



Hong Kong Non-franchised Transport Operations

The Group's non-franchised transport operations mirror the growth of the city. The SBH Group is a leading service provider for residential estates, shopping malls, employers, theme parks, deluxe hotels, travel agents and schools, as well as providing chartered hire services for the general public. New Hong Kong Bus Company Limited's shuttle bus services offer one of the most preferred means of transport for cross-boundary travellers.

SUN BUS HOLDINGS LIMITED AND ITS SUBSIDIARIES (THE "SBH GROUP")

The SBH Group is a leading non-franchised bus operator in Hong Kong, providing high quality tailor-made transport services to a variety of customers, from those seeking premium services to those looking for value-for-money services.

With Sun Bus Limited ("SBL") as the flagship, the SBH Group offers a range of bus services tailored to specific market segments. Its fleet serves large residential estates, shopping malls, major employers, theme parks, deluxe hotels, travel agents and schools, as well as the general public through chartered hire services.

In 2010, the SBH Group continued to strengthen its market share in the residential service segment, with an additional eleven residential estates awarding new contracts for the provision of residential shuttle bus services.

The SBH Group constantly endeavours to strengthen its services by purchasing the latest environment-friendly buses available on the market. In 2010, 19 Euro V buses were added to its fleet to replace older buses. At the end of 2010, the SBH Group had a fleet of 382 buses. The SBH Group will continue to introduce new buses equipped with Euro V engines as part of its ongoing fleet upgrade programme.

In November 2008, SBL became the first commercial non-franchised bus company in Hong Kong to be awarded ISO 9001:2000 certification by the Hong Kong Quality Assurance Agency ("HKQAA"). In 2009, ISO 9001:2008 certification was awarded to SBL by HKQAA upon completion of its upgrading audit, confirming the quality of SBL's management systems. SBL is committed to the continuous strengthening of all aspects of its management and operations.



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Sun Bus provides many services, including serving tourist attractions in Hong Kong

Operational Review Hong Kong Non-franchised Transport Operations



NEW HONG KONG BUS COMPANY LIMITED (“NHKB”)

NHKB jointly operates with its Shenzhen counterpart the cross-boundary shuttle bus service, commonly known as the “Huang Bus” service, taking business and leisure travellers between Lok Ma Chau in Hong Kong and Huanggang in Shenzhen.

In 2010, NHKB operated a fleet of 15 air-conditioned super-low floor single-deck buses on its 24-hour cross-boundary shuttle bus service between Lok Ma Chau and Huanggang. Its terminus facilities at San Tin Public Transport Interchange include four air-conditioned waiting lounges and an integrated information display system.

With the opening of the Lok Ma Chau Spur Line and the Lok Ma Chau Public Transport Interchange, as well the increasing number of transport options for passengers wishing to cross the boundary, such as the Hong Kong – Shenzhen Western Corridor, NHKB has faced keen competition from railway and public minibus services. As a result, the demand for its cross-boundary bus services has decreased, with a fall in patronage from 5.8 million passenger trips in 2009 to 5.6 million passenger trips in 2010.

Despite the short term negative impact, it is expected that the extension of the Individual Visit Scheme to more cities in China Mainland, the increase in economic activity between Hong Kong and other cities in the Pearl River Delta, and the introduction of year-round multi-entry visas for Shenzhen residents in April 2009 will continue to stimulate new demand for cross-boundary transport. Since the beginning of 2010, mainland visitor arrivals have been experiencing considerable growth, surpassing 20 million in the first eleven months of the year, representing a year-on-year increase of 27%. Since December 2010, the Shenzhen Government has accepted applications to visit Hong Kong under the Individual Visit Scheme from non-Guangdong residents. By making it more convenient for non-Shenzhen residents to travel to Hong Kong, this measure is expected to stimulate new mainland visitor arrivals. NHKB will continue to make its shuttle bus service the preferred means of transport for cross-boundary travellers.



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 NHKB's bus termini



The Huang Bus provides an efficient cross-boundary service for business and leisure travellers