

Transport International Holdings Limited 2018 Annual General Meeting

At the 2018 Annual General Meeting of Transport International Holdings Limited (“TIH”) held today (17 May 2018), the Group’s Chairman, Dr. Norman Leung Nai Pang, reported the financial results for 2017. The Board has recommended an ordinary final dividend of HK\$0.90 per share payable on 29 June 2018. Together with the ordinary interim dividend of HK\$0.35 per share paid on 17 October 2017, the total dividend for the year will be HK\$1.25 per share.

For the year ended 31 December 2017, the Group’s profit attributable to equity shareholders was HK\$1,294.8 million, an increase of 55.8% compared with 2016. Excluding the one-off non-recurring capital gain earned by the sale of shares in RoadShow Holdings Limited, which was HK\$439.6 million, the profit attributable to shareholders was HK\$855.2 million, an increase of HK\$24.3 million, or 2.9%, compared with 2016.

The Kowloon Motor Bus Company (1933) Limited (“KMB”) recorded a profit after taxation of HK\$610.1 million, representing a decrease of HK\$7.6 million compared with 2016. A rise in international fuel prices caused an increase in fuel costs of 20% compared with 2016. However, following the upgrade of the bus fleet, the enhancement of the efficiency and competitiveness of the bus network and the improvement in bus service reliability, the ridership of KMB increased by 1.6% compared with 2016.

As for Long Win Bus Company Limited (“LWB”), profit after taxation for 2017 was HK\$42.2 million, an increase of 35.3% over 2016, when the profit was HK\$31.2 million. The ridership of LWB increased by 4.8% compared with 2016.

The Group’s non-franchised Transport Division, with Sun Bus Limited as its flagship company, recorded a revenue increase of 4.8% compared with 2016. In respect of our China Mainland Transport Operations Division, our joint ventures in Beijing and Shenzhen continued to record positive results in 2017.

With a new ten-year franchise taking effect from 2017, KMB launched new initiatives in terms of bus fleet, operations and customer service. The new red bus fleet features USB chargers and a free Wi-Fi service. A new facility, the ‘Upper Seat Availability Display System’, was put on trial to make full use of the capacity of each bus. In addition, new overnight bus routes, and a number of fare concession schemes including those in partnership with Hong Kong Tramways and minibus operator AMS were launched to extend the reach of KMB’s bus network. LWB also launched a Pre-paid Group Ticket Scheme with satisfactory results. The Group continues to seize market opportunities, with the launch of the Monthly Pass Scheme in March 2018

covering the 400 routes operated by KMB. The Scheme further leverages the advantages of “point-to-point” bus services and adds further value to KMB’s services.

“Despite the challenges the Group faces, the planned development of new towns in the northern New Territories, including Hung Shui Kiu, and land reclamation off Tung Chung East are set to provide economic growth impetus for Hong Kong and business opportunities for the Group and returns for the shareholders,” Dr. Leung said.

At the meeting, Dr. Leung expressed deep regret for the unfortunate incident on Tai Po Road. The Group responded to the incident immediately with compassion and responsibility and spared no effort in offering assistance and comfort to the aggrieved families. A Special Committee was set up to investigate the incident and come up with recommendations to provide greater assurance for passenger safety. Recommendations on safety features in buses and in relation to the recruitment, training, management and support of bus captains were proposed. These recommendations have been submitted to the Transport Department.

Dr. Leung concluded, “Since the Group’s continuing success depends on everyone working together as a team, I would like to express my sincere thanks to every member of the Group and to our shareholders for their support.”



Photo caption: Transport International Holdings Limited 2018 Annual General Meeting