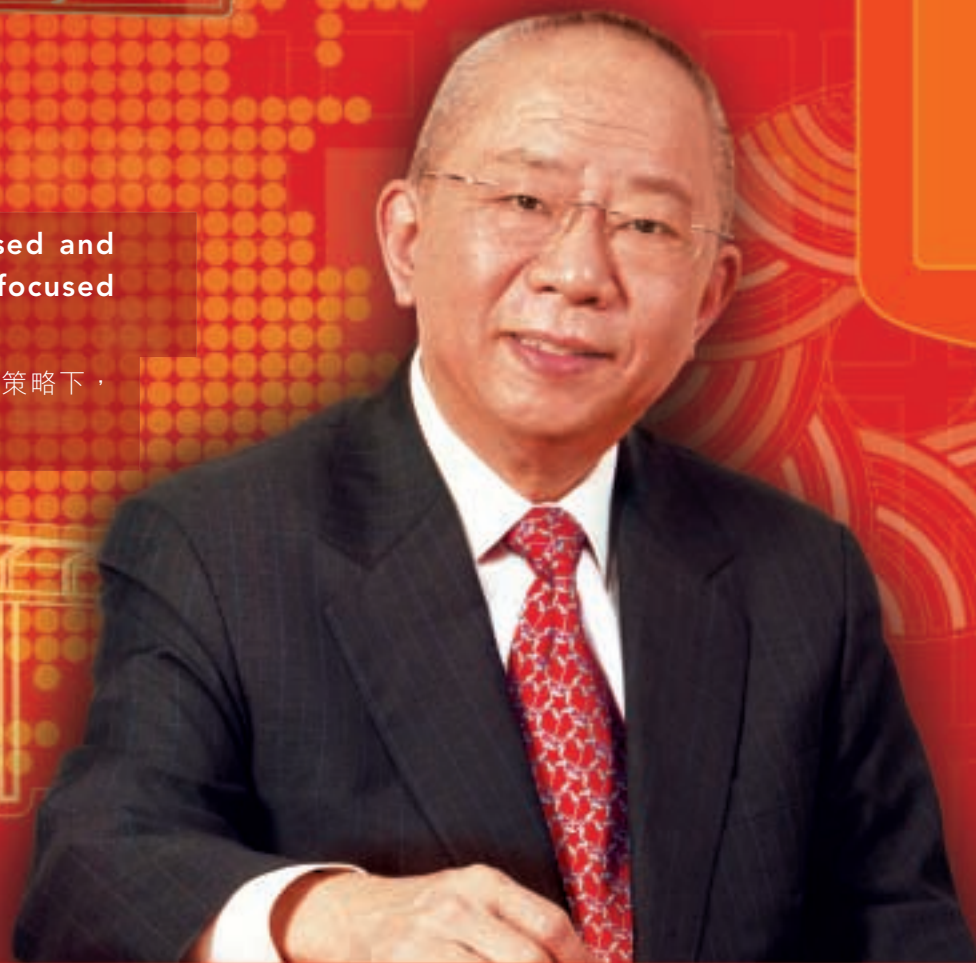


CHAIRMAN'S STATEMENT

主席報告

During the year 2005 revenue and profit increased and progress was made in the Group's prudent and focused expansion in both Hong Kong and Mainland China.

於二零零五年，在集團穩健而專注在香港及中國大陸拓展的策略下，集團的收益及盈利都有所增長，業務亦見長足進展。



RoadShow strengthened its position in Mainland China as a diversified media sales organization with our operations in the Mainland making up about 46% of our 2005 revenue stream. This compared to about 43% in 2004, 39% in 2003 and 6% in 2002. In 2006, our current projections show that our Mainland business continues to grow despite steadily increasing local and international competition.

路訊通在中國大陸加強其多元化媒體銷售公司的地位，而中國大陸的業務對二零零五年的收益貢獻約佔46%。相比起來，二零零四年約佔43%、二零零三年約佔39%，而二零零二年則約佔6%。按我們目前的預測，儘管國內及國際競爭逐步加劇，但我們在中國大陸的業務於二零零六年將持續增長。

In Hong Kong, more than 4,000 public transit vehicles have been equipped with RoadShow's MMOB system including New World First Bus public transit vehicles. This proprietary system, combined with passenger shelter advertising spaces and bus body advertising, provides a powerful platform for advertisers to reach Hong Kong consumers with their product and brand messages.

The Group, with the full support of our board of directors, continued to stress the importance of corporate governance and transparency in the management and operation of all segments of the business. In 2005 we developed a code on corporate governance based on the requirements of the Listing Rules.

