

Hong Kong Franchised Public Bus Operations

KMB, a wholly-owned subsidiary of Transport International Holdings Limited, is the largest franchised bus operator in Hong Kong, serving more than 2.5 million passenger-trips each day. A workforce of over 11,000 employees, including approximately 8,700 bus captains, ensures high-quality service across a fleet of more than 4,000 buses operating on 444 routes.





▲ KMB introduced the all-new "Tour @Kowloon" Recreation Route HK1, linking various tourist hotspots and echoing the Hong Kong SAR Government's "tourism is everywhere in Hong Kong" concept

Propelling the Momentum Forward

As Hong Kong returned to normalcy, economic activities surged with a growing demand for public transport services. Aligning with the Hong Kong SAR Government's initiative to promote "tourism is everywhere in Hong Kong", mega events made a strong comeback, spanning sports, cultural events, conventions, and exhibitions. Amid evolving travel patterns among locals and tourists, KMB proactively adapt to these significant shifts, ensuring that bus services effectively met the public demand.

New Fare Adjustment

In 2024, KMB was approved for a fare increase by the Chief Executive in Council. Effective from 5 January 2025, KMB fares increased by an overall actual weighted average rate of 4.3 per cent after a 0.9 percentage point mitigation effect by its Franchised Bus Toll Exemption Fund, resulting in an average fare increase of HK\$0.3 per journey.

Preferred Choice of the Public

KMB is committed to providing value-for-money public bus services, ensuring the best travel experience through its comprehensive bus service network, innovative measures and eco-friendly technologies.

In 2024, KMB continued to introduce new service types and enhance network connectivity, with a strong focus on meeting tourist demand. In response to the growing number of tourists, Recreation Route HK1 ("Tour @Kowloon") linking various tourist spots in Kowloon was launched. Coupled with the Tourist Day Pass, passengers can enjoy "hop on, hop off" KMB services within the same day. In addition, the new bus route running between Ma Wan and Tsim Sha Tsui has extended the KMB network to Ma Wan Island.

Value-for-Money Services

KMB Monthly Pass

KMB continues to enhance its service by providing affordable and convenient journeys for passengers. It has launched the Monthly Pass Scheme (the "Pass"), the first monthly pass for franchised buses in Hong Kong. Since 2023, the Pass has extended its coverage to over 450 KMB regular, overnight and racecourse routes, along with LWB bus routes. In 2024, Pass holders can take up to 10 rides per day on KMB and LWB buses for HK\$800 (plus two additional trips on Route B1). For LWB services, Pass holders can use the Pass to travel on E-, N-, S-, R- and X- routes and enjoy a 73% fare discount on KMB's Recreation Route HK1, as well as on LWB's A- and NA-routes.

KMB has rolled out additional exclusive privileges for Monthly Pass holders through various programmes:

- The "Fare for Upgraded Journey" campaign offers discounted fares for KMB Monthly Pass holders travelling on the New Long-haul Bus Routes P960 and P968;
- With each purchase of the Pass, passengers can earn points equivalent to the price of the Pass towards redeemable KMB gifts and eCoins under the KMB membership scheme, club1933; and
- A manned hotline with operators dedicated to enhancing the travel experience for Pass holders.

To ease the financial burden on student passengers, KMB launched two rounds of the Buy-2-Get-1-Free promotion scheme, running from April to June and September to November 2024. Passengers who purchased a KMB Monthly Pass for three consecutive months were entitled to an Octopus dollar rebate equivalent to the price of one KMB Monthly Pass. The scheme was welcomed by student passengers. To provide more transport information for students in the new school year, information booths were set up on the campuses of several universities and community colleges in April and October 2024.

BUSINESS REVIEW

Rewards to Passengers

In collaboration with several corporations, KMB organised Free Ride Days on specific routes and dates, offering passengers unlimited complimentary rides.

