the AGM if the member so desires.

(3) For the purposes of determining members' eligibility to attend, speak and vote at the AGM (or at any adjournment of it), and entitlement to the Dividend, the register of members of the Company will be closed as set out below:

(i) For determining eligibility to attend, speak and vote at the AGM:

Latest time to lodge transfer documents for registration with the Company's Registrar . . . At 4:00 p.m. on Friday, 21 August 2026

Closure of register of members . . . Monday, 24 August 2026 to Thursday, 27 August 2026 (both dates inclusive)

Record date . . . Thursday, 27 August 2026

(ii) For determining entitlement to the Dividend:

Latest time to lodge transfer documents for registration with the Company's Registrar . . . At 4:00 p.m. on Friday, 4 September 2026

Closure of register of members . . . Monday, 7 September 2026 to Thursday, 10 September 2026 (both days inclusive)

Record date . . . Thursday, 10 September 2026

During the above closure periods, no transfer of shares will be registered. To be eligible to attend, speak and vote at the AGM (or at any adjournment of it), and to qualify for the Dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's Registrar, Union Registrars Limited at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong no later than the aforementioned latest time.

(4) If approved, cheques for the Dividend will be payable on Friday, 18 September 2026.

(5) BAD WEATHER ARRANGEMENTS – If a Typhoon Warning Signal No. 8 or above is hoisted or a Black Rainstorm Warning is in force in Hong Kong, or "extreme conditions" are announced by The Government of the Hong Kong Special Administrative Region at any time between 9:00 a.m. and 11:00 a.m. on the date of the AGM, the AGM may be adjourned to a later date and/or time as determined by the Company. If the AGM is adjourned, the Company will, if required, post an announcement on the Company's website (www.amspt.com) and on the Stock Exchange's website to notify Shareholders that the AGM has been adjourned. Shareholders may also telephone the Share Registrar's hotline on (852) 2849 3399 to enquire about the holding of the AGM or the adjourned AGM, if applicable.

When the date, time and location of the adjourned AGM has been fixed, the Company will post a further announcement on its website and the website of the Stock Exchange to notify the Shareholders of the date, time and location of the adjourned AGM. The AGM will still be held as scheduled when an Amber or Red Rainstorm Warning signal and/or a Typhoon Warning Signal No. 3 or below is in force.

(6) As at the date of this notice, the Executive Directors of the Company are Mr. Wong Ling Sun, Vincent (Chairman), Ms. Ng Sui Chun, Mr. Chan Man Chun (Chief executive officer) and Ms. Wong Wai Sum, Maya, the Non-Executive Director is Ms. Wong Wai Man, Vivian, and the Independent Non-Executive Directors are Prof. Chan Yuen Tak Fai, Dorothy, Mr. Kwong Ki Chi and Mr. James Mathew Fong.