在香港，超過 4,000 輛公共客運車輛（包括新世界第一巴士的公共客運車輛）已配備路訊通的流動多媒體系統。這個專有系統與乘客候車亭廣告位及巴士車身廣告結合，從而為廣告商提供一個強大平台，令香港消費者得以接觸其產品及品牌訊息。

集團在董事會的全力支持下，一向強調企業管治、管理經營透明度對所有業務分類上的重要性。我們已於二零零五年根據上市規則的規定制定一套企業管治守則。

Results for the Year 年度業績

For the year ended 31 December 2005, the Group reported total operating revenue of HK\$290.5 million, representing a 19.4% increase over the previous year. The Group recorded a profit attributable to shareholders in the amount of HK\$26.3 million in 2005 compared to HK\$20.1 million in 2004.

截至二零零五年十二月三十一日止年度，集團錄得經營收益總額港幣 290,500,000 元，較去年上升19.4%。與二零零四年的股東應佔盈利港幣 20,100,000 元比較，集團於二零零五年錄得股東應佔盈利港幣 26,300,000 元。

Dividend

股息

The Directors recommend the payment of a final dividend of HK1.7 cents per share for the year ended 31 December 2005 (2004: HK1.4 cents per share).

董事建議就截至二零零五年十二月三十一日止年度派發末期股息每股港幣1.7仙（二零零四年：每股港幣1.4仙）。

Prospects

前景

The economic growth recorded in Hong Kong during 2005 is forecasted to continue in 2006. The strong growth in the number of Mainland China tourists, encouraged by relaxed travel and currency restrictions, and the newly opened Disneyland will continue to stimulate the tourist industry in Hong Kong. The new Guangzhou International Airport and the expansion of the Guangzhou Metro Rapid Transit System will also benefit the advertising and media sales business. The 2008 Olympic Games in Beijing, the 2010 World Expo in Shanghai and the 2010 Asian Games in Guangzhou all should contribute to the growth of our business.

In Hong Kong, the strong economy should generate increased advertising expenditure and further enhance our revenue and profits. We will continue to expand our customer base by selling the benefits of our MMOB platform to more advertisers to promote their products and services. We will also continue to develop more creative means in both Hong Kong and the Mainland to capitalize on opportunities to increase our revenue. Our daily audience in Hong Kong was expanded with the extension of the MMOB telecast network to New World First Bus public transit vehicles in 2006. Also, the introduction of more pay TV stations and broadband TV channels may result in ratings decline for free TV stations, whereas RoadShow will continue to provide programme services to about four million passengers daily.

In Mainland China, GDP grew by about 10% in 2005 and the growth rate is expected to remain high during 2006. According to industry research, total advertising spending in the Mainland has been growing at double digit rates since the early 1990's and this is expected to continue in the foreseeable future.

預期香港在二零零五年錄得的經濟增長將於二零零六年持續。中國大陸的旅客數目受到旅遊及貨幣限制的放寬而大量增加，而新開幕的迪士尼樂園將繼續刺激香港的旅遊業。廣州新白雲國際機場的啟用及廣州城市高速集體運輸系統的擴張，亦將令廣告及媒體銷售業務受益。二零零八年在北京舉行的奧運會、二零一零年在上海舉行的世界博覽會及二零一零年在廣州舉行的亞運會均對我們的業務增長有利。

在香港，強健的經濟將有利廣告開支增長，並進一步提升我們的收益及盈利。我們將透過向更多廣告商銷售我們的流動多媒體平台以推廣其產品及服務，從而不斷拓展客戶基礎。我們亦將繼續在香港及中國大陸發展更多創新途徑，把握增加收益的良機。於二零零六年，因流動多媒體播放網絡擴展至新世界第一巴士的公共客運車輛而使我們在香港的日常觀眾得以擴大。此外，引入更多收費電視台及寬頻電視頻道或會導致免費電視台的收視比率下降，然而路訊通將繼續每日向約四百萬名乘客提供節目服務。

在中國大陸，國內生產總值在二零零五年有約 10% 增長，並預期二零零六年的增長率仍然高企。根據業界調查，中國大陸的廣告開支總額由九零年代初起呈雙位數比率增加，並預期該增長率於可見將來持續。

Prospects (Continued)**前景** (續)

However, the external environment during 2006 will be somewhat uncertain given such factors as high oil prices that would have a negative impact on the economy. Also, the increase in the cost of sales and stronger competition in both Hong Kong and Mainland China will result in lower gross profit margins. Though the continued growth of the advertising market in Mainland China is certainly positive, it has led to an increase in investment costs and lowered the rate of return on investment. In addition, the macroeconomic adjustments initiated by the Chinese central government in an effort to manage the pace of growth of some over-heated industries will continue during 2006 and this may have a negative effect on our operations.

However, we are addressing these concerns by providing more value-added after sales services to our customers to encourage advertisers to increase their spending with us and increase our market share. We also continue to enhance the contents of MMOB programmes for the benefit of our transit vehicle passengers.

We continue to work closely with advertisers and advertising agencies to achieve the maximum desired effect of their promotional campaigns.