The “Free Ride Days for Kids” programme returned to encourage children to explore the city and enjoy quality time with their families during summer holidays. Children were able to take free trips on over 450 KMB and LWB routes on 10 consecutive Sundays and public holidays.

KMB and LWB introduced club1933, a membership scheme that rewards passengers on the basis of “the more you ride, the more reward you earn”. Through this Scheme, passengers can sign up for membership on App1933 and accumulate points by taking KMB and LWB buses or playing online mini-games. These points can be redeemed for eCoins to pay for bus fares or for gifts during specific period. The club1933 members also enjoy exclusive events and special discounts.

In May 2024, KMB rolled out a new three-month event, “Ride on KMB Cross-harbour Routes for more eCoin Rewards!” to further incentivise club1933 members, who can earn 10 eCoins with their registered Octopus cards or products for every 10 cross-harbour rides on KMB Cross-Harbour Tunnel Routes.

Additionally, KMB launched an exclusive “Early Bird, Night Owl Reward” scheme for its club1933 members. Running from mid-July to the end of October, the scheme rewarded members for trips taken before 7:15 a.m. on weekdays (excluding public holidays) and after 8:30 p.m. daily (including public holidays). Under the scheme, club1933 membership points earned during these time intervals were multiplied by 10, equivalent to a 15% off fare discount.

Comprehensive Network

At the end of 2024, KMB operated a total of 444 bus routes. In a dynamic operating environment marked by railway commissioning, demographic changes and new highways, KMB reviewed and arranged its resources to cater for the changing demand. KMB strives to operate an efficient, competitive and sustainable bus network while seeking opportunities for new market growth.

In 2024, we implemented 123 route re-organisation proposals to enhance the entire service network and deliver the following benefits to the public:

- Eliminating wasteful duplication of routes;
- Allowing resources to be released for redeployment in high demand areas;
- Straightening routes that are unduly circuitous;
- Introducing new express routes that utilise new highway infrastructure; and
- Optimising connectivity between routes through Bus-Bus Interchanges (“BBIs”).

The network of 31 BBIs strategically placed across Hong Kong continued to serve passengers with enhanced travel convenience and more fare concessions, popularising the concept of “interchanging is so simple” and receiving widespread acceptance. The BBIs also played a role in contributing environmental protection by ensuring efficient daily utilisation of bus resources. To extend the benefits of BBI to more passengers, additional BBI discounts were introduced. This included 21 additional routes at Kwun Tong BBI, and the introduction of new interchange combinations in various districts.



◀ KMB is committed to providing efficient, convenient, and value-for-money bus services, making it the top choice for passengers



▲ Granted the operating rights for the new bus route package at Tai Po Fu Tip Estate, KMB introduced Routes 74 and 271A to connect the estate with commercial areas in Kowloon East and West, catering to residents' commuting and daily needs

In view of demographic changes, urban development and evolving passenger needs, particularly the upsurge in cross-boundary demand, KMB introduced new boundary routes and enhanced its existing service levels to cater for the demand. To tie in with the completion of residential areas in Fu Tip Estate in Tai Po, Ching Fu Court in Tsing Yi, Queen's Hill in Fanling, Kong Ha Wai in Yuen Long and LOHAS Park in Tseung Kwan O, KMB further strengthened its services in these districts by launching new routes and increasing the frequency of existing routes.

Besides, the new Recreation Route HK1, has since offered a new "hop on, hop off" experience to the new tourist service connecting key tourist spots in Kowloon. Tourists can use the Tourist Day Pass to enjoy this new tourist-oriented service and explore the city with unlimited rides across KMB and LWB's extensive bus network.

To enhance connectivity between Tuen Mun and Causeway Bay, KMB extended the service hours of Route 961 observing Causeway Bay, allowing passengers to travel directly between the two locations in a single trip.

