

CHAIRMAN'S STATEMENT 主席報告



I am pleased to announce that RoadShow's performance in 2006 was satisfactory. The overall profit in 2006 has increased under our continuing prudent and focused expansion strategy.

本人欣然公佈，於二零零六年，路訊通的表現令人滿意。在我們貫徹審慎而專注的擴展策略下，二零零六年的整體盈利有所增長。

During the year, the Group disposed of its interests in two of its subsidiaries and generated a gain of HK\$12.7 million. The Group will continue to consolidate its media assets in Mainland China and will invest in projects and/or companies with long-term and exclusive advertising rights that can contribute to the Group's results.

年內，集團出售其於兩間附屬公司的權益，並產生收益約港幣12,700,000元。集團將繼續整合其在中國大陸的媒體資產和投資擁有長期獨家廣告權、並可對集團的業績有貢獻的項目及／或公司上。

In Hong Kong, with the expansion of the MMOB network to include New World First Bus public transit vehicles, RoadShow has captured 100% share of the franchised bus market. We now have more than 4,700 public transit vehicles equipped with the MMOB system. 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 stresses the importance of high standards of corporate governance and maintains high transparency in the management and operation of all aspects of the business. On 8 March 2006, we implemented the revised RoadShow Code on Corporate Governance, which incorporated and complied with all the relevant requirements of the Listing Rules.

Results for the Year

For the year ended 31 December 2006, the Group reported total operating revenue of HK\$353.4 million, representing a 21.7% increase over the previous year. The profit attributable to shareholders was HK\$30.8 million for the year compared to HK\$26.3 million in 2005.

在香港，隨著流動多媒體網絡擴展至包括新世界第一巴士的公共客運車輛，路訊通已取得特許巴士市場的100%佔有率。集團現有超過4,700輛公共客運車輛配備流動多媒體系統。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。

集團著重高水平企業管治的重要性，並在管理及經營業務各方面上維持高透明度。於二零零六年三月八日，集團已執行經修訂的路訊通企業管治守則，該守則已納入並遵守上市規則的所有相關規定。

年度業績

截至二零零六年十二月三十一日止年度，集團錄得經營收入總額港幣353,400,000元，較去年上升21.7%。本年度的股東應佔盈利為港幣30,800,000元，而二零零五年則為港幣26,300,000元。

Dividend

The Directors recommend the payment of a final dividend of HK3.09 cents per share for the year ended 31 December 2006 (2005: HK1.70 cents per share).

Prospects

Economic growth in Hong Kong and Mainland China is forecast to continue in 2007. In Hong Kong, the influx of tourists from the Mainland, encouraged by relaxed travel and currency restrictions, will continue to stimulate the tourist industry. The robust performance of the Hong Kong stock market will also result in higher consumer expenditure, which in turn will lead to an increase in advertising spending.

In Mainland China, the gross domestic product growth rate is expected to remain high during 2007. Total advertising spending in Mainland China has been growing at double-digit rates since the early 1990's and this is expected to continue in the foreseeable future. The 2008 Olympic Games in Beijing, the 2010 World Expo in Shanghai and the 2010 Asian Games in Guangzhou will all contribute to the growth in advertising and media sales business in Mainland China. During 2006, we established a wholly-owned media sales company in Beijing to capitalise on opportunities in the growing advertising market in Mainland China.

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 Mainland China to capitalise on opportunities to increase our revenue.

股息

董事建議就截至二零零六年十二月三十一日止年度派發末期股息每股港幣3.09仙（二零零五年：每股港幣1.70仙）。

前景

預期香港及中國大陸的經濟增長將於二零零七年持續。在香港，中國大陸旅客受到旅遊及貨幣限制放寬的鼓勵而湧入，將繼續刺激旅遊業。香港股市表現強勁亦將帶動消費開支，因而增加廣告開支。

在中國大陸，預期國內生產總值增長率在二零零七年仍然高企。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，並預期該增長將於可見將來持續。在北京舉行的二零零八年奧運會、在上海舉行的二零一零年世界博覽會及在廣州舉行的二零一零年亞運會均會為中國大陸的廣告及媒體銷售業務帶來增長。於二零零六年，我們於北京成立一家全資擁有的媒體銷售公司，以把握不斷發展的中國大陸廣告市場的良機。

我們將繼續透過向更多廣告商推介使用流動多媒體平台推廣其產品及服務的優點，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，以把握增加收入的良機。

Prospects (Continued)

Although the prospects of the advertising market in both Hong Kong and Mainland China is clearly positive, the increase in the cost of sales and keen competition in both Hong Kong and Mainland China will result in lower gross profit margins, which will in turn affect the rate of return on investment. The macro-economic adjustments initiated by the central government of China in an effort to control the pace of growth of some over-heated industries will continue in 2007, and this may have a negative effect on our operations.

We are addressing these concerns by providing more value-added sales services to our customers to encourage advertisers to increase their spending with us and hence enable us to maintain 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 for their promotional campaigns.

Furthermore, several service agreements entered into with various connected business partners which contribute significantly to the Group's turnover are due to expire in the second half of 2007. The Group has already opened discussion and negotiations with these business partners. However, up to the date of this report, there has been no material development in regard to the renewals of these agreements.

前景(續)

儘管香港及中國大陸廣告市場的前景非常樂觀，但香港及中國大陸的銷售成本上漲及競爭激烈，將導致毛利率下降而影響投資回報率。中國中央政府將於二零零七年持續實施宏觀經濟調控措施以控制某些過熱行業的增長速度，此舉亦可能對我們的業務產生負面影響。

我們現正針對這些問題向客戶提供更多增值銷售服務，鼓勵廣告商增加對我們的廣告開支，從而維持我們的市場佔有率。我們亦將不斷加強流動多媒體節目的內容，讓客運車輛乘客受惠。我們亦會繼續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。

此外，與不同有關連業務夥伴訂立的數份服務協議將於二零零七年下半年屆滿，該等服務協議為集團的營業額帶來重大貢獻。集團已與該等業務夥伴展開討論及磋商。然而，截至本報告日期，續訂該等協議並無重大發展。

Long Term Strategy

The RoadShow Group will strive to continue to expand its Hong Kong operations in line with the growth of both the economy and the advertising market in general. As more advertisers take advantage of MMOB, it will become a regular medium for their products and brand promotions aimed at people who are travelling in transit vehicles.

The Mainland China operations will continue to be an important factor in our operations. We will expand our media sales business in Mainland China but not until we are convinced that the investment will provide a reasonable return. 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 contribute to the Group's results. The expansion and investment plans of the Group will be financed by its internal reserve.

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

長遠策略

路訊通集團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。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。

中國大陸的業務將繼續成為集團業務的主要源頭。只有在我們認為投資將提供合理回報時，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。為了加強在中國大陸的媒體資產，我們將投資在擁有長期獨家廣告權、並可對集團業績有貢獻的項目及／或公司上。集團的拓展及投資計劃的資金來源將來自內部儲備。

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

Our People

On behalf of the Board, I thank 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.

Directors

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 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。本人謹代表董事會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。

董事

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。

主席

陳祖澤