



The progress and achievement of AMS resulted from the combination of our management expertise, our sharp market insights in strategically expanding our GMB transport network as well as our relentless dedication in maximizing values for our customers and shareholders.

CHAIRMAN'S STATEMENT

Chairman's Statement

Successful Listing

15 April 2004 marked a very special anniversary for the Group: our successful listing on the Main Board of The Stock Exchange of Hong Kong, as well as the first GMB operator listed in Hong Kong. The Company issued a total of 57,500,000 new shares and raised net proceeds of approximately HK\$47.6 million. On behalf of the Board of Directors, I would like to thank everyone in the Group for their continuous support and relentless dedication to the growth and development of the business.

Such achievement is a testimony of our success in leading the GMB sector in Hong Kong, our professional management team that exercises stringent control of fleet operation and redeployment for operation efficiency and profitability, as well as the investment value and growth potential of the GMB sector in Hong Kong.

Encouraging Progress in the Past Year

Therefore, it gives me great pleasure to present our first annual report to our shareholders, which recorded a steady growth in both turnover and earnings, with turnover increasing to approximately HK\$238.1 million and profits attributable to shareholders increasing to approximately HK\$31.6 million for the year ended 31 March 2004. Although the year under review was very challenging, the Group made significant progress and initiated a number of strategic moves to generate returns. Despite the unexpected outbreak of the Severe Acute Respiratory Syndrome ("SARS") pandemic that affected many industries across the Asia region, the Group was able to achieve conspicuous increases in both turnover and net profits.

Throughout the last 29 years, the Group has accumulated a proven track record in operating GMB

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routes. From operating two scheduled PLB routes from Aberdeen, the Group has grown to become one of the leading GMB routes operators in Hong Kong. As at 31 March 2004, we expanded our fleet size to 278 PLBs with a fleet capacity reaching 4,448 seat numbers (2003: 273 PLBs with a capacity of 4,368), and operated 40 GMB routes (2003: 39) in Hong Kong. 43.9 million passengers were carried by our GMBs in a total mileage of approximately 34.2 million kilometers (2003: 42.3 million passengers in a total mileage of approximately 31.1 million kilometers). As compared with the total number of scheduled journeys required by the Transport Department, we again outperformed the requirement by over 41.3% (2003: over 39.7%).

Our Promising Path Ahead

Despite the smooth and steady growth and development of our GMB operation, rest assure that we will not rest on our laurels and instead continue to provide the traveling public with improving GMB transport services, vehicle quality and comprehensive PLB related services. Looking ahead, the Group will continue to capture the tremendous opportunities brought forth by the growing popularity and importance of GMB services amongst the public transportations in Hong Kong.

All of our initiatives reflect our relentless commitment to become one of the most significant public transport service operators in Hong Kong.



Leveraging on the government policy of encouraging the conversion of RMBs into GMBs, together with the anticipated increase in the demand for public transport, the Group aims to expand our route network by acquiring other corporate GMB route operators and by tendering for new GMB routes to increase our service coverage. At the same time, we will also continue to upgrade our existing technology infrastructure. All of our initiatives reflect our relentless commitment to become not only the leading GMB operator, but also one of the most significant public transport service operators in Hong Kong.

Appreciation

On behalf of the Board, I would like to take this opportunity to express my heartfelt gratitude to our passengers, business partners and associates, and shareholders for their continuous support. Last but not least, I would also like to thank the staff and management for their concerted efforts in helping the Group accomplish our achievements today.

Wong Man Kit
Chairman
Hong Kong, 7 July 2004