In response to the increasing use of Heung Yuen Wai Control Point, KMB launched Route B9A in 2024 to operate between the Control Point and Yuen Long West. Alongside the existing Routes B9 and 79K, where Bus-bus Interchange ("BBI") is coordinated with other KMB routes, passengers can interchange between multiple KMB routes to reach urban areas in Yuen Long and Fanling Station BBIs. Moreover, Route 79K provides an all-day service connecting North District and Heung Yuen Wai Control Point. Passengers on Route 79K can interchange between multiple KMB routes at Fanling Station BBI to travel to other districts at discounted fares.

To facilitate late-night boundary travel, KMB introduced Route N276 in August 2024, connecting passengers from Yuen Long District to San Tin for transfers to the Lok Ma Chau – Huanggang Shuttle Bus.

New Franchised Bus Routes Serving Tai Po and Ma Wan

KMB was granted the operating rights for new bus route packages at Tai Po Fu Tip Estate. To align with the population intake in 2024, KMB introduced Routes 72K, 74, 271A, and a special trip on 272P, connecting Fu Tip to Tai Wo, Yau Tong, Tsim Sha Tsui and Kwai Hing, respectively, along with two cross-harbour routes to Hong Kong Island. To further improve the area's connectivity to urban districts, Route 72X was extended from Tai Po Central to Fu Tip in November 2024. In addition to providing a whole-day direct service to urban areas, Route 72X serves as a core feeder to Tai Po Kwong Fuk Road BBI, facilitating interchanges with other urban bus routes connecting to East Kowloon and Tsuen Kwai Tsing.

Furthermore, KMB was also granted the operating rights for the new Route 230R, which runs between Ma Wa Park and Kowloon Station. It is the first franchised bus service connecting Ma Wan to urban Kowloon. This marked a new chapter in public transport on the island of Ma Wan and improved connectivity to the recreational facilities at Ma Wan Park and Noah's Ark Theme Park. KMB hopes to further enhance bus services in the area of Ma Wan, building a more comprehensive network to serve more passengers.

Green and Smart

KMB demonstrates its commitment to innovation by enhancing its bus fleet with technological advancements and environmentally friendly features to elevate the passenger experience. The Company aims to upgrade its entire fleet with new energy buses in support of the Government's policy to achieve carbon neutrality.

BUSINESS REVIEW

Bus Fleet and Fleet Upgrade

During the year, a total of 20 buses were licensed, all of which were double-deck electric buses. The new double-deck buses feature light-directing glass windows alongside the staircase connecting the two decks, replacing the traditional sealed design. This creates a brighter ambience inside the bus and enhances safety for passengers using the stairs. Moreover, new buses are equipped with safety facilities, including the Advanced Driver Assistance System, the Electronic Stability Programme and the Driving Monitoring System, and all seats are equipped with seatbelts and grab handles to ensure the safety of passengers and bus captains. The addition of four horizontal ventilation windows has become a standard feature on new buses, which allows passengers to open them to let fresh air into the compartment.

The Tyre Pressure Monitoring System (“TPMS”) is being installed on all 2,400 existing buses. Through the system, bus captains can monitor real-time tyre pressure and temperature, enhancing bus safety. TPMS has now been included as a standard feature on all new KMB buses.

KMB continued to invest in the latest environmentally friendly buses. In 2009, it became the first public bus company in Asia to introduce Euro V double-deck buses. Then, in 2017, it again led the industry by introducing Hong Kong’s first diesel-powered double-deck bus with Euro VI emission standards. Euro III model buses will be completely phased out within the

next two years. In 2024, a batch of 20 new-generation double-deck electric buses commenced service. They are equipped with a Battery Management System and a Water Cooling System, which help monitor battery efficiency and condition, and control its temperature, effectively extending its life cycle and improving performance.

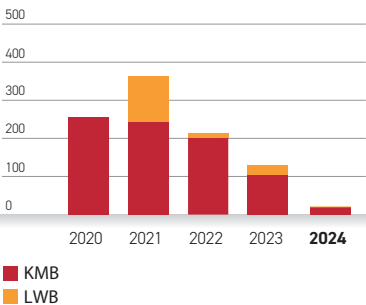
As of 31 December 2024, KMB operated a total of 4,010 licensed buses, including 3,867 double-deck buses and 143 single-deck buses. Among them were 44 electric double-deck buses and 26 electric single-deck buses.



