

ROADSHOW HOLDINGS LIMITED
路訊通控股有限公司

STOCK CODE 股份代號: 888

SERVING
MOBILE
COMMUNITIES
ALL OVER HONG KONG



Interim Results for the Six Months Ended 30 June 2014

The directors of RoadShow Holdings Limited (the “Company” or “RoadShow”) (the “Directors”) submit herewith 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 2014 and the unaudited consolidated balance sheet of the Group at 30 June 2014, together with the comparative figures for the six months ended 30 June 2013 and at 31 December 2013 respectively.

Financial Review

Results

Profit attributable to equity shareholders of the Company was HK\$10.1 million for the six months ended 30 June 2014, compared with HK\$29.9 million for the six months ended 30 June 2013, mainly attributable to the sluggish demand in the market particularly with regard to the retail sector, as well as an exchange loss of approximately HK\$5.0 million (six months ended 30 June 2013: exchange gain of approximately HK\$2.3 million) due to the depreciation in Renminbi against Hong Kong dollars. For the six months ended 30 June 2014, profit from operations was approximately HK\$18.2 million (six months ended 30 June 2013: HK\$39.6 million), representing a decrease of approximately 54.0% compared with the corresponding period last year.

Operating Revenue

For the six months ended 30 June 2014, the Group reported a total operating revenue of HK\$225.2 million of which HK\$219.7 million was from the media sales services and HK\$5.5 million was from other revenue and other net income. Revenue generated from media sales services was HK\$219.7 million for the six months ended 30 June 2014 compared with HK\$202.7 million for the six months ended 30 June 2013, representing an increase of approximately 8.4% mainly resulting from the growth in our core business.

Operating Expenses

The Group’s operating expenses increased by HK\$31.7 million, from HK\$175.3 million for the six months ended 30 June 2013 to HK\$207.0 million for the six months ended 30 June 2014.

Interim Dividend

The Directors do not propose to declare an interim dividend for the six months ended 30 June 2014 (six months ended 30 June 2013: HK\$Nil).

Liquidity, Financial Resources and Capital Structure

Liquidity and Financial Resources

At 30 June 2014, the Group's bank deposits and cash amounted to HK\$349.1 million (31 December 2013: HK\$359.1 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 2014 and 31 December 2013, 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 2014 and 31 December 2013. At 30 June 2014, the Group had stand-by banking facilities totalling HK\$30.0 million (31 December 2013: HK\$25.0 million).

At 30 June 2014, the Group had net current assets of HK\$540.7 million (31 December 2013: HK\$611.3 million) and total assets of HK\$721.8 million (31 December 2013: HK\$784.5 million).

Charge on Assets

At 30 June 2014, bank deposits of HK\$61.4 million (31 December 2013: HK\$61.4 million) were pledged mainly 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 2014, the Company incurred an exchange loss of approximately HK\$5.0 million (six months ended 30 June 2013: exchange gain of approximately HK\$2.3 million) due to the depreciation in Renminbi against Hong Kong dollars. There was no material fluctuation in the exchange rates of Hong Kong dollars and US dollars during the six months ended 30 June 2014. The Group did not engage in any transactions involving derivative financial instruments and did not commit to any financial instruments to hedge its balance sheet exposure during the six months ended 30 June 2014.

Contingent Liabilities

The Group did not have any significant contingent liabilities at 30 June 2014 and 31 December 2013.

Employees and Emolument Policies

At 30 June 2014, the Group had 169 full-time employees in Hong Kong and 1 full-time employee 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 2014 (the period under review) saw the Group's business negatively impacted by adverse market conditions. Discouraged by a fairly sluggish retail market, advertisers have been both withholding budgets and delaying decisions on the launching of advertising and marketing campaigns. This has resulted in a substantial reduction in both client expenditure and ad agencies' revenues across the advertising industry as a whole.

With our solid foundations across a diversified portfolio of business platforms, the Group is confident that we remain well positioned to face the challenges and take advantage of new opportunities that the future may bring. To this end, main drivers for securing business volume into the second half of the year such as the integration of media platforms and services are already in place. At the same time, we will continue our efforts to impose tight cost control measures in order to maximise the profit margin.

