



KWOON CHUNG MOTORS CO., LTD.

冠忠遊覽車有限公司

A subsidiary of KWOON CHUNG BUS HOLDINGS LIMITED 冠忠巴士集團有限公司附屬公司

13th April 2016

Dear Customers,

Single Vehicle Accident at
Tuen Mun Highway on 11 April 2016

You may become aware of a single-vehicle accident at Tuen Mun Highway in the morning of 11 April 2016 (Monday), after which the media have reported that a fire had damaged one of our company's buses.

We wish to report to you that on 11 April 2016 at approximately 8:20 a.m., one of our company's buses providing Employees' Service was carrying passengers from Tuen Mun to Science Park, Sha Tin. On approaching Tsing Lung Tau Section of Tuen Mun Highway, the bus captain observed smokes coming out from the rear of the bus. He stopped the bus immediately at the roadside shoulder and evacuated all passengers. Subsequently a fire had broken out causing damage to the bus body.

We are aware of the media coverage of the incident, which may have caused your concern and we are also anxious in identifying the source of the incident. Our engineer has conducted an initial investigation and come to the opinion that it may be the result of an impact from road debris on the bus' muffler or the exhaust pipe, and the heat released from the damage caused the vehicle body to burst into flames. And to investigate thoroughly the causation, we have appointed an independent Loss Adjuster to investigate the case, from which a full report will be available.

We wish to emphasize that all our buses are up to standard in all aspects of vehicle safety, and we conduct regular maintenance on all vehicles, which are also subject to annual safety and compliance examination by Transport Department.

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3RD FLOOR, 8 CHONG FU ROAD, CHAI WAN, HONG KONG

香港柴灣創富道八號三樓

TEL. 電話: (852) 2578 1178, 2807 1383 FAX 圖文傳真: (852) 2562 3399, 2578 4111, 2807 2272

E-MAIL 電子郵件: contact@kcm.com.hk WEBSITE 網址: <http://www.kcm.com.hk>



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As for our bus captains, we have provided precaution training, safety awareness, contingency plan and standard accident courses (including crisis management) to them on a regular basis. The success of these training programmes is reflected in the above incident, that all passengers were safely evacuated under the direction of the bus captain.

After this incident, we will tighten up our arrangement for regular maintenance, and pay special attention to fire hazard prevention. With the above precautionary measure, we believe that we will bring to your attention, and confidence, over our safety standard. We also welcome any constructive suggestions in enhancing the same from our valued business partners.

Without prejudice to the above observations, we would await the Loss Adjuster's report and share with you any helpful information that could enhance our safety and service standard.

Yours faithfully,
For and on behalf of
KWOON CHUNG MOTORS CO., LTD.

Stanley Lee
Director