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CHINA MOTOR BUS COMPANY, LIMITED

(incorporated in Hong Kong with limited liability)

(Stock code : 026)

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Directors intend to put forward to the Shareholders a proposal to amend certain Articles in the Articles of Association in order to (i) permit a Shareholder which is a recognized clearing house (within the meaning of the Securities and Futures Ordinance, Cap. 571 of the Laws of Hong Kong) to appoint more than one corporate representative(s) or proxy(ies) at any shareholders' Meeting; and (ii) increase the limit placed on the annual remuneration of Directors and to introduce two different limits.

The proposed amendments to the Articles of Association are subject to approval of the Shareholders by way of passing a special resolution to be proposed at the Ordinary Yearly Meeting.

A circular containing, among other things, details of the proposed amendments to the Articles of Association and a notice of the Ordinary Yearly Meeting will be despatched to the Shareholders as soon as possible.

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY

The board (the "Board") of directors (the "Directors") of China Motor Bus Company, Limited (the "Company") proposed to amend certain Articles in the articles of association of the Company (the "Articles of Association").

In order to bring the Company's Articles of Association in line with recent requirement of The Stock Exchange of Hong Kong Limited, it is proposed that a new Article 103A be added so as to permit a shareholder of the Company (the "Shareholder") which is a recognized clearing house (within the meaning of the Securities and Futures Ordinance, Cap. 571 of the Laws of Hong Kong) to appoint more than one corporate representative(s) or proxy(ies) at any Shareholders' Meeting, each corporate representative or proxy to act in respect of a specified number of shares of such Shareholder.

The existing Article 119 limits the annual remuneration of each Director to not more than HK\$50,000. This limit on remuneration was fixed in 1999 and is no longer realistic today. Furthermore, the imposition of the same limit across the board fails to take into account the different job responsibilities of individual Directors. Under the proposed amendment, it is recognized that certain Directors, such as the Chairman of the Board and the Chairman of the

Audit Committee, may have a heavier workload than other Directors and it should be possible for them to be remunerated at a higher level than other Directors. Although it is proposed that the limit placed on the annual remuneration of Directors be increased and to introduce two different limits, the actual remuneration to be awarded to each Director will be determined by the Shareholders in General Meeting, who will have a discretion in fixing the annual remuneration of each Director, having regard to the limits set out in the proposed new Article 119.

The Directors propose to seek the approval of the Shareholders by way of a special resolution at the forthcoming ordinary yearly meeting of the Company (the "Ordinary Yearly Meeting") for the following amendments to the Articles of Association:

Article 103A

By adding the following New Article 103A immediately after the existing Article 103:

"103A Where a shareholder is a recognized clearing house (within the meaning of the Securities and Futures Ordinance (Chapter 571) of the Laws of Hong Kong) or its nominee(s), it may authorise such person or persons as it thinks fit to act as its representative(s) or proxy(ies) at any shareholders' meetings provided that, if more than one person is so authorised, the authorisation or proxy form must specify the number of shares in respect of which each such person is so authorised. The person so authorised will be deemed to have been duly authorised without the need of producing any documents of title, notarised authorisation and/or further evidence for substantiating the facts that it is duly authorised and will be entitled to exercise the same power on behalf of the recognized clearing house as that clearing house or its nominee(s) could exercise if it were an individual shareholder of the Company."

Article 119

By deleting the existing Article 119 in its entirety and substituting the same by the following new Article 119:

"119. Each of the Directors shall be paid out of the funds of the Company in each year by way of remuneration such sum, not exceeding \$250,000 in the case of the Chairman of the Board and the Chairman of the Audit Committee, and not exceeding \$100,000 in the case of all other Directors, as the Company shall, in general meeting, determine."

A circular containing further information in respect of the proposed amendments to the Articles of Association and a notice of the Ordinary Yearly Meeting will be despatched to the Shareholders as soon as possible.

By Order of the Board
Ngan Kit-ling
Chairman

Hong Kong, 17th October, 2008

As at the date of this announcement, the Board of Directors of the company comprises NGAN Kit-ling, Dr. NGAN Kit-keung, Dr. Henry NGAN, Dr. LIU Lit-mo, Fritz HELMREICH, Anthony Grahame STOTT* and TSE Yiu-wah*.*

** Independent non-executive director*