Furthermore, the Group's licence agreements with The Kowloon Motor Bus Company (1933) Limited and Long Win Bus Company Limited in relation to Bus-Body advertising and In-Bus advertising, which contribute significantly to the Group's turnover, are due to expire in the second half of 2014. Tenders for successor licence agreements were invited by the licensors from interested parties in May 2014. We have submitted tenders in response to the invitations and, as at the date of this interim report, we are awaiting the tender results.

Consolidated Income Statement

For the six months ended 30 June 2014

	Note	Six months ended 30 June	
		2014 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000
Turnover	3 & 4	219,693	202,650
Other revenue and other net (loss)/income	5	5,465	12,247
Total operating revenue		225,158	214,897
Operating expenses			
Royalty, licence and management fees		(90,210)	(79,655)
Cost of production		(44,325)	(33,749)
Staff expenditure		(39,990)	(34,892)
Depreciation		(6,971)	(5,287)
Cost of inventories		(3,260)	(2,949)
Repairs and maintenance		(3,863)	(971)
Other operating expenses		(18,336)	(17,837)
Total operating expenses		(206,955)	(175,340)
Profit before taxation	6	18,203	39,557
Income tax	7	(5,727)	(8,074)
Profit for the period		12,476	31,483
Attributable to:			
Equity shareholders of the Company		10,058	29,910
Non-controlling interests		2,418	1,573
Profit for the period		12,476	31,483
Earnings per share (in Hong Kong cents)			
Basic	9	1.01	3.00
Diluted		N/A	N/A

The notes on pages 9 to 21 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 2014

	Six months ended 30 June	
	2014 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000
Profit for the period	12,476	31,483
Other comprehensive income for the period (after tax and reclassification adjustments):		
Items that may be reclassified subsequently to profit or loss:		
Available-for-sale debt securities:		
Changes in fair value recognised in the fair value reserve during the period, net of nil tax	(177)	(1,017)
Exchange differences on translation of the financial statements of operations outside Hong Kong	(354)	199
Total comprehensive income for the period	11,945	30,665
Attributable to:		
Equity shareholders of the Company	9,527	29,092
Non-controlling interests	2,418	1,573
Total comprehensive income for the period	11,945	30,665

The notes on pages 9 to 21 form part of this interim financial report.

Consolidated Balance Sheet

At 30 June 2014

	Note	At 30 June 2014 (Unaudited) HK\$'000	At 31 December 2013 (Audited) HK\$'000
Non-current assets			
Fixed assets		45,923	48,938
Non-current prepayments and deposits		13,820	12,484
Other financial assets	10	8,021	8,124
Deferred tax assets		3,646	3,770
		71,410	73,316
Current assets			
Inventories		1,427	975
Amount due from ultimate holding company	11(a)	5,004	5,004
Amounts due from fellow subsidiaries	11(b)	25,734	31,640
Accounts receivable	12	155,439	145,323
Other receivables and deposits		13,977	11,148
Other financial assets	10	38,373	95,559
Current tax recoverable		—	1,078
Pledged bank deposits	13	61,400	61,400
Bank deposits and cash	14	349,081	359,066
		650,435	711,193
Current liabilities			
Accounts payable	15	1,942	1,592
Amounts due to fellow subsidiaries	11(b)	9,160	5,888
Other payables and accruals		92,764	90,693
Current tax payable		5,860	1,755
		109,726	99,928
Net current assets		540,709	611,265
Total assets less current liabilities		612,119	684,581
Non-current liabilities			
Deferred tax liabilities		113	129
NET ASSETS		612,006	684,452
CAPITAL AND RESERVES			
Share capital		99,737	99,737
Reserves		505,346	575,010
Total equity attributable to equity shareholders of the Company		605,083	674,747
Non-controlling interests		6,923	9,705
TOTAL EQUITY		612,006	684,452

The notes on pages 9 to 21 form part of this interim financial report.

