

RoadShow

ROADSHOW HOLDINGS LIMITED
路訊通控股有限公司

STOCK CODE 股份代號: 888

An integral whole



2012

INTERIM REPORT 中期報告

Interim Results for the Six Months ended 30 June 2012

The directors of RoadShow Holdings Limited (the “Company” or “RoadShow”) (the “Directors”) have pleasure in submitting the unaudited consolidated income statement and consolidated statement of comprehensive income of the Company and its subsidiaries (collectively referred to as the “Group”) for the six months ended 30 June 2012 and the unaudited consolidated balance sheet of the Group at 30 June 2012, together with the comparative figures for the six months ended 30 June 2011 and at 31 December 2011 respectively.

Financial Review

Results

For the six months ended 30 June 2012, the Group reported total operating revenue of HK\$200.4 million, representing an increase of approximately 6.7% over the corresponding period of the previous year. Profit attributable to equity shareholders of the Company was HK\$26.0 million for the six months ended 30 June 2012, compared with a loss of HK\$83.0 million for the six months ended 30 June 2011, which was mainly due to a full and final impairment loss made on other non-current financial assets amounting to HK\$109.6 million. For the six months ended 30 June 2012, profit from operations was approximately HK\$35.7 million (six months ended 30 June 2011: HK\$35.6 million), representing an increase of approximately 0.3% compared with the corresponding period last year.

Operating Revenue

For the six months ended 30 June 2012, the Group reported a total operating revenue of HK\$200.4 million of which HK\$192.6 million was from the media sales services and HK\$7.8 million was from other revenue and other net income. Revenue from media sales services generated from the Hong Kong and the Mainland China operations accounted for approximately 99.2% and 0.8% of the Group’s total turnover respectively. Revenue generated from media sales services of the Hong Kong operations was HK\$191.0 million for the six months ended 30 June 2012 compared with HK\$176.3 million for the six months ended 30 June 2011, representing an increase of approximately 8.3% mainly resulting from the growth in our core business, in particular the Bus-Body advertising business.

Operating Expenses

The Group’s operating expenses increased by HK\$12.3 million, from HK\$152.3 million for the six months ended 30 June 2011 to HK\$164.6 million for the six months ended 30 June 2012.

Interim Dividend

The Directors do not propose to declare an interim dividend for the six months ended 30 June 2012 (six months ended 30 June 2011: HK\$Nil).

Liquidity, Financial Resources and Capital Structure

At 30 June 2012, the Group's bank deposits and cash amounted to HK\$414.9 million (31 December 2011: HK\$428.1 million), which are denominated in Hong Kong dollars, United States ("US") dollars and Renminbi. Apart from providing working capital to support its media sales services, the Group maintains a strong cash position to meet potential needs for business expansion and development.

At 30 June 2012 and 31 December 2011, the Group did not have any bank borrowings. The gearing ratio, representing the ratio of bank borrowings to the total share capital and reserves of the Group was 0% at 30 June 2012 and 31 December 2011.

The Group had stand-by banking facilities totalling HK\$50.0 million at 30 June 2012 and 31 December 2011.

At 30 June 2012, the Group had net current assets of HK\$468.4 million (31 December 2011: HK\$491.5 million) and total assets of HK\$718.3 million (31 December 2011: HK\$766.1 million).

Charge on Assets

At 30 June 2012 and 31 December 2011, bank deposits of HK\$41.2 million were pledged to secure certain bank guarantees provided by the subsidiaries of the Company to fellow subsidiaries regarding their due performance and payment under certain licence agreements between the subsidiaries of the Company and the fellow subsidiaries.

Exposure to Fluctuations in Exchange Rates and Related Hedges

The Group's monetary assets and transactions are principally denominated in Hong Kong dollars, US dollars and Renminbi. During the six months ended 30 June 2012, there was no material fluctuation in the exchange rates of Hong Kong dollars and US dollars and of Hong Kong dollars and Renminbi. The Group did not engage in any derivatives activities and did not commit to any financial instruments to hedge its balance sheet exposure during the six months ended 30 June 2012.

Contingent Liabilities

The Group did not have any significant contingent liabilities at 30 June 2012 and 31 December 2011.



Employees and Emolument Policies

At 30 June 2012, the Group had 132 full-time employees in Hong Kong and 2 full-time employees in Mainland China.

The Group offers a comprehensive and competitive remuneration and benefits package to all 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, and has participated in employee pension schemes organised and governed by the relevant local governments for its employees in Mainland China.

Prospects

The first half of the year 2012 saw the RoadShow Group achieve sustained operational growth. This steady progress signifies the success of the Group's policy of laying solid foundations for the future by strategically integrating media platforms today. More encouragingly still, this growth has outpaced marginal increases in overheads.

