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廣東粵運交通股份有限公司

Guangdong Yueyun Transportation Company Limited*

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 03399)

CONNECTED TRANSACTION CAPITAL CONTRIBUTION AGREEMENT

On 10 August 2018, GVTG (a wholly-owned subsidiary of the Company), Gongbei Transportation (a connected person of the Company), Zhuhai Public Transportation, Ferry Company and Zhuhai Yuegongxinhai entered into the Capital Contribution Agreement, pursuant to which GVTG shall contribute RMB47,398,272.47 to Zhuhai Yuegongxinhai.

Reference is made to the voluntary announcement of the Company dated 25 August 2017 in relation to, among other things, the participation of the Consortium in the tender for the Operator Project. On 23 August 2017, the Consortium was confirmed as the successful tenderer and became the sole operator of shuttle bus services for the boundary crossing facilities of the Hong Kong-Zhuhai-Macao Bridge. The parties to the Consortium agreed to set up the respective Joint Venture in each of Guangdong, Hong Kong and Macao and to make arrangement in respect of operation-related matters for the Operator Project after the successful tender.

Pursuant to the relevant agreements entered into among the parties to the Consortium, the total investment for the Operator Project has been agreed to be RMB360,522,200, which shall be fully settled by way of capital contribution to the Joint Ventures by the Consortium. The amount of first instalment of the total investment for the Operator Project is RMB251,243,200. Zhuhai Yuegongxinhai, in its capacity as a shareholder holding 51% of the equity interests of each of the Joint Ventures, shall contribute an aggregate amount of RMB128,134,031.97 to the Joint Ventures for the first instalment amount. Since the Hong Kong-Zhuhai-Macao Bridge has not been open to traffic, the Operator Project is not in operation and Zhuhai Yuegongxinhai has no substantial operations so far, the Parties agreed that the requisite investment funds shall first be contributed to Zhuhai Yuegongxinhai by the Parties in proportion to their respective equity

interest holdings, and then Zhuhai Yuegongxinhai shall contribute such funds to the Joint Ventures. After deducting the available funds of Zhuhai Yuegongxinhai in the amount of RMB6,600,000, an additional amount of RMB121,534,031.97 is required for the requisite investment funds to be contributed by Zhuhai Yuegongxinhai. Accordingly, the Parties and Zhuhai Yuegongxinhai have entered into the Capital Contribution Agreement, pursuant to which, among other things, GVTG, which holds 39% of the equity interests of Zhuhai Yuegongxinhai, shall contribute RMB47,398,272.47 to Zhuhai Yuegongxinhai.

LISTING RULES IMPLICATIONS

As at the date of this announcement, GCGC is the controlling shareholder of the Company as it, directly or indirectly, holds approximately 74.12% of the total issued share capital of the Company. Gongbei Transportation is a wholly-owned subsidiary of GCGC. Zhuhai Yuegongxinhai is a 30%-controlled company of the Company and is indirectly owned as to 10% by GCGC, thus an associate of GCGC. Therefore, each of Gongbei Transportation and Zhuhai Yuegongxinhai is a connected person of the Company under Chapter 14A of the Listing Rules.

Accordingly, the Capital Contribution Agreement and the transactions contemplated thereunder constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratio exceeds 0.1% but is less than 5%, the Capital Contribution Agreement and the transactions contemplated thereunder are subject to the reporting and announcement requirements but are exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

Save as aforesaid, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Zhuhai Public Transportation and Ferry Company and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

INTRODUCTION

On 10 August 2018, GVTG (a wholly-owned subsidiary of the Company), Gongbei Transportation (a connected person of the Company), Zhuhai Public Transportation, Ferry Company and Zhuhai Yuegongxinhai entered into the Capital Contribution Agreement, pursuant to which GVTG shall contribute RMB47,398,272.47 to Zhuhai Yuegongxinhai.