▲ KMB’s double-deck electric buses travel daily through busy corridors in Tsim Sha Tsui, Kwun Tong and beyond, offering passengers a quiet, eco-friendly journey with zero roadside emissions

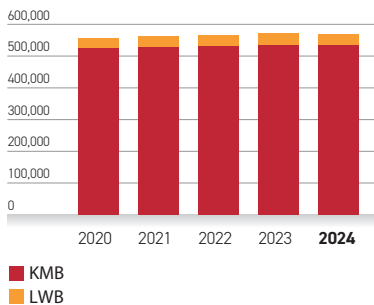
KMB’s Bus Fleet	Double-deck Buses	Single-deck Buses	Total Number of Buses
As of 1 January 2024	3,904	151	4,055
Addition during the year	20	0	20
Disposal during the year	(57)	(8)	(65)
As of 31 December 2024	3,867	143	4,010

Number of New Buses Added to the Fleet

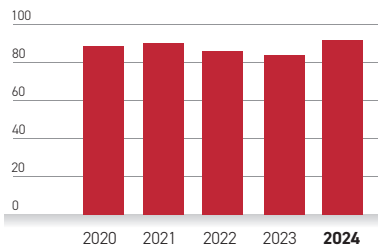


Notes:
1. 38 buses transferred from LWB to KMB in 2020.
2. 100 buses were transferred from LWB to KMB in 2021.
3. 5 buses were transferred from LWB to KMB in 2022.

Total Passenger Capacity as of 31 December



Proportion of Buses in Service to Licensed Fleet - KMB



Energy Reduction

Dedicated to building a greener future, KMB has explored the use of renewable energy by extending solar panel applications to depots, bus termini, bus shelters, bus poles and double-decker roofs. KMB brought the third-generation Solar Panel Bus from prototype to mass production, and the solar panel system has since become a standard feature on KMB's new buses. In 2024, 20 new licensed buses were equipped with solar panels on their roofs. Moreover, KMB retrofitted solar panels onto its existing fleet. By the end of 2024, nearly 2,000 buses, equivalent to half of the KMB bus fleet, were fitted with solar panels.

Furthermore, KMB continued its Solar-powered Bus Shelter Campaign, harnessing solar energy to power up lighting devices. By the end of 2024, 1,907 solar-powered lamps had been installed at over 1,500 bus stops. KMB has now installed a total of 30,000 solar panels, demonstrating how its development blueprint for new energy is being implemented in practice.

5G Technology

It is one of the key development goals of Hong Kong to become a smart city. With the rise of industry-leading 5G mobile network technology, KMB has explored its use in daily operations. Among KMB's bus fleet, approximately 2,500 buses have already been upgraded to incorporate 5G technology and provide free 5G Wi-Fi service. An On-board Occupancy Display has been installed in the compartment to indicate the number of available seats on the upper deck. The real-time bus occupancy rates for the next three buses are also displayed with icon illustrations via App1933.

Electronic Payment System

KMB has implemented an electronic payment system across its entire fleet. The e-payment system, which accommodates more payment methods than any other public transport operator's system, now supports sixteen platforms, establishing KMB and LWB as the industry leaders offering the most diverse electronic payment options among local public transport operators. These include contactless payments such as American Express and Discover/Diners Club, mobile payments like Apple Pay, Google Pay, Alipay, as well as QR code payments, including eCoin and WeChat Pay HK. The e-payment system also supports fare concession schemes, including the Regional Short-haul Two-way Section Fare Scheme and BBI discount schemes between KMB and LWB routes.



