



ROADSHOW HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

ANNOUNCEMENT OF RESULTS CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2001

ANNUAL RESULTS

The directors (the “Directors”) of RoadShow Holdings Limited (the “Company” or “RoadShow”) have the pleasure of presenting the audited profit and loss account of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 2001 together with the comparative figures for the year ended 31 December 2000.

		2001	2000
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
TURNOVER	2	288,823	51,884
Other revenue		12,471	1,445
Total operating revenue		301,294	53,329
OPERATING EXPENSES			
Licence and royalty fees		(5,806)	(3,471)
Cost of inventories		(4,335)	(4,073)
Depreciation		(18,682)	(222)
Staff costs		(30,723)	(6,609)
Other operating expenses		(39,913)	(2,457)

Total operating expenses		(99,459)	(16,832)
Profit from ordinary activities before taxation	3	201,835	36,497
Taxation	4	(16,780)	(5,463)
Profit from ordinary activities after taxation		185,055	31,034
Minority interests		(9,947)	(339)
Profit attributable to shareholders		175,108	30,695
Dividends attributable to the year	5		
Interim dividend declared during the year		--	10,000
Final dividend proposed after the balance sheet date		37,304	--
		37,304	10,000
Earnings per share (in Hong Kong Cents)	6		
Basic		21.11	4.91
Diluted		NA	4.91

Notes:-

1. Basis of preparation

The Company was incorporated on 8 December 2000 and on 1 April 2001 the Company became the holding company of the Group pursuant to a group reorganisation (“Reorganisation”). Details of the Reorganisation are set out in the prospectus of the Company date 19 June 2001 (“Prospectus”). The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited (“Stock Exchange”) on 28 June 2001 (“Listing Date”). The Group resulting from the Reorganisation is regarded as a continuing entity, and accordingly, the Reorganisation has been accounted for on the basis of merger accounting.

These financial results have been prepared in accordance with all applicable Statements of Standard Accounting Practice and Interpretations issued by the Hong Kong Society of Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance.

The Group has been treated as a continuing entity and accordingly, the consolidated financial results have been prepared on the basis that the Company was the holding company of the Group for both years presented, rather than from 1 April 2001. Accordingly, the consolidated results of the Group for the years ended 31 December 2000 and 2001 include the results of the Company and its subsidiaries with effect from 1 January 2000 or since their respective dates of incorporation, where there is a shorter period.

2. Turnover

The Group is principally engaged in out-of-home media sales through marketing advertising spaces on the exterior and interior of transit vehicles and in a merchandising business of selling commemorative items.

Segment information is presented in respect of the Group's business and geographical segments. Business segment information is chosen as the primary reporting format because this is more relevant to the Group's internal financial reporting.

	Media sales services		Media sales management and administrative services		Merchandising business		Consolidated	
	2001	2000	2001	2000	2001	2000	2001	2000
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue	260,955	26,561	19,930	17,094	7,938	8,229	288,823	51,884
Other revenue	504	--	22	890	--	--	526	890
Total	261,459	26,561	19,952	17,984	7,938	8,229	289,349	52,774
Segment result	174,125	17,428	17,738	14,816	3,748	4,129	195,611	36,373

Unallocated operating income and expenses	6,224	124
Profit from operations	201,835	36,497
Taxation	(16,780)	(5,463)
Minority interests	(9,947)	(339)
Profit attributable to shareholders	175,108	30,695

The Group's turnover and operating profit are almost entirely derived from Hong Kong. Accordingly, no analysis by geographical segment is provided.

3. Profit from ordinary activities before taxation

Profit from ordinary activities before taxation is arrived at after charging:

	2001	2000
	<i>HK\$'000</i>	<i>HK\$'000</i>
Production cost	11,300	386
Retirement costs included in staff costs	1,321	269
Auditors' remuneration	1,560	22
Operating lease charges	1,275	336
Provision for doubtful debts	7,500	290

4. Taxation

	2001	2000
	<i>HK\$'000</i>	<i>HK\$'000</i>
Provision for Hong Kong Profits Tax for the year	16,778	5,473
Underprovision/(overprovision) in respect of prior years	2	(10)
	16,780	5,463

The provision for Hong Kong Profits Tax is calculated at 16% (2000: 16%) of the estimated assessable profits for the year ended 31 December 2001.

Deferred tax has not been provided as timing differences are not likely to reverse in the foreseeable future.

5. Dividends

The Directors have resolved to recommend a final dividend of HK3.8 cents per share in respect of the year ended 31 December 2001 to shareholders whose names appear on the Register of members of the Company on Friday, 10 May 2002.

The Directors propose that shareholders be given the option to receive the final dividend in new shares in lieu of cash. The scrip dividend proposal is subject to: (1) the approval of the proposed final dividend at the Annual General Meeting to be held on Friday, 10 May 2002 and (2) The Stock Exchange granting the listing of and permission to deal in the new shares to be issued pursuant to this proposal.

A circular containing details of the scrip dividend proposal will be despatched to shareholders together with the form of election for scrip dividend on or about Wednesday, 15 May 2002. It is expected that the final dividend warrants and/or share certificates will be despatched to shareholders on or about Friday, 28 June 2002.

The Register of members of the Company will be closed from Monday, 29 April 2002 to Friday, 10 May 2002, both dates inclusive. To qualify for the proposed final dividend, transfers must be lodged with the Company's Share Registrars, Central Registration Hong Kong Limited of 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong by not later than 4:00p.m. on Friday, 26 April 2002.

6. Earnings per share

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary shareholders of HK\$175,108,000 (2000: HK\$30,695,000) and the weighted average of 829,459,995 ordinary shares (2000: 625,000,000 shares) in issue during the year, being the shares that would have been in issue throughout the year on the assumption that the Reorganisation as set out in the section headed “Corporate Reorganisation” in Appendix 6 of the Prospectus were complete on 1 January 2000.