During the first six months of 2012, the Hong Kong advertising industry was somewhat slower than during the fourth quarter of last year. Such sluggishness is undoubtedly the result of uncertainty caused by the European Sovereign Debt crisis. Thankfully, RoadShow's unique integration of Bus-TV, Bus-Body and In-Bus communications platforms continues to remain very much in demand with both agencies and advertisers. Bus-Body, in particular, has shown encouraging growth, posting not only a high level of occupancy but also measurably increased branding and promotional usage.

Thanks to the solid foundations laid by our system upgrade in 2011, the Group's Bus-TV core media platform has also maintained its business momentum. We are continuing to make consistently sustained efforts to strengthen ties to the local communities that support our business.

During the six months ended 30 June 2012, the Group successfully renewed the exclusive licence granted by The Kowloon Motor Bus Company (1933) Limited ("KMB"). The new arrangement, which were approved by the independent shareholders of the Company at the special general meeting held on 14 May 2012, will authorize us to conduct Multi-media On-board ("MMOB") advertising on KMB buses up to 30 June 2017. At the same time, our contracts for MMOB advertising aboard Hong Kong island bus routes with New World First Bus Services Limited and Citybus Limited, which ended on 30 June 2012 were not renewed. Despite any temporary setback the expiry of these two arrangements may cause, the Group remains confident its MMOB business will recover. We will continue to explore additional opportunities for expanding our presence, including but not limited to other out-of-home and mobile platforms.

Prospects (Continued)

Operating conditions and market competition in Mainland China continue to be tough. This situation has caused the operations of our unlisted Mainland investment, AdSociety Daye Advertising Company Limited (“AdSociety Daye”), to remain difficult. As the Group’s interest in AdSociety Daye has already been fully written down during the last two years, this unpredictability has not had any impact on the Group’s overall interim profit and loss results for the first half of 2012. Going forward, we will continue to do all we can to recover the value of our investment in AdSociety Daye.

Entering the second half of the year, market conditions in Hong Kong are likely to grow even tougher with advertisers adopting a still more cautious stance. Such a trend is sure to intensify competition and affect the outdoor segment. That said, RoadShow already has in place clearly defined strategies and a solid pool of quality talent necessary to continue meeting future challenges and maximizing returns for shareholders.



Consolidated Income Statement

For the six months ended 30 June 2012

	Note	Six months ended 30 June	
		2012 (Unaudited) HK\$'000	2011 (Unaudited) HK\$'000
Turnover	3 & 4	192,560	176,760
Other revenue and other net income		7,793	11,056
Total operating revenue		200,353	187,816
Operating expenses			
Royalty, licence and management fees		(70,716)	(64,937)
Cost of production		(39,482)	(35,914)
Staff expenditure		(30,312)	(26,072)
Depreciation and amortisation		(5,986)	(3,647)
Cost of inventories		(2,630)	(2,689)
Repairs and maintenance		(2,299)	(4,645)
Other operating expenses		(13,198)	(14,351)
Total operating expenses		(164,623)	(152,255)
Profit from operations		35,730	35,561
Impairment loss on other non-current financial assets	5	—	(109,606)
Loss on disposal of subsidiaries	16	—	(468)
Profit/(loss) before taxation	6	35,730	(74,513)
Income tax	7	(6,798)	(6,046)
Profit/(loss) for the period		28,932	(80,559)
Attributable to:			
Equity shareholders of the Company		26,001	(82,997)
Non-controlling interests		2,931	2,438
Profit/(loss) for the period		28,932	(80,559)
Earnings/(loss) per share (in Hong Kong cents)	9		
Arising from the Group's operations		2.61	2.67
Arising from impairment loss on other non-current financial assets		—	(10.99)
Basic		2.61	(8.32)
Diluted		N/A	N/A

The notes on pages 10 to 19 form part of this interim financial report. Details of dividends payable to equity shareholders of the Company are set out in note 8.

Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2012

	Six months ended 30 June	
	2012 (Unaudited) HK\$'000	2011 (Unaudited) HK\$'000
Profit/(loss) for the period	28,932	(80,559)
Other comprehensive income for the period (after tax and reclassification adjustments):		
Available-for-sale debt securities: Changes in fair value recognised in the fair value reserve during the period	1,036	1,110
Exchange differences on translation of the financial statements of operations outside Hong Kong	(125)	160
Reclassification of exchange reserve on disposal of operations outside Hong Kong	—	(751)
Total comprehensive income for the period	29,843	(80,040)
Attributable to:		
Equity shareholders of the Company	26,912	(82,478)
Non-controlling interests	2,931	2,438
Total comprehensive income for the period	29,843	(80,040)

The notes on pages 10 to 19 form part of this interim financial report.