Reference is made to the voluntary announcement of the Company dated 25 August 2017 in relation to, among other things, the participation of the Consortium in the tender for the Operator Project. On 23 August 2017, the Consortium was confirmed as the successful tenderer and became the sole operator of shuttle bus services for the boundary crossing facilities of the Hong Kong-Zhuhai-Macao Bridge. The parties to the Consortium agreed to set up the respective Joint Venture in each of Guangdong, Hong Kong and Macao and to make arrangement in respect of operation-related matters for the Operator Project after the successful tender.

Pursuant to the relevant agreements entered into among the parties to the Consortium, the total investment for the Operator Project has been agreed to be RMB360,522,200, which shall be fully settled by way of capital contribution to the Joint Ventures by the Consortium. The amount of first instalment of the total investment for the Operator Project is RMB251,243,200. Zhuhai Yuegongxinhai, in its capacity as a shareholder holding 51% of the equity interests of each of the Joint Ventures, shall contribute an aggregate amount of RMB128,134,031.97 to the Joint Ventures for the first instalment amount. Since the Hong Kong-Zhuhai-Macao Bridge has not been open to traffic, the Operator Project is not in operation and Zhuhai Yuegongxinhai has no substantial operations so far, the Parties agreed that the requisite investment funds shall first be contributed to Zhuhai Yuegongxinhai by the Parties in proportion to their respective equity interest holdings, and then Zhuhai Yuegongxinhai shall contribute such funds to the Joint Ventures. After deducting the available funds of Zhuhai Yuegongxinhai in the amount of RMB6,600,000, an additional amount of RMB121,534,031.97 is required for the requisite investment funds to be contributed by Zhuhai Yuegongxinhai. Accordingly, the Parties and Zhuhai Yuegongxinhai have entered into the Capital Contribution Agreement, pursuant to which, among other things, GVTG, which holds 39% of the equity interests of Zhuhai Yuegongxinhai, shall contribute RMB47,398,272.47 to Zhuhai Yuegongxinhai.

THE CAPITAL CONTRIBUTION AGREEMENT

The principal terms of the Capital Contribution Agreement are set out as follows:

- Date: 10 August 2018
- Parties: (1) GVTG;
(2) Gongbei Transportation;
(3) Zhuhai Public Transportation;
(4) Ferry Company; and
(5) Zhuhai Yuegongxinhai.

Capital contribution: The Parties shall contribute in cash an aggregate amount of RMB121,534,031.97 to Zhuhai Yuegongxinhai in proportion to their respective equity interest holding.

Parties	Equity interest holding (%)	Amount of capital contribution (RMB)
GVTG	39	47,398,272.47
Gongbei Transportation	10	12,153,403.20
Zhuhai Public Transportation	30	36,460,209.59
Ferry Company	<u>21</u>	<u>25,522,146.71</u>
Total	<u>100</u>	<u>121,534,031.97</u>

According to the Capital Contribution Agreement, the Parties shall make their respective capital contribution within 30 days after the entering into of the Capital Contribution Agreement.

The above capital contribution will be specifically used by Zhuhai Yuegongxinhai to invest in the Joint Ventures for the Operator Project and will not be used to increase the registered capital of Zhuhai Yuegongxinhai.

The amount of capital contribution payable by GVTG under the Capital Contribution Agreement will be financed by the Group's internal resources.

REASONS FOR AND BENEFITS OF ENTERING INTO THE CAPITAL CONTRIBUTION AGREEMENT

The capital injection will be specifically used by Zhuhai Yuegongxinhai to invest in the Joint Ventures, and the Joint Ventures were confirmed as the sole operator of shuttle bus services for the boundary crossing facilities of the Hong Kong-Zhuhai-Macao Bridge through successful tender. It is expected that the Hong Kong-Zhuhai-Macao Bridge will greatly facilitate land transportation among Hong Kong, Macao and Guangdong Province. The participation in the Operator Project through capital injection into Zhuhai Yuegongxinhai will be conducive to the further development of the transportation business of the Group in Guangdong, Hong Kong and Macao, which is in line with the Group's strategic development plan.