Consolidated Statement of Changes in Equity

For the six months ended 30 June 2014

Attributable to equity shareholders of the Company											
Note	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	(Accumulated losses)/ retained profits HK\$'000	Total HK\$'000	Non-controlling interests HK\$'000	Total equity HK\$'000
	99,737	531,769	602	(200)	(605)	1,623	14,255	(1,003)	646,178	9,936	656,114
Balance at 1 January 2013											
Changes in equity for the six months ended 30 June 2013:											
Profit for the period	–	–	–	–	–	–	–	29,910	29,910	1,573	31,483
Other comprehensive income	–	–	–	–	–	(1,017)	199	–	(818)	–	(818)
Total comprehensive income for the period	–	–	–	–	–	(1,017)	199	29,910	29,092	1,573	30,665
Share premium reduction	16	–	(531,769)	–	531,769	–	–	–	–	–	–
Dividends approved in respect of the previous year	8(b)	–	–	–	–	–	–	(74,802)	(74,802)	–	(74,802)
Dividend paid to non-controlling interests		–	–	–	–	–	–	–	–	(4,000)	(4,000)
Balance at 30 June 2013 and 1 July 2013	99,737	–	602	531,569	(605)	606	14,454	(45,895)	600,468	7,509	607,977
Changes in equity for the six months ended 31 December 2013:											
Profit for the period	–	–	–	–	–	–	–	74,943	74,943	2,196	77,139
Other comprehensive income	–	–	–	–	–	(830)	166	–	(664)	–	(664)
Total comprehensive income for the period	–	–	–	–	–	(830)	166	74,943	74,279	2,196	76,475
Balance at 31 December 2013 and 1 January 2014	99,737	–	602	531,569	(605)	(224)	14,620	29,048	674,747	9,705	684,452
Changes in equity for the six months ended 30 June 2014:											
Profit for the period	–	–	–	–	–	–	–	10,058	10,058	2,418	12,476
Other comprehensive income	–	–	–	–	–	(177)	(354)	–	(531)	–	(531)
Total comprehensive income for the period	–	–	–	–	–	(177)	(354)	10,058	9,527	2,418	11,945
Dividends approved in respect of the previous year	8(b)	–	–	–	–	–	–	(79,191)	(79,191)	–	(79,191)
Dividend paid to non-controlling interests		–	–	–	–	–	–	–	–	(5,200)	(5,200)
Balance at 30 June 2014	99,737	–	602	531,569	(605)	(401)	14,266	(40,085)	605,083	6,923	612,006

The notes on pages 9 to 21 form part of this interim financial report.

Condensed Consolidated Cash Flow Statement

For the six months ended 30 June 2014

	Note	Six months ended 30 June	
		2014 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000
Operating activities			
Cash generated from operations		20,074	7,703
The People's Republic of China ("PRC") income tax paid		(430)	(107)
Net cash generated from operating activities		19,644	7,596
Investing activities			
Repayment of other financial assets		31,120	—
Proceed from transfer of loans to and amount due from investee		25,611	—
Decrease in bank deposits with original maturities over three months		5,690	49,400
Other cash flows arising from investing activities		2,407	3,954
Net cash generated from investing activities		64,828	53,354
Financing activities			
Dividend paid		(79,191)	(74,802)
Dividend paid to non-controlling shareholders		(5,200)	(4,000)
Other cash flows arising from financing activities		—	(1,200)
Net cash used in financing activities		(84,391)	(80,002)
Net increase/(decrease) in cash and cash equivalents		81	(19,052)
Effect of foreign exchange rate changes		(1,550)	946
Cash and cash equivalents at 1 January		159,253	152,120
Cash and cash equivalents at 30 June	14	157,784	134,014

The notes on pages 9 to 21 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 19 August 2014.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2013 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2014 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 2013 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 independent review report to the Board of Directors is included on page 22.

The financial information relating to the financial year ended 31 December 2013 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 2013 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 2014.

Notes to the Unaudited Interim Financial Report

2. Changes in accounting policies

The HKICPA has issued a number of new Hong Kong Financial Reporting Standards (“HKFRSs”) and amendments to HKFRSs that are first effective for the current accounting period of the Group. Of these, the following developments are relevant to the Group’s financial statements:

- Amendments to HKFRS 10, HKFRS 12 and HKAS 27, *Investment entities*
- Amendments to HKAS 32, *Offsetting financial assets and financial liabilities*

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

Amendments to HKFRS 10, HKFRS 12 and HKAS 27, *Investment entities*

The amendments provide consolidation relief to those parents which qualify to be an investment entity as defined in the amended HKFRS 10. Investment entities are required to measure their subsidiaries at fair value through profit or loss. These amendments do not have an impact on the Group’s interim financial report as the Group does not qualify to be an investment entity.