Consolidated Balance Sheet

At 30 June 2012

	Note	At 30 June 2012 (Unaudited) HK\$'000	At 31 December 2011 (Audited) HK\$'000
Non-current assets			
Fixed assets		48,774	64,672
Non-current prepayments		2,975	1,667
Other non-current financial assets	10	81,253	80,872
Deferred tax assets		3,323	3,060
		136,325	150,271
Current assets			
Inventories		937	1,306
Amount due from ultimate holding company	11(a)	5,004	5,004
Amounts due from fellow subsidiaries	11(b)	8,082	6,165
Accounts receivable	12	87,785	117,252
Other receivables and deposits		19,266	7,010
Prepayments		4,790	9,580
Current tax recoverable		—	215
Pledged bank deposits	13	41,200	41,200
Bank deposits and cash	14	414,918	428,071
		581,982	615,803
Current liabilities			
Accounts payable	15	2,595	4,370
Amounts due to fellow subsidiaries	11(b)	5,920	6,442
Other payables and accruals		95,429	110,650
Current tax payable		9,640	2,801
		113,584	124,263
Net current assets		468,398	491,540
Total assets less current liabilities		604,723	641,811
Non-current liabilities			
Deferred tax liabilities		89	81
NET ASSETS		604,634	641,730
CAPITAL AND RESERVES			
Share capital		99,737	99,737
Reserves		496,712	530,739
Total equity attributable to equity shareholders of the Company		596,449	630,476
Non-controlling interests		8,185	11,254
TOTAL EQUITY		604,634	641,730

The notes on pages 10 to 19 form part of this interim financial report.

Consolidated Statement of Changes in Equity

For the six months ended 30 June 2012

Note	Attributable to equity shareholders of the Company										
	Share capital HK\$'000	Share premium HK\$'000	General reserve HK\$'000	Contributed surplus HK\$'000	Other reserve HK\$'000	Fair value reserve HK\$'000	Exchange reserve HK\$'000	Retained profits/ (acc- umulated losses) HK\$'000	Total HK\$'000	Non- controlling interests HK\$'000	Total equity HK\$'000
	99,737	531,769	839	(200)	(605)	240	14,521	81,891	728,192	7,476	735,668
Balance at 1 January 2011											
Changes in equity for the six months ended 30 June 2011:											
(Loss)/profit for the period	—	—	—	—	—	—	—	(82,997)	(82,997)	2,438	(80,559)
Other comprehensive income	—	—	—	—	—	1,110	(591)	—	519	—	519
Total comprehensive income for the period	—	—	—	—	—	1,110	(591)	(82,997)	(82,478)	2,438	(80,040)
Dividends approved in respect of the previous year	8(b)	—	—	—	—	—	—	(48,372)	(48,372)	—	(48,372)
Transfer of reserves upon disposal of subsidiaries		—	—	(237)	—	—	—	237	—	(1,115)	(1,115)
Balance at 30 June 2011 and 1 July 2011	99,737	531,769	602	(200)	(605)	1,350	13,930	(49,241)	597,342	8,799	606,141
Changes in equity for the six months ended 31 December 2011:											
Profit for the period	—	—	—	—	—	—	—	34,360	34,360	2,455	36,815
Other comprehensive income	—	—	—	—	—	(1,477)	251	—	(1,226)	—	(1,226)
Total comprehensive income for the period	—	—	—	—	—	(1,477)	251	34,360	33,134	2,455	35,589
Balance at 31 December 2011 and 1 January 2012	99,737	531,769	602	(200)	(605)	(127)	14,181	(14,881)	630,476	11,254	641,730
Changes in equity for the six months ended 30 June 2012:											
Profit for the period	—	—	—	—	—	—	—	26,001	26,001	2,931	28,932
Other comprehensive income	—	—	—	—	—	1,036	(125)	—	911	—	911
Total comprehensive income for the period	—	—	—	—	—	1,036	(125)	26,001	26,912	2,931	29,843
Dividends approved in respect of the previous year	8(b)	—	—	—	—	—	—	(60,939)	(60,939)	—	(60,939)
Dividend paid to non-controlling interests		—	—	—	—	—	—	—	—	(6,000)	(6,000)
Balance at 30 June 2012	99,737	531,769	602	(200)	(605)	909	14,056	(49,819)	596,449	8,185	604,634

The notes on pages 10 to 19 form part of this interim financial report.

Condensed Consolidated Cash Flow Statement

For the six months ended 30 June 2012

	Note	Six months ended 30 June	
		2012 (Unaudited) HK\$'000	2011 (Unaudited) HK\$'000
Net cash generated from operating activities		50,590	48,664
Net cash used in investing activities		(46,104)	(13,015)
Net cash used in financing activities		(66,939)	(48,372)
Net decrease in cash and cash equivalents		(62,453)	(12,723)
Effect of foreign exchange rate changes		(628)	535
Cash and cash equivalents at 1 January		156,033	141,036
Cash and cash equivalents at 30 June	14	92,952	128,848

The notes on pages 10 to 19 form part of this interim financial report.

