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**Chairman's
Statement**
主席報告



Following a severely depressed first half due to SARS, business rebounded strongly for RoadShow and the Group in the last six months due to improved market sentiment and an upturn in consumer confidence in both Hong Kong and Mainland China.

經過因爆發非典型肺炎而使經濟極度低迷的上半年，由於市場氣氛有所改善，加上香港及中國內地的消費者信心回升，令路訊通及集團的業務在下半年呈強勁反彈。

Throughout the year, RoadShow's growth and diversification strategy was carried out in a prudent, focused manner. In Mainland China, we expanded our presence and our joint ventures achieved their revenue goals and made a contribution to profit. In 2002, our Mainland China joint ventures contributed about 6% to our revenue stream. As at the end of 2003, this grew to about 31% and we expect this growth trend to continue into 2004.

Despite the extremely challenging operating environment, RoadShow demonstrated that it is a major factor in the highly competitive outdoor and electronic media sales market in the Greater China Region. RoadShow's MMOB business continued to realise its potential and to create value for our shareholders.

In Hong Kong, by year-end 2003, 4,000 public transit vehicles had been equipped with the MMOB system. This is in addition to bus body advertising and advertising spaces at passenger shelters. In Mainland China, RoadShow has become multi-dimensional in its media sales expanding beyond public transit vehicles.

年內，路訊通以穩健、專注的態度，落實其增長及多元化策略。集團在中國內地的業務覆蓋面增加，而合營公司的收益亦達到目標並帶來盈利貢獻。二零零二年，中國內地的合營公司對集團有約6%的收益貢獻；截至二零零三年底則已增至約31%，預期升勢將會於二零零四年持續。

儘管經營環境極具挑戰性，路訊通仍成功證明本身具備逐鹿大中華區戶外及電子媒體銷售市場之雄厚實力。路訊通的流動多媒體業務繼續展現其發展潛力，為其股東創造價值。

在本港，到二零零三年底已有4,000部公共客運車輛上裝備流動多媒體系統。此還不計巴士車身廣告及候車亭廣告位所接觸的觀眾群。在中國內地，路訊通的媒體銷售已是全方位，遠超乎公共客運車輛這種媒介本身。

Results for the Year

For the year ended 31 December 2003, the Group reported total operating revenue of HK\$173.4 million, representing a slight increase over last year. Compared to a profit attributable to shareholders of HK\$55.0 million in 2002, the Group recorded a loss attributable to shareholders in the amount of HK\$37.0 million.

The year 2003 presented both challenges and opportunities. The first half of 2003 witnessed the continuation of the global economic downturn and a sluggish local economy. However, both the global and local business environment experienced a turnaround in the second half of 2003. As a result, the Group saw a rebound in its total operating revenue in the second half of 2003, doubling over the corresponding period of 2002.

Revenues from the media sales and management business operated in both Hong Kong and Mainland China continue to be the principal revenue source of the Group, with each accounting for approximately 59% and 31% respectively of the Group's total operating revenue for the year ended 31 December 2003.

Dividend

The Directors do not recommend the payment of a final dividend for the year ended 31 December 2003 (2002 : a final dividend of HK 2 cents per share).

Prospects

The outlook for Greater China is generally positive. This is anticipated to generate increased advertising spending and create opportunities for our Group to prosper.

年度業績

截至二零零三年十二月三十一日止年度，集團錄得經營收益總額港幣173,400,000元，較去年輕微上升。而相比二零零二年之股東應佔盈利港幣55,000,000元，本集團錄得股東應佔虧損港幣37,000,000元。

二零零三年充滿挑戰與機遇，全球經濟於上半年未能擺脫衰退，本港經濟亦未見起色。幸全球以至本地營商環境於二零零三年下半年步出谷底，令集團的經營收益於二零零三年下半年反彈，較二零零二年同期增長一倍。

集團的收益仍然主要來自其在香港及中國內地的媒體銷售及管理業務，各自分別佔集團截至二零零三年十二月三十一日止年度的經營收益總額約為59%及31%。

股息

董事並不建議派發截至二零零三年十二月三十一日止年度之末期股息（二零零二年度末期股息為每股2港仙）。

前景

大中華區的前景普遍向好。估計會刺激廣告開支增加，為集團帶來機遇令其業務蒸蒸日上。

While there is some concern about a reoccurrence of SARS, we are confident that individuals and businesses are much better prepared to deal with it. In 2003, the disease was completely unknown.