Amendments to HKAS 32, *Offsetting financial assets and financial liabilities*

The amendments to HKAS 32 clarify the offsetting criteria in HKAS 32. The amendments do not have an impact on the Group’s interim financial report as they are consistent with the policies already adopted by the Group.

3. Segment reporting

The Group manages its business 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, design and management services and production of advertisements
Mainland China	:	Provision of media sales services and production of advertisements

3. Segment reporting (continued)

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 of assets attributable to those segments.

Information regarding the Group's reportable segments for the six months ended 30 June 2014 and 2013 is set out below.

(a) Reportable segment revenues and profit or loss:

	Hong Kong		Mainland China		Total	
	Six months ended 30 June		Six months ended 30 June		Six months ended 30 June	
	2014 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000	2014 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000	2014 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000
Revenue from external customers	219,693	202,050	—	600	219,693	202,650
Other revenue and other net income/(loss)	5,170	4,951	27	(49)	5,197	4,902
Reportable segment revenue	224,863	207,001	27	551	224,890	207,552
Reportable segment profit/(loss)	25,726	41,149	(508)	(617)	25,218	40,532
Depreciation for the period	(5,815)	(4,942)	(4)	(14)	(5,819)	(4,956)

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	
	2014 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000
Revenue		
Reportable segment revenue	224,890	207,552
Unallocated other revenue and other net income	268	7,345
Consolidated total operating revenue	225,158	214,897

	Six months ended 30 June	
	2014 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000
Profit or loss		
Reportable segment profit	25,218	40,532
Unallocated other revenue and other net income	268	7,345
Unallocated head office and corporate expenses	(7,283)	(8,320)
Consolidated profit before taxation	18,203	39,557

4. Turnover

The Group is principally engaged in the provision of media sales and design services and production of advertisements for Multi-media On-Board ("MMOB" or "BUS-TV"), transit vehicle exteriors and interiors, online portal, mobile apps, shelters and outdoor signages advertising businesses. The Group is also engaged in the provision of integrated marketing services covering these advertising platforms.

Turnover represents income from media sales, design and management services and production of advertisements, net of commission and rebate.

5. Other revenue and other net (loss)/income

	Six months ended 30 June	
	2014 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000
Other revenue		
Interest income from listed available-for-sale debt securities	1,172	1,560
Other interest income	4,123	3,477
Interest income from financial assets not at fair value through profit or loss	5,295	5,037
Sales of merchandise	5,111	4,948
Sundry revenue	59	5
	10,465	9,990
Other net (loss)/income		
Exchange (loss)/gain	(5,000)	2,257
	5,465	12,247

6. Profit before taxation

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

	Six months ended 30 June	
	2014 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000
Depreciation	6,971	5,287
Interest income	(5,295)	(5,037)
Operating lease charges		
– land and buildings	2,758	2,504
– audio and visual equipment	912	2,730

Notes to the Unaudited Interim Financial Report

7. Income tax

	Six months ended 30 June	
	2014 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000
Current tax		
Provision for Hong Kong Profits Tax for the period	5,157	9,516
Provision for the PRC income tax for the period	462	221
	5,619	9,737
Deferred tax		
Reversal and origination of temporary differences	108	(1,663)
Income tax expense	5,727	8,074

The provision for Hong Kong Profits Tax for the period is calculated at 16.5% (2013: 16.5%) of the estimated assessable profits for the period. Taxation for subsidiaries in the PRC is charged at the appropriate current rates of taxation ruling in the PRC.

8. Dividends

- (a) No interim dividend is payable for the six months ended 30 June 2014 (six months ended 30 June 2013: HK\$Nil). Final dividends, if any, will be proposed at the year end.
- (b) Dividends attributable to the previous financial year, approved and paid during the interim period:

	Six months ended 30 June	
	2014 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000
Final dividend in respect of the financial year ended 31 December 2013, approved and paid during the interim period of HK7.94 cents per share (2013: in respect of the financial year ended 31 December 2012 – HK7.50 cents per share)	79,191	74,802

9. Earnings per share

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of HK\$10,058,000 for the six months ended 30 June 2014 (six months ended 30 June 2013: HK\$29,910,000) and the weighted average of 997,365,332 ordinary shares (six months ended 30 June 2013: 997,365,332 ordinary shares) in issue during the period.