The Board (including the independent non-executive Directors) are of the view that the terms of the Capital Contribution Agreement and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION ON THE GROUP AND THE PARTIES

1. Information on the Group

The Company was established under the laws of the PRC as a joint stock limited company with limited liability and its H shares are listed on the Stock Exchange. The Group is principally engaged in travel service business.

GVTG is a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company. It is principally engaged in automobile transportation and auxiliary services.

2. Information on Gongbei Transportation

Gongbei Transportation is a company established in the PRC with limited liability and a wholly-owned subsidiary of GCGC. It is principally engaged in the business of road transportation and operation of passenger terminals.

3. Information on Zhuhai Public Transportation

Zhuhai Public Transportation is a company established in the PRC with limited liability. It is principally engaged in urban public transportation, long-distance passenger transportation, leasing of taxi and various auxiliary services.

4. Information on Ferry Company

Ferry Company is a company established in the PRC with limited liability. It is principally engaged in the provision of passenger ferry services between Zhuhai, Hong Kong and Shekou. Ferry Company is a non-wholly owned subsidiary of Zhuhai Holdings Investment Group Limited, a company incorporated in Bermuda and the shares of which are listed on the Main Board of the Stock Exchange (Stock code: 908).

5. Information on Zhuhai Yuegongxinhai

Zhuhai Yuegongxinhai is a company established in the PRC with limited liability. It is principally engaged in the provision of entry-exit passenger transportation and other services.

Zhuhai Yuegongxinhai was jointly established on 13 June 2017 by GVTG, Gongbei Transportation, Zhuhai Public Transportation and Ferry Company with capital contribution of RMB3,900,000, RMB1,000,000, RMB3,000,000 and RMB2,100,000 respectively, representing 39%, 10%, 30% and 21% of the equity interest of Zhuhai Yuegongxinhai respectively.

LISTING RULES IMPLICATIONS

As at the date of this announcement, GCGC is the controlling shareholder of the Company as it, directly or indirectly, holds approximately 74.12% of the total issued share capital of the Company. Gongbei Transportation is a wholly-owned subsidiary of GCGC. Zhuhai Yuegongxinhai is a 30%-controlled company of the Company and is indirectly owned as to 10% by GCGC, thus an associate of GCGC. Therefore, each of Gongbei Transportation and Zhuhai Yuegongxinhai is a connected person of the Company under Chapter 14A of the Listing Rules.

Accordingly, the Capital Contribution Agreement and the transactions contemplated thereunder constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratio exceeds 0.1% but is less than 5%, the Capital Contribution Agreement and the transactions contemplated thereunder are subject to the reporting and announcement requirements but are exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

Save as aforesaid, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Zhuhai Public Transportation and Ferry Company and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

Mr. Li Bin and Mr. Chen Min are both being non-executive Directors, and Mr. Guo Junfa is an executive Director. Mr. Li Bin serves as the head of strategic development department of GCGC, Mr. Chen Min serves as the head of the legal affairs department of GCGC and Mr. Guo Junfa serves as the head of the supervision and audit department of GCGC. Therefore, they are deemed to have material interests in the Capital Contribution Agreement and the transactions contemplated thereunder. Each of Mr. Li Bin, Mr. Chen Min and Mr. Guo Junfa has abstained from voting on the Board resolutions approving the Capital Contribution Agreement and the transactions contemplated thereunder. Save as disclosed above, none of the other Directors has material interest in the Capital Contribution Agreement and the transactions contemplated thereunder and none of them was required to abstain from voting on, the Board resolutions approving the Capital Contribution Agreement and the transactions contemplated thereunder.