The Hong Kong tourism business received a boost with the signing of the CEPA that included Mainland China lifting travel restrictions on individuals residing in eight Guangdong cities, Shanghai and Beijing. This was subsequently expanded in early 2004 to all of Guangdong Province. After the travel restrictions are lifted for the whole Guangdong Province, the potential individual tourists together with the Shanghai and Beijing residents, can reach 100 million.

Also supporting tourism in Hong Kong will be the new Disneyland and the hosting of the Association of Southeast Asian Nations games. In addition, economic growth will be bolstered by the move to allow banks in Hong Kong to offer individual RMB deposit-taking accounts, currency exchange, remittances and credit-card services effective from February 2004. The International Monetary Fund projected that Hong Kong's real GDP in 2004 will grow at around 4.5%-5% following an estimated growth of 3% for 2003. The outdoor advertising market and media sales business should benefit from this anticipated economic growth.

In addition to China's entry into the WTO, economic growth will be fueled by the 2008 Olympic Games in Beijing, the 2010 World Expo in Shanghai, the new Guangzhou International Airport opening in 2004 and the expansion of the Guangzhou Metro Rapid Transit System.

雖然對非典型肺炎重臨的憂慮仍在，但相對於二零零三年對此病一無所知，我們深信不論個人及商界對此病都已經有更好準備。

本港旅遊業隨著更緊密經貿關係安排的簽訂而大有起色，因更緊密經貿關係安排內容包括放寬廣東省之八個城市以及上海與北京居民的個人旅港限制。此項措施其後更於二零零四年初擴大至廣東全省，廣東省全省開放後，連同上海及北京居民，潛在自由行旅客將達1億人。

其他有助本港旅遊業復甦的事件還有新迪士尼樂園的興建以及香港成功申辦東亞運動會。此外，相信經濟將因本港銀行由二零零四年二月起獲准經營個人人民幣存取戶口、貨幣兌換、匯款及信用卡服務業務而注入強心針。國際貨幣基金組織預測香港明年的經濟增長率將介乎4.5%至5%，今年實質增長將達3%。戶外廣告市場及媒體銷售業務受惠於估計經濟增長自不待言。

除中國加入世界貿易組織外，北京二零零八年奧運、上海二零一零年世界博覽會、廣州新國際機場二零零四年投入服務以及廣州擴大城市高速集體運輸系統，也是中國經濟增長的利好因素。

The Mainland market is immeasurably larger than Hong Kong, which is a mature market. The cities of Beijing, Shanghai and Guangzhou are the engines for growth in advertising expenditures.

Thus, Mainland China presents tremendous business opportunities for our joint ventures. While new domestic and international competitors will be attracted by these same prospects, RoadShow will have the edge with its innovative MMOB concept and ability to provide full services to advertisers working with our joint venture partners. Also, RoadShow's connections with the KMB Group are a definite advantage, adding to our competitive edge in the Mainland China market.

Overall, the improvement in the Hong Kong and Mainland China economies in the last six months of the year was most encouraging.

Long Term Strategy

Our core strategy is to meet the needs and expectations of public transport operators and advertisers and to continue to expand and diversify the business in the Greater China region and other countries.

We will continue to seek opportunities to acquire or to invest in complementary businesses or to establish joint ventures in the Mainland and further develop RoadShow's regional network. We will also continue to diversify our operations to increase our revenue base and operating efficiency.