(b) Diluted earnings per share

There were no dilutive potential ordinary shares outstanding during the six months ended 30 June 2014 and 2013.

10. Other financial assets

	At 30 June 2014 (Unaudited) HK\$'000	At 31 December 2013 (Audited) HK\$'000
Available-for-sale debt securities, at fair value (listed outside Hong Kong) (note (a))	46,394	78,072
Unlisted available-for-sale equity interest, at cost less impairment losses (note (b))	—	—
Loans to investee (note (c))	—	25,611
Amount due from investee (note (c))	—	—
	46,394	103,683
Less: other financial assets classified as current assets		
— Available-for-sale debt securities (listed outside Hong Kong)	(38,373)	(69,948)
— Loans to investee	—	(25,611)
Other financial assets classified as non-current assets	8,021	8,124

Notes to the Unaudited Interim Financial Report

10. Other financial assets (continued)

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

The listed debt securities are issued by corporate entities with credit ratings ranging from A- to AA+. At 30 June 2014 and 31 December 2013, the Group's available-for-sale debt securities were neither past due nor impaired. The available-for-sale debt securities are due for repayment in 2014 or 2015. Debt securities that will mature within one year are classified as current assets.

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

At 30 June 2014 and 31 December 2013, the available-for-sale equity interest was determined to be impaired. Full impairment losses on unlisted available-for-sale equity interest of HK\$143,371,000 have been recognised as at 30 June 2014 and 31 December 2013. On 9 January 2014, a wholly-owned subsidiary of the Group entered into an equity transfer agreement to sell and transfer such equity interest to an independent third party for RMB30,000,000 (equivalent to HK\$37,440,000). Up to the date of this interim financial report, the transfer has not yet been completed.

(c) Loans to and amount due from investee

At 31 December 2013, the Group reassessed the recoverability of the loans to investee and considered that a portion of the loans will be recovered within twelve months of the balance sheet date. A reversal of impairment loss of HK\$25,611,000 has been recognised at 31 December 2013. During the six months ended 30 June 2014, an aggregate of RMB20,000,000 (equivalent to HK\$25,611,000) has been received from an independent third party in connection with the transfer of the loans to and amount due from investee. The remaining unsettled balances of loans to and amount due from investee are fully written off.

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 2014 (Unaudited) HK\$'000	At 31 December 2013 (Audited) HK\$'000
Neither past due nor impaired	96,345	87,116
Less than one month past due	26,050	26,038
One to two months past due	10,953	13,572
Two to three months past due	6,169	6,107
More than three months past due	15,922	12,490
	155,439	145,323

According to the Group's credit policy, credit period granted to customers is generally within 90 days. Therefore, all the balances which are not past due as disclosed above are within three months from the invoice date.

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

13. Pledged bank deposits

Pursuant to certain licence agreements between subsidiaries of the Company and fellow subsidiaries and between subsidiaries of the Company and the third parties, bank guarantees have been provided to the fellow subsidiaries and the third parties in respect of the subsidiaries' due performance and payment under the respective licence agreements. The Company has pledged bank deposits of HK\$61,400,000 (31 December 2013: HK\$61,400,000) to banks for the bank guarantees issued.

Notes to the Unaudited Interim Financial Report

14. Bank deposits and cash

	At 30 June 2014 (Unaudited) HK\$'000	At 31 December 2013 (Audited) HK\$'000
Cash at bank and in hand	58,088	108,093
Bank deposits with original maturities within three months	99,696	51,160
Cash and cash equivalents for the purpose of cash flow statement	157,784	159,253
Bank deposits with original maturities over three months	191,297	199,813
	349,081	359,066

15. Accounts payable

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

	At 30 June 2014 (Unaudited) HK\$'000	At 31 December 2013 (Audited) HK\$'000
Due within one month	1,942	1,592

Credit period granted to the Group by suppliers is generally within 90 days. Therefore, all the balances which are due within one month above are within three months from the invoice date.

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

16. Share premium reduction

On 13 May 2013, a special resolution was passed in a special general meeting approving the reduction of the share premium of the Company by HK\$531,769,000 ("Share Premium Reduction") and the transfer of the credit arising from the Share Premium Reduction to other distributable reserves.

