

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



KWOON CHUNG BUS HOLDINGS LIMITED

冠忠巴士集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 306)

SUPPLEMENTAL ANNOUNCEMENT DISCLOSEABLE TRANSACTION IN RELATION TO

(1) THE DISPOSAL OF 100% EQUITY INTEREST IN A SUBSIDIARY AND (2) THE DISPOSAL OF PROPERTY

Reference is made to the announcement of Kwoon Chung Bus Holdings Limited (the “**Company**”) dated 11 November 2021 (the “**Announcement**”) in relation to the discloseable transaction of (1) the disposal of 100% equity interest in a subsidiary and (2) the disposal of property. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as defined in the Announcement.

The Board wishes to provide the shareholders and potential investors of the Company with further information in relation to the Transaction.

BASIS OF THE CONSIDERATION FOR THE DISPOSAL OF HUBEI SHENZHOU

As disclosed in the Announcement, the consideration for the Disposal of Hubei Shenzhou has been negotiated and determined on an arm’s length basis between the parties on normal commercial terms mainly with reference to the unaudited net asset value of Hubei Shenzhou as at 30 September 2021 of approximately HK\$49,318,000, in addition to which, (i) the carrying value under the cost model of the land use right of the underlying properties of Hubei Shenzhou as at 30 September 2021 of approximately HK\$7,262,000; and (ii) the appraised value of the land use right of the underlying properties of Hubei Shenzhou of RMB142,900,000 (equivalent to approximately HK\$175,767,000) contained in the valuation report conducted by Chung Hin Appraisal Limited, an independent professional valuer in Hong Kong, were also being considered.

* *For identification purpose only*

In view of the above, the Directors consider that the consideration of the Disposal of Hubei Shenzhou is fair and reasonable and in the interest of the Company and its shareholders as a whole.

ULTIMATE BENEFICIAL OWNERS OF HUBEI KRS

To the best of the Company's knowledge, information and belief, having made all reasonable enquiries, Hubei KRS, the Purchaser, is ultimately owned as to approximately 88.33% and approximately 11.67% by Zhang Fuwei (張福衛) and Zhou Ganlan (周橄蘭) respectively.

As disclosed in the Announcement, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Purchaser and the ultimate beneficial owners of the Purchaser are third parties independent of the Company and its connected persons (within the meaning of the Listing Rules).

Save as disclosed in the Announcement and as above, all other information as set out in the Announcement remain unchanged and shall continue to be valid for all purposes, while this announcement is supplemental to and should be read in conjunction with the Announcement.

By order of the Board
Kwoon Chung Bus Holdings Limited
Wong Leung Pak, Matthew, BBS
Chairman

Hong Kong, 19 November 2021

As at the date of this announcement, the Board comprises Mr. Wong Leung Pak, Matthew, BBS, Mr. Wong Cheuk On, James and Mr. Lo Man Po as executive directors and Mr. Chan Bing Woon, SBS, JP, Mr. James Mathew Fong and Mr. Chan Fong Kong, Francis as independent non-executive directors.