The Group constantly seeks opportunities to improve cost effectiveness and to enhance revenue from our existing operations. A strict credit control policy adopted for our Hong Kong and Mainland operations has improved our accounts receivable turnover.

While surveys indicate that most public transit vehicle passengers appreciate MMOB, a minority is critical of the service. We have made adjustments to the operations, such as zero or lower audio volume in certain areas of the vehicles. Management will continue to maintain a dialogue with passengers who are not satisfied with the service.

然而，在油價高企對經濟環境構成負面影響等因素下，二零零六年的外在環境將頗為不明朗。此外，香港及中國大陸的銷售成本上升及競爭加劇，將導致毛利率下降。儘管各方對中國大陸廣告市場的持續增長非常樂觀，但這卻導致投資成本上升，並減低投資的回報率。此外，中國中央政府為控制某些過熱行業的增長速度而實施宏觀經濟調控措施將於二零零六年持續，此舉亦可能對我們的業務產生負面影響。

然而，我們現正針對這些顧慮對症下藥，向客戶提供更多增值售後服務，鼓勵廣告商增加對我們的廣告開支，同時提高我們的市場佔有率。我們亦不斷加強流動多媒體節目的內容，讓客運車輛乘客受惠。

我們亦與廣告商及廣告代理緊密合作，使他們的推廣活動得到最大效益。

集團不斷尋找機會，改善我們現有業務的成本效益，同時加強收益。我們就香港及中國大陸兩地的業務採取嚴謹的信貸監控政策，以改善應收賬款的回數期。

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。我們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。管理層將保持開放態度，繼續與不滿意有關服務的乘客保持溝通。

Long Term Strategy

長遠策略

We will strive to continue to expand our Hong Kong operations in line with the growth of both the economy and the advertising market in general as well as effective utilisation of our MMOB system. As more advertisers take advantage of MMOB, it will become a regular medium for their products and brand promotions aiming at people who are travelling in transit vehicles. The growing economy is encouraging as it enables advertisers to spend more on advertising.

The Mainland China operations will continue to be an important factor in our operating revenue and profitability. We will expand the media sales business in the Mainland but not until we are convinced that the investment will provide a reasonable return and not have a significant impact on our gearing ratio. Within this guiding principle, we will explore investment opportunities that complement RoadShow's existing businesses.

To enhance our media assets in Mainland China, we will invest in projects and/or companies with long term and exclusive advertising rights that can benefit from the Group's resources. We plan to increase our presence in the Mainland by establishing a wholly-owned media sales company with a full media sales licence. This will further expand our media sales operations and enhance the Group's branding. We will subsequently consolidate our media assets so that one sales team will handle all regional sales.

RoadShow will also strive to maintain a stable dividend policy for our investors from our profits and continue to adhere to the principles of corporate governance and transparency.

我們將致力於拓展香港的業務，以配合經濟及廣告市場的整體增長以及流動多媒體系統的更有效運用。隨著越來越多廣告商善用流動多媒體，流動多媒體將可成為向乘搭客運車輛的人士推廣其產品及品牌的必然媒體。此外，隨著經濟的增長，廣告商增加廣告的支出。

中國大陸的業務將繼續成為經營收益及盈利的主要源頭。只有在我們認為投資將提供合理回報，而又不會對我們的資本負債比率產生重大影響時，我們才會在中國大陸拓展媒體銷售業務。在這原則指導下，我們將發掘一些與路訊通現有業務相輔相成的投資機會。

為加強我們在中國大陸的媒體資產，我們將投資在擁有長期獨家廣告經營權，並可以因集團的資源而得益的項目及/或公司上。我們亦計劃透過成立一家擁有全盤媒體銷售牌照的全資媒體銷售公司，提高我們在中國大陸的知名度。此舉將進一步拓展我們的媒體銷售業務，同時加強集團的品牌。我們將於其後整合我們的媒體資產，使一支銷售隊伍已能處理所有地區的銷售。

路訊通亦將致力為其投資者維持穩定的股息政策，並繼續堅守企業管治及高透明度的原則。

Our People

員工

The Board thanks our employees for their dedication and invaluable contributions to the business during the year. We know that RoadShow's success is dependent on our experienced and professional staff and we look forward to their support for the continuing success of our business as we move forward.

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年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。

Directors

董事

Many thanks go to the Audit Committee, chaired by Dr Eric Li Ka Cheung with Mr Michael Wong Yick-kam, Ms Carlye Wai-Ling Tsui and Mr Hui Ki On as members, for their painstaking and professional work 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 toward the successful performance of the Group.

本人非常感謝審核委員會主席李家祥博士太平紳士及成員黃奕鑑先生、徐尉玲太平紳士和許淇安先生，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。

John CHAN Cho Chak

Chairman

主席

陳祖澤