▲ KMB self-developed installation of solar films on double-decker roofs harnesses renewable energy to reduce carbon emissions



BUSINESS REVIEW

App1933

KMB launched the KMB and LWB mobile app, App1933, which has garnered positive response from the public. Passengers can conveniently access bus route information and the estimated time of arrival ("ETA") for buses.

The ETA service applies not only to KMB buses but also other franchised bus operators, enhancing the comprehensiveness and convenience of bus journey planning for passengers.

In addition to receiving nearby route information at bus stops through Bluetooth Beacon signals, App1933 features an enhanced location-based function, enabled by the "KMB Info" feature, which provides relevant traffic conditions, weather information and bus route suggestions based on the current location of the user.

Performance Assurance

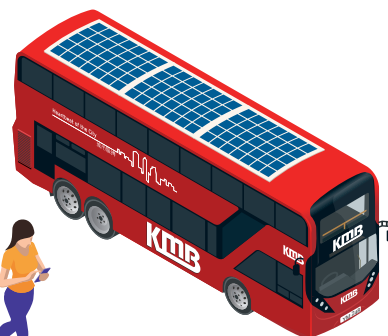
KMB has been providing reliable franchised bus services in Hong Kong for more than 90 years, establishing itself as an industry leader in operational and service excellence. KMB adopts mechanical reliability¹ and operational capability² as key indicators for measuring its operational performance. In 2024, KMB achieved a mechanical reliability of 176,027 km:1 and an operational capability of 98.53%.

Depots

Routine maintenance and repair services are carried out at KMB's four major bus depots in Kowloon Bay, Lai Chi Kok, Sha Tin and Tuen Mun, while ten smaller depots provide minor maintenance services and parking. The KMB Overhaul Centre in Tuen Mun supports major overhaul services. Depot facilities are continually upgraded to ensure consistent service quality and a high level of productivity.



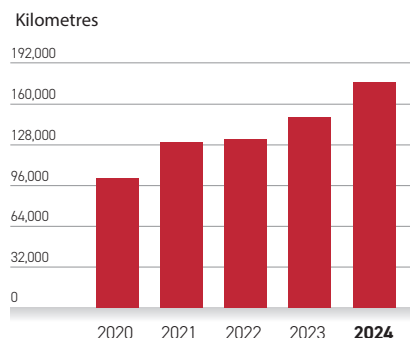
▲ KMB and LWB's mobile application, App1933, offers comprehensive information, including route details, estimated arrival times and various offers. Leveraging 5G technology, it also displays real-time occupancy rates for upcoming departures, helping passengers better plan their journeys



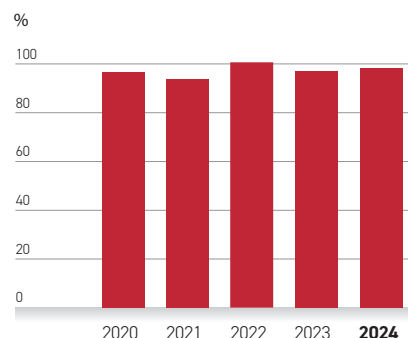
¹ Mechanical reliability refers to the average number of kilometres a bus operates before it experiences one mechanical breakdown on the road with passengers on board.

² Operational capability refers to the ratio of actual departures to scheduled departures in the busy direction during the peak hours of 7:00 a.m. to 9:00 a.m. across the bus network.

Mechanical Reliability¹ – KMB



Operational Capability² – KMB



Note: Operational capability was affected by social distancing measures in 2021.

Management System Standards



Quality Management Systems (ISO 9001)

Year of Adoption Since
1999



Environmental Management Systems (ISO 14001)

Year of Adoption Since
2003*



Occupational Health and Safety Management Systems (ISO 45001)

Year of Adoption Since
2019
(Migrated from OHSAS18001:2007)

* The two largest depots of KMB are certified.

