

Community Outreach

Passenger Liaison Groups

In 2002, KMB organised six Passenger Liaison Group sessions (“PLGs”) during which the KMB management and participating passengers had face-to-face discussions on our bus services. University lecturers and representatives of the Transport Department were also invited to act as moderators and observers respectively during these sessions.

LWB also organised six PLGs during the year. Discussion topics included the theme “The bus services of LWB and the development of its network”, the service standard and bus network for the Airport and North Lantau area, bus captains’ performance, bus design and other operational issues.

Passenger Opinion Cabin

During the year, the Passenger Opinion Cabin, a modified single-deck bus, made 13 visits to different districts in Hong Kong to collect passengers’ opinions on KMB’s bus services. More than 100 opinions and suggestions were received. Chairmen of the Traffic and Transport Committees of the relevant District Councils were also invited to share their views with KMB senior management.

To keep a fleet of some 4,000 buses sparkling clean every day, KMB utilises the environment-friendly bus-wash machines that are equipped with water recycling systems.



FRIENDS OF KMB

FRIENDS OF KMB, the company's passenger club, actively participates in various community building, civic, educational, environmental protection and social activities in order to promote the "Helping Others" spirit. In 2002, the club organised a recruitment campaign aimed to attract new members on a large scale by mid 2003. At the end of 2002, the club had about 2,000 members.

FRIENDS OF KMB received the "Gold Award for Volunteer Service" from the Social Welfare Department of the Government for the fourth time in 2002. During the year, more than 1,100 members participated in over 5,000 hours of voluntary work.

The Community Chest and Other Non-profit-making Organisations

In 2002, KMB received the "Award of Distinction" from the Community Chest in recognition of its active participation in various fundraising programmes during the year. These included the Corporate and Employee Contribution Programme, Dress Casual Day, Hong Kong and Kowloon Walk for Millions, Community Chest Corporate Challenge Half Marathon, Christmas Greetings for the Chest and the Ten Dollar Donation Drive.

In addition, KMB sponsored many community activities organised by the HKSAR Government, professional bodies and charitable organisations in 2002. These included the Hong Kong Awards for Industry, the Hong Kong Awards for Services, the Hong Kong Management Association Quality Award, the Hong Kong Arts Festival and the World Environment Day 2002.

"KMB and You, Heading for a Brighter Future" Award Scheme

The "KMB and You, Heading for a Brighter Future" Award Scheme rewarded candidates who achieved Grade "A" in 10 subjects and those who demonstrated major improvement in the Hong Kong Certificate of Education Examination. In August 2002, KMB awarded one-year KMB free-travel passes to 27 successful candidates.

"A Dream Come True" – KMB's Christmas Charity Event

KMB and the Parents' Association of Pre-school Handicapped Children organised a special event called "A Dream Come True" in 2002 to celebrate Christmas with mentally handicapped children. Participants had the opportunity to act as a "Little Bus Captain" during the event.

International Day of Disabled Persons

KMB and LWB offered free rides to disabled persons and their escorts on 1 December 2002 in support of the International Day of Disabled Persons.

KMB Hong Kong International Dragon Boat Races 2002

For the third successive year, KMB was honoured to act as title sponsor of the KMB Hong Kong International Dragon Boat Races in Victoria Harbour, one of the showcase events on the international sporting calendar in Hong Kong.

Non-Franchised Transport Operations Division

Sun Bus Holdings Limited and its Subsidiaries ("SBH Group")

We began to provide non-franchised bus services in 1998. At present, our SBH Group comprises six business units, with Sun Bus Limited being the flagship, providing bus services to large residential estates, shopping malls, major employers and schools. Its services are classified into two main categories: prestige premium services for customers seeking high quality; and general services for customers wanting value for money.



Sun Bus Limited's services can be flexibly designed to meet the different needs of a wide variety of customers.

Our "Huang Bus" fleet has been providing overnight cross-boundary shuttle bus service since 27 January 2003.



At the end of 2002, SBH Group had a fleet size of 207 buses compared with 205 at the previous year-end. Although the operations of its different business units may differ, some major costs such as fuel, spare parts and administration overheads are pooled to benefit from the economies of scale.

As a result of a continual vehicle replacement programme, 99% (95% in 2001) of the fleet was equipped with environment-friendly engines at the end of 2002, of which over 4% are equipped with the latest commercially available Euro III engines.

In spite of the severe competition in the industry, SBH Group's turnover increased by 10.2% from HK\$123.6 million in 2001 to HK\$136.2 million in 2002. This was mainly due to improvements in residential, commercial and contract hiring businesses, while the bus services for the employee, student and tourist sectors remaining relatively stable.