大陸市場規模遠勝於香港這個成熟市場。北京、上海及廣州是廣告開支增長的火車頭。

因此，中國大陸誠我們的合營企業的龐大商機所在。國內外競爭者固然會受以上因素吸引而到來分一杯羹，而路訊通將憑著其創新的流動多媒體理念及能力，與合營夥伴攜手為廣告商提供全面服務。此外，路訊通與九巴集團的連繫，構成我們在內地市場另一項競爭優勢。

整體而言，中港經濟在過去六個月強勁復甦，最是令人鼓舞。

長遠策略

我們的核心策略為迎合公共客運營辦商與廣告商的需要與期望，我們亦會繼續將集團業務開拓到大中華地區以至其他國家的客運車輛。

我們將繼續伺機收購或投資於互補業務或在內地建立合營企業，並將進一步發展路訊通地區業務網絡。我們亦將使集團業務呈多元化發展，藉以增加收入基礎和提升營運效率。



We will participate in the testing of GPS that will benefit KMB's bus operations and enable RoadShow to provide real time information to our audience. We will not implement a system, however, until our stringent specifications are met or exceeded.

We will continue to grow our base of advertisers seeking cost effective access to people who are travelling to either earn money or spend it. We have a base of clients of about 700 in Hong Kong with a high percentage of repeat customers. We plan to continue an aggressive business development programme to add to this base in 2004.

Our aim is to provide value-added services to passengers and build our stakeholders' understanding and confidence in the Group's long-term plans and development through transparency, communication and performance.

Most public transit vehicle passengers appreciate the MMOB service according to surveys, but a minority are critical of the service. Management continues to communicate with these passengers and we have made adjustments in the operation, such as lowering the audio volume or having zero volume in defined areas of vehicles. We will continue to maintain a dialogue with those who are not happy with the service.

我們會繼續參與有利於九巴巴士業務的全球定位系統測試，實現向集團的觀眾提供即時資訊。然而，我們會等到測試結果達到甚至超過我們訂下的嚴謹規格後，才會實行有關系統。

我們勢要全力以赴，讓廣告商以極具成本效益的方式，接觸與日俱增的觀眾，當中包括出外賺取收入或消費的人士。路訊通在香港有為數約700個的客戶群，而其中多次光顧的客戶佔了絕高百分比。我們將於二零零四年貫徹進取的業務發展計劃，壯大此一客戶群。

集團旨在為乘客提供增值服務，及通過增加透明度、加強溝通及爭取更理想的表現，致力令股東更加明白集團的長遠計劃及發展。

據調查顯示，絕大部份公共客運車輛乘客對流動多媒體服務讚賞不已，惟少數乘客對有關服務亦有意見。管理層將保持開放態度，繼續與這些客戶溝通，並已在實際運作中作出調整，例如調低節目音量或將車內某些區域劃定為靜音區。我們將繼續與不滿意有關服務的乘客保持溝通。

Our People

The success of RoadShow is dependent on our experienced and professional staff. The Board thanks our employees for their dedication and invaluable contributions to the business during an extremely challenging year. We count on their support for the continuing success of our new business in the future.

Directors

Many thanks go to the Audit Committee, chaired initially by Mr Norman Leung Nai Pang, who resigned with effect from 1 August 2003, and subsequently by Mr Michael Wong Yick-kam with Ms Carlye Wai-Ling Tsui and Mr Hui Ki On as members, for the painstaking and professional work they have done during the year.

I would like to express my sincere appreciation and thanks to my fellow directors, in particular the Group Managing Director, Ms Winnie J. Ng, for their support and contributions towards the successful performance of the Group.

John CHAN Cho Chak
Chairman

員工

路訊通的成功，全賴一班經驗豐富、專業的員工。董事會謹向全體員工於過去一個充滿挑戰的年度為集團業務全力以赴並對集團業績的貢獻表示衷心謝意並期望他們再接再勵，為集團續創佳績。

董事

本人感謝審核委員會主席黃奕鑑先生(前主席梁乃鵬先生於二零零三年八月一日辭任)及成員徐尉玲女士和許淇安先生，去年孜孜不倦，竭誠提供專業服務。

此外，董事會同寅，特別是集團董事總經理伍穎梅女士，在年內鼎力支持業務發展，對集團作出寶貴的貢獻，本人謹此致謝。

主席
陳祖澤