Major Depots Serving KMB and LWB Buses

Depots	Service Areas/Main Purpose of Depot	Gross Floor Area (Square Feet)	Buses in Service as of 31 December 2024	Year of Operations Commencement	Remarks
KMB Depots:					
Kowloon Bay Depot	East Kowloon	768,038	1,065	1990	The depot land was acquired at market price from the government in 1986 under a Private Treaty Grant.
Lai Chi Kok Depot	South and West Kowloon	648,946	854	2002	The depot land is leased from the government under a short-term tenancy [#] .
Sha Tin Depot	North and East New Territories	720,005	1,115	1988	The depot land was acquired at a public auction in 1984.
Tuen Mun Depot	West New Territories	148,961	976	1979	The depot land was acquired at a public auction in 1974.
KMB Overhaul Centre	Bus Overhaul	380,915	N.A.	1983	The depot land was acquired at market price from the government in 1979 under a Private Treaty Grant.
LWB Depot:					
Siu Ho Wan Depot	Lantau Island	82,422	283	1998	The depot land is leased from the government under a short-term tenancy [#] .
Total		2,749,287	4,293		

[#] Under the short-term tenancy agreement, rentals at market rates are payable to the Hong Kong SAR Government.

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Hong Kong Franchised Public Bus Operations

Long Win Bus Company Limited (“LWB”)

LWB has been operating franchised public bus services to and from the New Territories, Hong Kong International Airport and North Lantau since 1997. LWB has garnered resounding support from both locals and visitors, capitalising on the substantial demand for boundary route services driven by tourism-related activities. LWB’s network currently covers the Airport, Tung Chung, the Hong Kong-Zhuhai-Macao Bridge Hong Kong Port, Hong Kong Disneyland, the Ngong Ping 360 cable car and AsiaWorld-Expo.





▲ LWB provides convenient, reliable, and comfortable bus services for passengers travelling to and from the Hong Kong-Zhuhai-Macao Bridge, Hong Kong Port and the Airport

Return of Tourists and Local Outbound Travel Demands

LWB's customer base mainly comprises tourists and individuals engaged in tourism-related activities. 2024 saw a soaring demand for boundary route services, reaching levels comparable to those seen before the pandemic. With the full reopening of borders, the advancement of Individual Visit Scheme by the Central Government, and the local authorities' initiatives for mega events, exhibitions and shows, visitors returned to the city, generating significant demand for LWB services. The passenger flow of LWB surged, prompting LWB to implement measures to enhance its bus service levels and ensure that public needs were met.

Rewards to Passengers

To reward passengers, the KMB Monthly Pass Scheme was extended to cover LWB bus routes. Pass holders can use the Pass on the LWB-operated E-, N-, S-, R- and X- routes and enjoy a 73% off fare discount on LWB A- and NA-routes, accessing a bus network that connects different boundary control points.

To encourage better utilisation of the KMB and LWB network for travel to and from control points, KMB and LWB renewed the "Ride 2 Journeys, Get 1 Journey Free" fare concession scheme for passengers travelling on KMB and LWB A-routes, waiving the lower fare of the two legs of the journey.

Electronic Payment System

LWB is the first franchised bus company in Hong Kong to offer diverse e-payment services for the convenience of passengers, especially those from overseas who may not have access to the local currency or an Octopus card upon arrival. The Company continued to enhance its e-payment system in 2024, accepting payments such as American Express, Discover/Diners Club and WeChat Pay HK. Currently, the system supports 16 payment methods including contactless payment, mobile payment and QR code payment, making it, together with KMB's system, the e-payment solution that accommodates more payment methods than any other public transport operator's system.

Bus Service Network

At the end of 2024, LWB operated 43 routes. With the increasing number of visitors, demand for transport to and from the Hong Kong-Zhuhai-Macao Bridge ("HZMB") and the Airport surged. To meet this rising demand, LWB strengthened its services, particularly in the HZMB area, by introducing a new route and re-routing some existing routes. This expansion extended both service coverage and hours to include districts such as Lei Muk Shue, Wong Nai Tau, Tsuen Wan, Kwai Chung and Fo Tan.

