

Results

Revenue of the Group for the six months ended 30 June 2002 increased by 21% over the same period last year.

For the six months ended 30 June 2002, the Group reported total operating revenue of HK\$120.5 million and profit attributable to shareholders of HK\$60.0 million, representing increases of approximately 21% and 8% respectively over the same period in 2001. The Group's revenue was derived principally from its media sales services and media sales management and administrative services, with each accounting for approximately 86% and 7% respectively of the Group's total operating revenue for the six months ended 30 June 2002.

Operating revenue

Revenue from media sales services increased by HK\$24.8 million, from HK\$79.3 million in the first half of 2001 to HK\$104.1 million in the first half of 2002. The increase was principally due to an increase in media sales in respect of transit vehicle shelters and a full commissioning of the Multi-media On-board ("MMOB") business on transit vehicles in 2002. At 30 June 2002, the Group had 1,892 transit vehicle shelter panels with a territory wide coverage and a total of 2,600 MMOB transit vehicles with a sizeable audience reach of over two million daily.

The media sales management and administrative services rendered by the Group on about 4,800 transit vehicle exteriors generated a revenue of HK\$8.6 million for the six months ended 30 June 2002, a drop of HK\$2.5 million as compared with the corresponding period last year.

Other revenue mainly comprised merchandising business revenue and interest income.

Operating expenses

Operating expenses increased by HK\$9.5 million, from HK\$35.2 million in the first half of 2001 to HK\$44.7 million in the first half of 2002. This increase in operating expenses, which included mainly depreciation charges for the MMOB system and production costs, over the same period last year was in line with expectations and arose from the full commissioning of MMOB business in 2002. Tax expenses increased from HK\$5.3 million in the first half of 2001 to HK\$10.6 million in the first half of 2002, mainly resulting from the increase in the effective tax rate in 2002.

Interim Dividend

Same as in the previous period, the Board of Directors ("Board") does not recommend the payment of an interim dividend for the period ended 30 June 2002 (January-June 2001: HK\$Nil).

Liquidity, Financial Resources and Capital Structure

At 30 June 2002, the Group had net current assets of HK\$753.8 million (31 December 2001: HK\$751.3 million).

The Group's cash needs are primarily for working capital to support its media sales businesses. At 30 June 2002, the Group had cash and cash equivalents of approximately HK\$579.0 million, which were denominated in Hong Kong dollars or United States dollars. Cash generated from operations, when not needed to meet working capital requirements, is principally placed in bank deposits.

At 30 June 2002, the Group had no banking facilities in place and had no indebtedness. Apart from intra-group liabilities, the Group did not have, at the close of business on 30 June 2002, any outstanding mortgages, charges, debentures or other loan capital or bank overdrafts, loans or similar indebtedness or hire purchase or finance lease commitments or any guarantees or other material contingent liabilities.

Use of Proceeds

Since the listing of RoadShow on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 28 June 2001 (the "Listing Date"), the Group has incurred approximately HK\$86.0 million for the purchase of equipment and development of programme content for use in the MMOB business, and approximately HK\$29.9 million for the acquisition of complementary businesses in China. The balance of the proceeds which have not been utilized have been deposited with licensed banks in Hong Kong.

Employees and Emoluments Policies

At 30 June 2002, the Group had 61 full-time employees (31 December 2001: 63). The Group has adopted an Employee Share Option Scheme and Pre-Listing Share Option Scheme (together the "Share Option Schemes"), details of which are contained in the paragraph headed "Share Option Schemes" below.

The Group offers a comprehensive and competitive remuneration and benefits package to all of its employees. In addition, it offers a performance bonus scheme to its senior staff based on achievement of business objectives and a sales commission scheme to its sales team based on achievement of advertising revenue targets. The Group has adopted a provident fund scheme for its employees in Hong Kong as required under the Mandatory Provident Fund Schemes Ordinance.