Notes to the Unaudited Interim Financial Report

1. Basis of preparation

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and Hong Kong Accounting Standard (“HKAS”) 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). It was authorised for issue on 15 August 2012.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2011 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2012 annual financial statements. Details of these changes in accounting policies are set out in note 2.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the 2011 annual financial statements. The condensed consolidated interim financial statements and notes thereto do not include all of the information required for a full set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA.

This interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the HKICPA. KPMG’s review report to the Board of Directors is included on page 20.

The financial information relating to the financial year ended 31 December 2011 that is included in the interim financial report as being previously reported information does not constitute the Company’s statutory financial statements for that financial year but is derived from those financial statements. Statutory financial statements for the year ended 31 December 2011 are available from the Company’s principal place of business. The auditors have expressed an unqualified opinion on those financial statements in their report dated 14 March 2012.

2. Changes in accounting policies

The HKICPA has issued a few amendments to HKFRSs that are first effective for the current accounting period of the Group. These include the amendments to HKFRS 7, *Financial instruments: disclosures* concerning transfers of financial assets. The amendments to HKFRS 7 require certain disclosures to be included in the annual financial statements in respect of all transferred financial assets that are not derecognised and for any continuing involvement in a transferred asset existing at the reporting date, irrespective of when the related transfer transaction occurred. However, an entity needs not provide the disclosures for the comparative period in the first year of adoption. The Group did not have any significant transfers of financial assets in previous periods or the current period which require disclosure in the current accounting period under the amendments.

None of the other developments are relevant to the Group’s financial statements and the Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3. Segment reporting

The Group manages its businesses by geographical areas. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has identified the following two reportable segments:

Hong Kong :	Provision of media sales and management services
Mainland China :	Provision of media advertising agency services and design and production of advertisements

There are no sales between the reportable segments.

For the purposes of assessing segment performance and allocating resources between segments, the Group's most senior executive management monitors the results attributable to each reportable segment on the following bases:

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

Information regarding the Group's reportable segments for the six months ended 30 June 2012 and 2011 is set out below.

(a) Reportable segment revenues and profit or loss:

	Hong Kong		Mainland China		Total	
	Six months ended 30 June 2012 (Unaudited) HK\$'000	2011 (Unaudited) HK\$'000	Six months ended 30 June 2012 (Unaudited) HK\$'000	2011 (Unaudited) HK\$'000	Six months ended 30 June 2012 (Unaudited) HK\$'000	2011 (Unaudited) HK\$'000
Revenue from external customers	190,952	176,341	1,608	419	192,560	176,760
Other revenue and other net income/(loss)	3,283	4,270	15	(67)	3,298	4,203
Reportable segment revenue	194,235	180,611	1,623	352	195,858	180,963
Reportable segment profit/(loss)	38,380	37,527	(492)	(111,367)	37,888	(73,840)
Depreciation and amortisation for the period	(5,714)	(3,448)	(31)	(82)	(5,745)	(3,530)
Impairment loss on other non-current financial assets	—	—	—	(109,606)	—	(109,606)
Loss on disposal of subsidiaries	—	—	—	(468)	—	(468)

Notes to the Unaudited Interim Financial Report

3. Segment reporting (Continued)

(b) Reconciliations of reportable segment revenue and profit or loss are as follows:

	Six months ended 30 June	
	2012 (Unaudited) HK\$'000	2011 (Unaudited) HK\$'000
Revenue		
Reportable segment revenue	195,858	180,963
Unallocated other revenue and other net income	4,495	6,853
Consolidated total operating revenue	200,353	187,816
	Six months ended 30 June	
	2012 (Unaudited) HK\$'000	2011 (Unaudited) HK\$'000
Profit or loss		
Reportable segment profit/(loss)	37,888	(73,840)
Unallocated other revenue and other net income	4,495	6,853
Unallocated head office and corporate expenses	(6,653)	(7,526)
Consolidated profit/(loss) before taxation	35,730	(74,513)

4. Turnover

The Group is principally engaged in the provision of media sales and management and administrative services for Multi-media On-Board (“MMOB” or “BUS-TV”), transit vehicle exteriors and interiors advertising businesses and the operation of media advertising management services through marketing advertising spaces on transit vehicle exteriors, interiors, shelters and outdoor signages and the provision of advertising agency services.

Turnover represents income from media sales and management and administrative services and advertising agency services, net of agency commission and rebate.

