BUSINESS REVIEW

China Mainland Transport Operations



The Group holds investments in transport service operators in Shenzhen and Beijing as part of its strategy of leveraging transport related business opportunities in China Mainland that offer a reasonable return.





▲ SZBG is the largest public transport operator using new energy in the world

Shenzhen Bus Group Company Limited (深圳巴士集團股份有限公司) ("SZBG")

SZBG is a Sino-foreign joint stock company formed by KMB (Shenzhen) Transport Investment Limited (九巴 (深圳) 交 通投資有限公司), a wholly-owned subsidiary of the Group, and four Mainland investors. The Group has a 35% interest in SZBG which has been operating public bus and taxi services in Shenzhen since 2005.

SZBG has a fleet of over 5,600 buses operating on more than 320 routes, and more than 4,800 taxis. As a result of the outbreak of COVID-19 in China, the number of patronage of SZBG, including that of its bus and taxi operations decreased by 28.3% to 389.9 million in 2022 as compared to 544.1 million in 2021.

SZBG took the lead in electrifying its bus fleet in 2017 and became the largest public transport operator using new energy in the world. In addition, being ISO9001:2008 certified for the provision of bus transport services in Shenzhen, SZBG is dedicated to upgrading its services and maintaining its business edge.

Beijing Beiqi Kowloon Taxi Company Limited (北京北汽九龍出租汽車股份有限公司) ("BBKT")

KMB (Beijing) Taxi Investment Limited (九巴(北京) 出租汽車投資有限公司), a wholly-owned subsidiary of the Group, holds an equity interest of 31.38% in BBKT – the first Sinoforeign joint stock company to enter China Mainland's taxi hire and car rental sector when it was established in 2003.

BBKT operated both taxi hire and car rental businesses until April 2013. In order to sharpen its focus on the business opportunities provided by the booming but challenging car rental market, it spun off its car rental business to another Sino-foreign joint stock company of the Group, namely Beijing Beiqi First Company Limited (北京北汽福斯特股份有限公司).

With a fleet of more than 3,700 taxis, BBKT continues to put service quality first as it explores sustainable new business opportunities.

Beijing Beiqi First Company Limited (北京北汽福斯特股份有限公司) ("BBF")

Established in April 2013 as a Sino-foreign joint stock company with the same shareholding structure as BBKT, BBF operates the car rental business formerly undertaken by BBKT.

BBF has more than 900 vehicles available for charter, mainly serving Beijing (北京) and Tianjin (天津). Being ISO9001:2008 certified for its Quality Management Systems in the provision of car rental services, BBF is well placed to take advantage of the business opportunities afforded by business commuters as well as by the wide variety of events, conferences and exhibitions held in the capital.



▲ BBKT has been serving the public and tourists in Beijing with a fleet of more than 3,700 taxis