17. Fair value measurement of financial instruments

(a) Financial assets and liabilities measured at fair value

HKFRS 13, *Fair value measurement* categorised recurring fair value measurement of the Group's financial instruments at the balance sheet date into the three-level fair value hierarchy. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

At 30 June 2014, the only financial instruments of the Group carried at fair value were available-for-sale debt securities of HK\$46,394,000 (2013: HK\$78,072,000) (see note 10). Recurring fair value measurements of these instruments are categorised into Level 1 of the fair value hierarchy described above.

During the six months ended 30 June 2014, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3 (2013: Nil). The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

(b) Fair value of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 30 June 2014 and 31 December 2013.

Notes to the Unaudited Interim Financial Report

18. Commitments

At 30 June 2014, 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 2014 (Unaudited) HK\$'000	At 31 December 2013 (Audited) HK\$'000
Contracted for	—	—
Authorised but not contracted for	111,006	111,006
	111,006	111,006

19. Material related party transactions

The Group had the following related party transactions during the six months ended 30 June 2014:

		Six months ended 30 June	
	Note	2014 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000
Licence fee and service fees for conducting BUS-TV business	(a)	10,000	10,050
Licence and royalty fees paid for the right to sell advertising space on bus shelters	(b)	11,848	9,086
Licence fee for the right to solicit advertising business at advertising space on bus interiors	(c)	6,500	6,000
Licence fee for the right to solicit advertising business at advertising space on bus exteriors	(d)	31,500	30,000
Rental expenses	(e)	2,306	4,158
Management fee expenses	(f)	14,038	10,203
Service fee paid for logistic function	(g)	245	245
Key management personnel remuneration	(h)	4,155	3,771
Mobile data subscription fees	(i)	2,727	2,774

19. Material related party transactions (continued)

Notes:

- (a) Licence fee and service fees were 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 2013: HK\$4,360,000).
- (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\$1,852,000 (31 December 2013: HK\$1,692,000).
- (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 receivable by the Group arising from advance payments made at the period end amounted to HK\$23,000 (31 December 2013: HK\$1,106,000).
- (d) Licence fee was paid to a subsidiary of TIH for marketing, displaying and maintaining advertisements at the exterior panels of the bodies of buses operated by KMB. The amount receivable by the Group arising from advance payments made at the period end amounted to HK\$22,692,000 (31 December 2013: HK\$26,227,000).
- (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 receivable by the Group at the period end amounted to HK\$Nil (31 December 2013: HK\$246,000).
- (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\$6,153,000 (31 December 2013: HK\$3,824,000).
- (g) 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 2013: HK\$41,000).
- (h) 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	
	2014 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000
Short-term employee benefits	4,116	3,733
Post-employment benefits	39	38
	4,155	3,771

- (i) Mobile data subscription fees were paid to a subsidiary of a substantial shareholder of the ultimate holding company of the Group for mobile data transmission services. The amount payable by the Group at the period end amounted to HK\$902,000 (31 December 2013: HK\$926,000).



Review Report to the Board of Directors of RoadShow Holdings Limited

(Incorporated in Bermuda with limited liabilities)

Introduction

We have reviewed the interim financial report set out on pages 4 to 21 which comprises the consolidated balance sheet of RoadShow Holdings Limited as of 30 June 2014 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 2014 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

19 August 2014

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

The Directors of the Company who held office at 30 June 2014 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\$1.0 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 2014, 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				
TIH (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 TIH, 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 2013 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 has been appointed as Third Vice President and chairman of Public Relations Committee of the Community Chest, and a member of its Executive Committee with effect from 16 June 2014.

Ms Winnie NG *Founder and Deputy Chairman*

BA, MBA (Chicago), MPA (Harvard), FCIM, CMILT, MHKIoD

Ms Winnie NG has been appointed as Chairman of Hospital Governing Committee of Prince of Wales Hospital and Chairman of Marketing and Business Development Committee of Hong Kong Tourism Board with effect from 1 April 2014 and 16 August 2014 respectively.

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 2014 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 2014, 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 2014. 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 2014. 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 22 of this interim report.

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

During the six months ended 30 June 2014, 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, 19 August 2014

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:
本中期報告可在本公司之互聯網址下載：

www.roadshow.com.hk