5. Impairment loss on other non-current financial assets

During the six months ended 30 June 2011, the Group requested AdSociety Daye Advertising Company Limited (the “investee”) to repay the loans totalling HK\$70,154,000 due to the Group upon expiry. However, the investee had defaulted on the agreed repayment schedule. In addition, the Group has undertaken various discussions with the investee to restructure the investment in and loans to the investee. The Group has not been able to obtain a viable proposal from the investee. Accordingly, additional impairment losses of HK\$109,606,000 were made against the Group’s investment in, loans to and amount due from the investee during the six months ended 30 June 2011. The Group has engaged lawyers in the People’s Republic of China (“PRC”) and issued a legal letter to the investee to demand settlement. Up to the date of this report, no settlement has been made and the loans are overdue.

6. Profit/(loss) before taxation

Profit/(loss) before taxation is arrived at after charging/(crediting):

	Six months ended 30 June	
	2012 (Unaudited) HK\$'000	2011 (Unaudited) HK\$'000
Depreciation	5,986	3,647
Interest income	(6,226)	(4,379)
Impairment loss on other non-current financial assets	—	109,606
Operating lease charges		
— land and buildings	1,586	1,205
— audio and visual equipment	2,735	2,727

7. Income tax

	Six months ended 30 June	
	2012 (Unaudited) HK\$'000	2011 (Unaudited) HK\$'000
Current tax		
Provision for Hong Kong Profits Tax for the period	7,054	6,568
Deferred tax		
Reversal and origination of temporary differences	(256)	(522)
Income tax expense	6,798	6,046

The provision for Hong Kong Profits Tax for the period is calculated at 16.5% (2011: 16.5%) of the estimated assessable profits for the period.

8. Dividends

- No interim dividend is payable for the six months ended 30 June 2012 (six months ended 30 June 2011: HK\$Nil). Final dividends, if any, will be proposed at the year end.
- Dividends attributable to the previous financial year, approved and paid during the interim period:

	Six months ended 30 June	
	2012 (Unaudited) HK\$'000	2011 (Unaudited) HK\$'000
Final dividend in respect of the financial year ended 31 December 2011, approved and paid during the interim period of HK6.11 cents per share (2011: in respect of the financial year ended 31 December 2010 – HK4.85 cents per share)	60,939	48,372

Notes to the Unaudited Interim Financial Report

9. Earnings/(loss) per share

(a) Basic earnings/(loss) per share

The calculation of basic earnings/(loss) per share is based on the profit attributable to ordinary equity shareholders of the Company of HK\$26,001,000 for the six months ended 30 June 2012 (six months ended 30 June 2011: loss of HK\$82,997,000) and the weighted average of 997,365,332 ordinary shares (six months ended 30 June 2011: 997,365,332 ordinary shares) in issue during the period.

(b) Diluted earnings/(loss) per share

There were no dilutive potential ordinary shares outstanding during the six months ended 30 June 2012 and 2011.

10. Other non-current financial assets

	At 30 June 2012 (Unaudited) HK\$'000	At 31 December 2011 (Audited) HK\$'000
Unlisted available-for-sale equity interest, at cost less impairment losses	—	—
Loans to investee	—	—
Amount due from investee	—	—
Available-for-sale debt securities, at fair value (listed outside Hong Kong)	81,253	80,872
	81,253	80,872

(a) Unlisted available-for-sale equity interest, at cost less impairment losses

At 30 June 2012 and 31 December 2011, the Group's investment in an unlisted investee was classified as available-for-sale equity interest as the Group does not have significant influence over the investee.

At 30 June 2012 and 31 December 2011, the available-for-sale equity interest was determined to be impaired (see note 5). Impairment losses on unlisted available-for-sale equity interest of HK\$143,371,000 have been recognised as at 30 June 2012 and 31 December 2011.

(b) Loans to investee

At 30 June 2012 and 31 December 2011, loans to investee of HK\$70,154,000 were individually determined to be impaired and impairment losses of HK\$70,154,000 have been made (see note 5).

10. Other non-current financial assets (Continued)

(c) Amount due from investee

At 30 June 2012 and 31 December 2011, amount due from investee of HK\$15,882,000 was determined to be impaired and impairment losses of HK\$15,882,000 have been made (see note 5).

(d) Available-for-sale debt securities, at fair value

The listed debt securities are issued by corporate entities with credit ratings ranging from BBB+ to AA+.

The available-for-sale debt securities are due for repayment in 2014 or 2015.

11. Amounts due from/(to) group companies

- (a) The amount due from ultimate holding company is unsecured, interest-free and has no fixed terms of repayment. The amount is neither past due nor impaired.
- (b) The amounts due from/(to) fellow subsidiaries are unsecured, interest-free, repayable on demand and represent normal trade receivables and payables. The amounts due from fellow subsidiaries are neither past due nor impaired.

12. Accounts receivable

Details of the ageing analysis of accounts receivable that are neither individually nor collectively considered to be impaired at the balance sheet date are as follows:

	At 30 June 2012 (Unaudited) HK\$'000	At 31 December 2011 (Audited) HK\$'000
Neither past due nor impaired	51,848	48,239
Less than one month past due	19,086	18,809
One to two months past due	7,344	10,872
Two to three months past due	4,459	33,106
More than three months past due	5,048	6,226
	87,785	117,252

All of the accounts receivable are expected to be recovered within one year.