BUSINESS REVIEW



▲ The newly introduced LWB Euro VI bus fleet significantly reduces exhaust emissions, contributing to fresher roadside air

Bus Fleet and Fleet Upgrade

In 2024, LWB introduced two new buses equipped with the latest safety devices. As of 31 December 2024, LWB operated 279 double-deck buses, including 219 that are 12.8 metres long, along with four electric single-deck buses, all of which are wheelchair accessible and equipped with the On-board Electronic Bus Stop Announcement System.

Safety and Customer Service

LWB buses are regularly and thoroughly serviced to ensure that they are maintained at the highest standards. Driving instructors monitor bus captains’ driving performance and customer service delivery, with safety briefings held from time to time and safety reminders circulated to bus captains. To enhance driving safety, LWB buses are equipped with the Driving Monitoring System and the Advanced Driver Assistance System, which give early warnings to bus captains and assist in their driving performance. The LWB customer

service and airbus ticket office at the Hong Kong International Airport Ground Transportation Centre offers e-payment options, providing more convenience for passengers and tourists.

Environmental Protection

LWB is fully aware of the importance of environmental protection as it continues to invest in environmentally friendly buses to meet the stringent emission standards of the European Council of Environmental Ministers. The proportion of Euro V or above and electric buses in the LWB fleet now exceeds 98.23%.

The electrostatic air filtration function of the air-conditioning system on LWB buses significantly enhances the air quality inside the bus compartment, while the Eco-Driveline System reduces both fuel consumption and exhaust emissions.

LWB’s Bus Fleet	Double-deck Buses	Electric Single-deck Buses	Total Number of Buses
As of 1 January 2024	281	4	285
Addition during the year	2	0	2
Disposal during the year	(4)	0	(4)
As of 31 December 2024	279	4	283

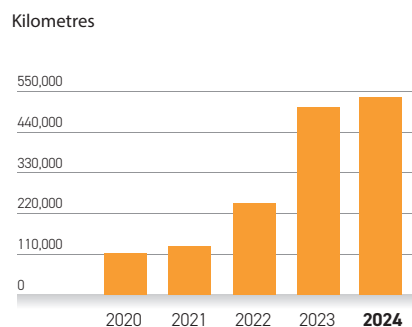
Performance Assurance

LWB constantly reviews its bus services and maintenance regime to ensure that safety and efficiency are maintained at the highest level across its bus fleet. LWB adopts mechanical reliability¹ and operational capability² as key indicators for measuring its operational performance. In 2024, LWB achieved a mechanical reliability of 536,126 km:1 and an operational capability of 100.62%. LWB has obtained ISO 9001 Quality Management Systems certification since 2012.

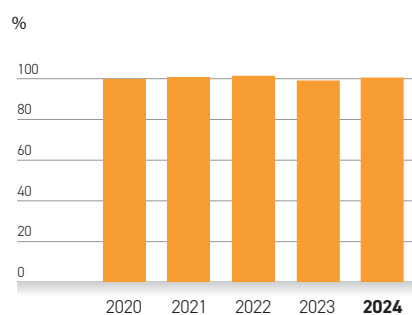
Depot

The depot at Siu Ho Wan provides daily bus maintenance, refuelling, bus washing and parking for the LWB fleet. The depot is equipped with a wastewater treatment system that ensures the quality of wastewater meets statutory requirements before being discharged into the public drainage system. A rainwater collection and water recycling system was implemented at the Siu Ho Wan Depot to conserve water.

Mechanical Reliability¹ – LWB



Operational Capability² – LWB



▲ LWB conducts regular, rigorous inspections and maintenance of its fleet to ensure the safest and highest-quality service for passengers

¹ Mechanical reliability refers to the average number of kilometres a bus operates before it experiences one mechanical breakdown on the road with passengers on board.

² Operational capability refers to the ratio of actual departures to scheduled departures in the busy direction during the busy hours of 7:00 a.m. to 9:00 a.m. across the bus network.