Strict cost control measures were implemented by management to enhance productivity. SBH Group's staff to bus ratio reduced to 1.79 : 1 at the end of 2002 from 1.87 : 1 at the previous year-end. The Group will continue to leverage on the enhanced economies of scale to remain competitive in the market.

SBH Group is well positioned as one of the largest operators in the non-franchised bus industry in Hong Kong. Although faced with more intense competition, we have confidence that our quality service will enable us to retain existing customers and win new patronage.

Park Island Transport Company Limited ("PITC")

PITC, a 65% owned subsidiary of the Group, commenced its shuttle bus and ferry services for Ma Wan Island on 14 December 2002. PITC's ferry fleet comprises four 38-metre 412-seat catamarans, one 28-metre 380-seat catamaran and one 20-metre 170-seat catamaran. Its initial bus fleet comprises six 10-metre Dennis Dart super-low floor air-conditioned single-deck buses. Three diesel-electric hybrid air-conditioned single-deck buses have been ordered and are scheduled to commence service by mid-2003.

PITC currently operates two ferry routes and one bus route. One of the ferry routes plies between Ma Wan and Central on a 24-hour basis, whilst the other one operates between Ma Wan and the Tsuen Wan Public Pier from 6:40 am to 11:55 pm daily. The bus service runs 24-hour a day between Ma Wan (Tung Wan Bus Terminus) and Tsing Yi Airport Railway Station. PITC employed 120 staff as at 31 December 2002. We closely monitor our staff requirements to maintain an efficient and high quality service.

New Hong Kong Bus Company Limited ("NHKB")

NHKB jointly operates the popular cross-boundary shuttle bus service, popularly known as the "Huang Bus" service, with its Shenzhen counterpart. Plying between Lok Ma Chau in Hong Kong and Huanggang in Shenzhen, Huang Bus provides a direct and economical cross-boundary transportation service for the general public.

NHKB introduced five additional super-low floor single-deck buses with larger carrying capacity in 2002, bringing the total number of buses in service to 20 as at 31 December 2002.

Following the implementation of the round-the-clock border crossing arrangements at the Lok Ma Chau and Huanggang checkpoints, NHKB has been providing 24-hour shuttle bus services since 27 January 2003.

Four brand new 38-metre 412-seat catamarans are deployed to provide premium ferry service for Ma Wan residents.



Mainland Operations Division

Dalian Project

This co-operative PRC joint venture (“Dalian CJV”) was established in 1997 between a 60% owned subsidiary of the Group and Dalian City No. 1 Bus Company in Liaoning Province. The Dalian CJV had 46 double-deck buses and 30 single-deck buses at the end of 2002, serving Dalian City with an average daily ridership of about 88,000.

Tianjin Project

This co-operative PRC joint venture (“Tianjin CJV”) was established in January 2000 between a 50% owned associate of the Group and Tianjin City Public Transport Holding Company. During 2002, the Tianjin CJV operated seven bus routes with 110 single-deck buses in Tianjin City.

Media Sales Business Division

RoadShow Holdings Limited (“RoadShow”)

RoadShow was established by the Group to launch multi-media services in December 2000 and was separately listed on the Main Board of The Stock Exchange of Hong Kong Limited in June 2001. Currently, the Group has a 73.0% interest in RoadShow.

RoadShow is a leading media sales company in the Greater China Region. It is principally engaged in out-of-home media sales for marketing advertising spaces inside transit vehicles through its proprietary Multi-media On-board (“MMOB”) system and in merchandising commemorative items. It also manages and markets advertising spaces on bus bodies, bus shelters, billboards, and public telephone.

During 2002, RoadShow established a number of joint venture companies for developing media sales businesses in Beijing, Shanghai, Guangzhou and other major cities on the Mainland of China.

Property Holdings Division

Lai Chi Kok Properties Investment Limited (“LCKPI”)

The obsolete Lai Chi Kok Depot at Lai Chi Kok was demolished in December 2002 after its depot function was taken over by the New Lai Chi Kok Depot situated at West Kowloon Reclamation in May 2002.

LCKPI, a wholly owned subsidiary of the Group, will develop the old depot site into a residential and commercial complex with a total gross floor area of about one million square feet and a retail podium area of about 50,000 square feet. The current plan is to build four 44-storey prestigious residential blocks with some 1,300 residential units for sale in due course. As the owner and developer of the site, LCKPI has engaged Sun Hung Kai Real Estate Agency Limited for the provision of project management services relating to this property redevelopment. Piling work of the redevelopment project has been scheduled for completion by September 2003. It is expected that the whole project will be completed by the end of 2005. We shall closely monitor the property market conditions with a view to drawing up an appropriate timetable for marketing the residential property.

The site of the former Lai Chi Kok depot is being redeveloped into a prestigious residential and commercial complex as depicted by this artist's impression.