Customers of the media sales business are generally granted credit terms of 90 days while customers of the merchandising business either pay on delivery or are generally granted credit terms of 30 to 90 days.

Notes to the Unaudited Interim Financial Report

13. Pledged bank deposits

Pursuant to certain licence agreements between subsidiaries of the Company and fellow subsidiaries, the subsidiaries have provided bank guarantees in favour of the fellow subsidiaries' due performance and payment under the respective licence agreements. The Company has pledged bank deposits of HK\$41,200,000 (31 December 2011: HK\$41,200,000) to banks for the bank guarantees issued.

14. Bank deposits and cash

	At 30 June 2012 (Unaudited) HK\$'000	At 31 December 2011 (Audited) HK\$'000
Cash at bank and in hand	92,952	106,673
Bank deposits with original maturities within three months	—	49,360
Cash and cash equivalents for the purpose of cash flow statement	92,952	156,033
Bank deposits with original maturities over three months	321,966	272,038
	414,918	428,071

15. Accounts payable

Details of the ageing analysis of accounts payable at the balance sheet date are as follows:

	At 30 June 2012 (Unaudited) HK\$'000	At 31 December 2011 (Audited) HK\$'000
Due within one month	2,595	4,370

All of the accounts payable are expected to be settled within one year.

16. Disposal of subsidiaries

During the six months ended 30 June 2011, the Group disposed of all of its interests in Expert Plus Holdings Limited (a limited liability company incorporated in the British Virgin Islands), Shanghai Yingte Consulting Company Limited (a Sino-foreign co-operative joint venture incorporated in the PRC) and Shanghai Yafei Advertising Company Limited (a limited liability company incorporated in the PRC) at a consideration of USD1, equivalent to HK\$8.

Assets and liabilities of the subsidiaries on the date of disposal are as follows:

	HK\$'000
Fixed assets	221
Other receivables and deposits	341
Bank deposits and cash	2,337
Other payables and accruals	(565)
Net assets disposed of	2,334
Non-controlling interests	(1,115)
	1,219
Reclassification of exchange reserve upon disposal of subsidiaries	(751)
Loss on disposal	(468)
Cash consideration received	—
Less: cash of the subsidiaries disposed of	(2,337)
Net cash outflow in respect of the disposal of subsidiaries	(2,337)

17. Commitments

At 30 June 2012, the Group had the following capital commitments in relation to the purchase of fixed assets not provided for in the interim financial report:

	At 30 June 2012 (Unaudited) HK\$'000	At 31 December 2011 (Audited) HK\$'000
Contracted for	—	—
Authorised but not contracted for	111,006	111,006
	111,006	111,006

Notes to the Unaudited Interim Financial Report

18. Material related party transactions

The Group had the following related party transactions during the six months ended 30 June 2012:

	Note	Income/(expenses)	
		Six months ended 30 June	
		2012 (Unaudited) HK\$'000	2011 (Unaudited) HK\$'000
Licence fee for conducting BUS-TV business	(a)	(9,500)	(9,000)
Licence and royalty fees paid for the right to sell advertising space on bus shelters	(b)	(8,490)	(7,112)
Licence fee for the right to solicit advertising business at advertising space on bus interiors	(c)	(6,000)	(5,400)
Licence fee for the right to solicit advertising business at advertising space on bus exteriors	(d)	(30,050)	(28,550)
Rental expenses	(e)	(4,178)	(3,774)
Management fee expenses	(f)	(10,074)	(8,438)
Guaranteed advertising income	(g)	—	3,947
Service fee paid for logistic function	(h)	(245)	(245)
Key management personnel remuneration	(i)	(3,521)	(3,873)

Notes:

- (a) Licence fee was paid to a subsidiary of Transport International Holdings Limited ("TIH"), a substantial shareholder of the Company for conducting BUS-TV advertising business on buses operated by The Kowloon Motor Bus Company (1933) Limited ("KMB") and fitted with the BUS-TV broadcasting system. The amount payable by the Group at the period end amounted to HK\$5,960,000 (31 December 2011: HK\$5,960,000).
- (b) Licence and royalty fees were paid for selling advertising spaces on certain bus shelters owned by a subsidiary of TIH. The amount payable by the Group at the period end amounted to HK\$565,000 (31 December 2011: amount due from a subsidiary of TIH of HK\$287,000).
- (c) Licence fee was paid to a subsidiary of TIH for soliciting advertising business in respect of the interior panels and other interior spaces inside the compartments of buses operated by KMB. The amount payable by the Group at the period end amounted to HK\$32,000 (31 December 2011: HK\$32,000).
- (d) Licence fee was paid to subsidiaries of TIH for marketing, displaying and maintaining advertisements at the exterior panels of the bodies of buses operated by KMB and Long Win Bus Company Limited. The amount payable by the Group at the period end amounted to HK\$4,903,000 (31 December 2011: HK\$1,896,000).
- (e) Rental expenses were paid to a subsidiary of TIH for leasing properties, audio and visual equipment, computer equipment and software system, and furniture and fixtures. The amount payable by the Group at the period end amounted to HK\$Nil (31 December 2011: HK\$Nil).
- (f) Management fee was paid to JCDecaux Cityscape Limited ("JCDecaux Cityscape"), a fellow subsidiary of a non-controlling shareholder of a subsidiary of the Company, for the provision of media sales agency services in relation to bus shelters. The amount payable to JCDecaux Cityscape at the period end amounted to HK\$1,480,000 (31 December 2011: HK\$4,507,000).

18. Material related party transactions (Continued)

Notes: (Continued)

- (g) The Group entered into a contract with JCDecaux Cityscape for media sales agency services provided to the Group in relation to the bus shelters under the media sales business. The Group shall be entitled to a guaranteed income calculated based on the rates per panel and the number of bus shelter panels. JCDecaux Cityscape shall pay any shortfall if the actual income derived from the bus shelters is less than the guaranteed amount, and the shortfall amounted to HK\$Nil during the six months ended 30 June 2012 (six months ended 30 June 2011: HK\$3,947,000). The amount due to JCDecaux Cityscape at the period end amounted to HK\$743,000 (31 December 2011: HK\$Nil).
- (h) The Group paid a service fee to JCDecaux Cityscape for the logistic function provided to the Group in relation to the bus shelters under the media sales business. The amount due to JCDecaux Cityscape at the period end amounted to HK\$41,000 (31 December 2011: HK\$41,000).
- (i) Remuneration for key management personnel, including amounts paid to the Company's Directors and certain of the highest paid employees, is as follows:

	Six months ended 30 June	
	2012 (Unaudited) HK\$'000	2011 (Unaudited) HK\$'000
Short-term employee benefits	3,490	3,837
Post-employment benefits	31	36
	3,521	3,873



Review Report to the Board of Directors of RoadShow Holdings Limited

(Incorporated in Bermuda with limited liability)

Introduction

We have reviewed the interim financial report set out on pages 5 to 19 which comprises the consolidated balance sheet of RoadShow Holdings Limited as of 30 June 2012 and the related consolidated income statement, statement of comprehensive income, statement of changes in equity and condensed consolidated cash flow statement for the six-month period then ended and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of the interim financial report in accordance with Hong Kong Accounting Standard 34.

Our responsibility is to form a conclusion, based on our review, on the interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the Hong Kong Institute of Certified Public Accountants. A review of the interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 June 2012 is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34, *Interim financial reporting*.

KPMG

Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

15 August 2012

Directors' Interests and Short Positions in Shares, Underlying Shares and Debentures

The Directors of the Company who held office at 30 June 2012 had the following interests in the shares of the Company, its holding companies, subsidiaries and other associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) at that date as recorded in the register of Directors' and chief executives' interests and short positions required to be kept under section 352 of the SFO:

Interests in issued shares

The Company: Ordinary shares of HK\$0.1 each

Beneficial interests	Personal interests	Family interests	Corporate interests	Other interests	Total number of shares held	% of total issued shares
Winnie NG (Note 1)	1,000,000	—	—	123,743	1,123,743	0.1%

Transport International Holdings Limited ("TIH") (Note 2): Ordinary shares of HK\$1 each

Beneficial interests	Personal interests	Family interests	Corporate interests	Other interests	Total number of shares held	% of total issued shares
John CHAN Cho Chak	2,000	—	—	—	2,000	0.0%
Winnie NG (Note 3)	41,416	—	—	21,000,609	21,042,025	5.2%

Notes:

- Ms Winnie NG has interest in 123,743 shares in the Company as a beneficiary of certain private trusts which beneficially held the shares.
- TIH is the ultimate holding company of the Company.
- Ms Winnie NG has interest in 21,000,609 shares in TIH as a beneficiary of certain private trusts which beneficially held the shares.

Apart from the foregoing, none of the Directors of the Company or any of their spouses or children under eighteen years of age has interests or short positions in the shares, underlying shares or debentures of the Company, or any of its holding companies, subsidiaries or other associated corporations, as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company pursuant to the Model Code for Securities Transactions by Directors of Listed Companies ("Model Code").

Directors' Interests in Contracts

No contract of significance to which the Company, any of its holding companies, subsidiaries or fellow subsidiaries was a party, in which a Director of the Company had a material interest, subsisted at the end of the period or at any time during the period.

Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares, Underlying Shares and Debentures

At 30 June 2012, the interests or short positions of the persons (not being Directors and chief executives of the Company) in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to Divisions 2 and 3 of Part XV of the SFO and required to be entered in the register maintained by the Company pursuant to Section 336 of the SFO were as follows:

	Ordinary shares of HK\$0.1 each			% of total issued shares
	Registered shareholders	Corporate interests	Total number of shares held	
Substantial shareholders				
Transport International Holdings Limited (Note)	—	728,127,410	728,127,410	73.01%
KMB Resources Limited	728,127,410	—	728,127,410	73.01%
Other person				
DJE Investment S.A. and others	69,956,000	—	69,956,000	7.01%

Note: KMB Resources Limited owns 728,127,410 shares in the Company. KMB Resources Limited is a wholly-owned subsidiary of Transport International Holdings Limited, which is accordingly deemed to be interested in the same number of shares held by KMB Resources Limited in the Company under the SFO.

Apart from the foregoing, no other interests or short positions required to be recorded in the register kept under section 336 of the SFO have been notified to the Company.

Changes in Directors' Biographical Details

During the period under review, the changes in Directors' biographical details since the date of the 2011 Annual Report of the Company which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules are set out below.

Dr John CHAN Cho Chak *Chairman and Non-Executive Director*

GBS, JP, DBA (Hon), DSocSc (Hon), BA, DipMS, CCMI, FCILT, FHKIoD

Dr John CHAN Cho Chak was appointed as deputy chairman of Transport International Holdings Limited ("TIH") with effect from the conclusion of the annual general meeting of TIH held on 17 May 2012.

Dr Carlye Wai-Ling TSUI *Independent Non-Executive Director*

BBS, MBE, JP, DProf, BA(Econ), FHKIoD, FHKMA, FBCS, CITP, FHKIE, HonFACE, PDipCD

Dr Carlye Wai-Ling TSUI was appointed as a member of the Communications Authority.

Professor Stephen CHEUNG Yan Leung *Independent Non-Executive Director*

BBS, JP, FHKIoD

Professor Stephen CHEUNG Yan Leung has been appointed as Chairman of the Hong Kong Committee for Pacific Economic Cooperation (HKCPEC), Nursing and Midwifery Sub-Group, Steering Committee on Strategic Review on Healthcare Manpower Planning and Professional Development, and member of Products Advisory Committee of Securities and Futures Commission (SFC), Steering Committee on Strategic Review on Healthcare Manpower Planning and Professional Development.

He ceased to be Chairman of Advisory Committee on Enhancing Self-Reliance Through District Partnership Programme (ESR) and member of Commission on Strategic Development.

Mr Edmond HO Tat Man *Non-Executive Director*

MA(Cantab), MBA, FCILT, MHKIoD

Mr Edmond HO Tat Man is currently a Director of the Business Environment Council and a member of the General Committee of the Employers' Federation of Hong Kong.

Other than that disclosed above, there is no other information that is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Compliance with the Code on Corporate Governance Practices of the Listing Rules

The Company has complied throughout the six months ended 30 June 2012 with the Code Provisions set out in the Code on Corporate Governance Practices as contained in Appendix 14 to the Listing Rules.

Compliance with the Model Code of the Listing Rules

The Group has adopted stringent procedures to ensure that securities transactions (if any) by its Directors and relevant employees who are likely to be in possession of unpublished price-sensitive information of the Group are in compliance with the Model Code as set out in Appendix 10 of the Listing Rules. Throughout the six months ended 30 June 2012, the Board has adopted the RoadShow Code on Corporate Governance (“RoadShow Code”) for securities transactions by Directors and relevant employees, which was prepared on terms no less exacting than the Model Code. In addition, specific confirmation has been obtained from all Directors to confirm compliance with the Model Code and RoadShow Code regarding Directors’ securities transactions throughout the six months ended 30 June 2012. No incidence of non-compliance was noted by the Company.

Audit Committee

The Audit Committee of the Company has reviewed with management the accounting principles and policies adopted by the Group and discussed auditing, internal control and financial reporting matters, and also reviewed the unaudited interim financial report for the six months ended 30 June 2012. The review of the unaudited interim financial report was conducted with the Group’s external auditors, KPMG. The review report of the external auditors is set out on page 20 of this interim report.

Purchase, Sale or Redemption of the Company’s Listed Securities

During the six months ended 30 June 2012, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities.

By Order of the Board
John CHAN Cho Chak
Chairman

Hong Kong, 15 August 2012



ROADSHOW HOLDINGS LIMITED
路訊通控股有限公司

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Kowloon, Hong Kong
香港九龍荔枝角寶輪街九號

This Interim Report is also available on our website:

本中期報告亦可在本公司之互聯網址下載:

www.roadshow.com.hk