DEFINITIONS

In this announcement, the following terms and expressions shall have the following meanings unless the context otherwise requires:

“associate”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of directors of the Company
“Capital Contribution Agreement”	the capital contribution agreement dated 10 August 2018 entered into by the Parties and Zhuhai Yuegongxinhai in relation to the capital contribution to Zhuhai Yuegongxinhai
“Company”	Guangdong Yueyun Transportation Company Limited* (廣東粵運交通股份有限公司), a joint stock limited company established in the PRC with limited liability, the H shares of which are listed on the Main Board of the Stock Exchange (Stock code: 03399)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consortium”	the consortium comprising Zhuhai Yuegongxin, Hong Kong-Zhuhai-Macao Bus and Hong Kong-Zhuhai-Macao Land Transportation in respect of the Operator Project
“Director(s)”	the director(s) of the Company

“Ferry Company”	Zhuhai High-speed Passenger Ferry Co., Ltd.* (珠海高速客輪有限公司), a company established in the PRC with limited liability and a non-wholly owned subsidiary of Zhuhai Holdings Investment Group Limited, a company incorporated in Bermuda and the shares of which are listed on the Main Board of the Stock Exchange (Stock code: 908)
“GCGC”	Guangdong Provincial Communication Group Company Limited* (廣東省交通集團有限公司), a state-owned enterprise established in the PRC and a controlling shareholder of the Company
“Gongbei Transportation”	Guangdong Gongbei Vehicles Transportation Group Company Limited* (廣東省拱北汽車運輸集團有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of GCGC
“Group”	the Company and its subsidiaries
“GVTG”	Guangdong Vehicles Transportation Group Limited* (廣東省汽車運輸集團有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong-Zhuhai-Macao Bus”	Hong Kong-Zhuhai-Macao Bridge Shuttle Bus Company Limited, a company established in Hong Kong with limited liability, 20% of the equity interests of which is held by The Motor Transport Company of Guangdong and Hong Kong Limited, a non-wholly owned subsidiary of the Company
“Hong Kong-Zhuhai-Macao Land Transportation”	Hong Kong-Zhuhai-Macao Land Transportation (Macao) Joint Stock Limited Company* (港珠澳陸路交通運輸(澳門)股份有限公司), a company established in Macao with limited liability

“Joint Ventures”	collectively, Hong Kong-Zhuhai-Macao Bridge Shuttle Bus (Guangdong) Company Limited* (廣東港珠澳大橋穿梭巴士有限公司), Hong Kong-Zhuhai-Macao Bridge Shuttle Bus (Hong Kong) Company Limited and Hong Kong-Zhuhai-Macao Bridge Shuttle Bus (Macao) Joint Stock Limited Company* (港珠澳大橋穿梭巴士(澳門)股份有限公司) jointly established by Zhuhai Yuegongxinhai, Hong Kong-Zhuhai-Macao Bus and Hong Kong-Zhuhai-Macao Land Transportation in Guangdong Province, Hong Kong and Macao, respectively. Each of the Joint Ventures is held as to 51%, 38% and 11% by Zhuhai Yuegongxinhai, Hong Kong-Zhuhai-Macao Bus and Hong Kong-Zhuhai-Macao Land Transportation, respectively
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Macao”	the Macao Special Administrative Region of the PRC
“Operator Project”	the project in respect of the operator of shuttle bus for the boundary crossing facilities of the Hong Kong-Zhuhai-Macao Bridge
“Parties”	collectively, GVTG, Gongbei Transportation, Zhuhai Public Transportation and Ferry Company
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of the share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Zhuhai Public Transportation”	Zhuhai Public Transportation Group Co., Ltd.* (珠海公共交通運輸集團有限公司), a company established in the PRC with limited liability
“Zhuhai Yuegongxinhai”	Zhuhai Yuegongxinhai Limited Liability Company* (珠海粵拱信海運輸有限責任公司), a company established in the PRC with limited liability

“%”

per cent.

By order of the Board of
Guangdong Yueyun Transportation Company Limited
Xuan Zongmin
Chairman of the Board

Guangzhou, the PRC
10 August 2018

As at the date of this announcement, the Board comprises Mr. Xuan Zongmin, Mr. Tang Yinghai, Mr. Yao Hanxiong and Mr. Guo Junfa as executive directors of the Company; Mr. Li Bin and Mr. Chen Min as non-executive directors of the Company; and Mr. Gui Shouping, Mr. Jin Wenzhou and Ms. Lu Zhenghua as independent non-executive directors of the Company.

** For identification purpose only*