(b) Diluted earnings per share

The diluted earnings per share for the year ended 31 December 2001 is not presented as the potential ordinary shares in respect of outstanding shares are anti-dilutive. The exercise of the share options would not have any dilutive effect on the earnings per share for the year ended 31 December 2001. There were no dilutive potential ordinary shares in issue during 2000.

The calculation of diluted earnings per share for the year ended 31 December 2000 is based on the combined profit attributable to shareholders of HK\$30,695,000 divided by the proforma 625,000,000 shares in issue and issuable immediately before the new issue and placing of the Company’s shares on the Listing Date.

BUSINESS RESULTS

For the year ended 31 December 2001, the Group reported total operating revenue of HK\$301.3 million and profit attributable to shareholders of HK\$175.1 million representing an increase of approximately 465% and 470% respectively over the same period as compared to 2000. The Group’s revenue was derived principally from its media sales services, media sales management and administrative services and merchandising business, with each accounting for approximately 87%, 7% and 3%, respectively of the Group’s total operating revenue for the year ended 31 December 2001.

Revenue from media sales services increased by HK\$234.4 million, from HK\$26.6 million in 2000 to HK\$261.0 million in 2001. The increase was principally the result of the upsurge in media sales in transit vehicles shelters and the full commercial launch of the Multi-media On-board (“MMOB”) business in transit vehicles. At 31 December 2001, the Group had 1,888 transit vehicle shelter panels with a territory wide coverage and a total of 2,400 MMOB transit vehicles with a sizeable audience reach of over two million daily.

The latest survey conducted by AC Nielsen in January 2002 showed that 71% of those interviewed liked the service and 85% considered MMOB a factor contributing to better bus services. Around 96% of those interviewed in the survey had experienced MMOB, and more than half of the respondents were regular commuters travelling by bus at least once every day.

The Group also provides media sales services and/or media sales management and administrative services with respect to transit vehicle exteriors. In 2001, the Group handled such services for a total of about 4,800 transit vehicles. The Group also engaged in merchandising business to produce and market collectables, mainly transit vehicle models and memorabilia. In 2001, a total quantity of 41,500 limited edition models ranging from classic to modern transit vehicle types were marketed worldwide.

The total operating expenses as a percentage of total operating revenue remained relatively constant at 32% and 33% for 2000 and 2001, respectively. The relative increase in operating expenses in 2001 was mainly associated with the full commercial launch of MMOB business which resulted in additional depreciation charges for the MMOB equipment, increase of headcount and relevant production costs. There was also an increase in the provision for doubtful debts of HK\$7.2 million in 2001 as a result of the generally weak local economic environment in the latter half of 2001.

BUSINESS OVERVIEW

The stifled local economy in the latter half of 2001, aggravated further by the September 11 terrorist attack on the U.S. had a definite adverse impact on the advertising market and the overall economic environment of Hong Kong. On the other hand, it is anticipated that the outdoor media sales industry in China will witness strong growth, outpacing its domestic economic growth. Additionally, in view of China's entry into the World Trade Organisation and lead up to the 2008 Beijing Olympics, China will become the fastest growing advertising market in Asia.

Building on the Group's dominant position in Hong Kong, the Group plans to develop outdoor media sales businesses, including MMOB business into Mainland China. Concurrently, the Group is identifying and is in consummation of opportunities for expansion into Mainland China through mergers and acquisitions and joint ventures. While adopting a prudent and pragmatic approach aimed at establishing a regional network, the Group anticipates that its expansion into Mainland China will materialise this year.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

At 31 December 2001, the Group had net current assets of HK\$751.3 million (2000: HK\$50.9 million) and net tangible assets of HK\$865.2 million (2000: HK\$57.0 million).

The Group's cash needs are primarily for working capital to support its media sales and merchandising businesses. At 31 December 2001, the Group had cash and cash equivalents of approximately HK\$562.3 million, which were denominated in Hong Kong dollars or United States dollars. Cash generated from operations, when not needed for working capital requirements, is principally placed in bank deposits. At 31 December 2001, the proceeds from the Global Offering and the exercise of an over-allotment option by the underwriters on 18 July 2001 which had not been utilised had been placed into short-term bank deposits.

At 31 December 2001, the Group had no banking facilities in place and had no indebtedness. Apart from intra-group liabilities, the Group did not have, at the close of business on 31 December 2001, any outstanding mortgages, charges, debentures or other loan capital or bank overdrafts, loans or similar indebtedness or hire purchase or finance lease commitments or any guarantees or other material contingent liabilities.

EMPLOYEES AND EMOLUMENTS POLICIES

At 31 December 2001, the Group had 63 full-time employees. 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 Scheme Ordinance.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SHARES

During the year, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Bye-laws and the Law in Bermuda.

COMPLIANCE WITH THE CODE OF BEST PRACTICE

The Company has complied throughout the year with the Code of Best Practice as set out by the Stock Exchange in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules"), except for the paragraph 7 that the independent Non-Executive Directors of the Company are not appointed for a specific term but are subject to retirement by rotation and re-election at the Annual General Meeting in accordance with the Bye-laws of the Company.

AUDIT COMMITTEE

The audit committee comprises the Deputy Chairman and two independent Non-Executive Directors and reports to the Board of Directors. The audit committee meets with the Group's senior management and external auditors regularly to review the effectiveness of the internal control systems and the interim and annual reports of the Group.

APPOINTMENT OF DIRECTOR

The Board of Directors is pleased to announce that Ms LAU Mei Mui, May has been appointed as a Non-Executive Director of the Company on 8 March 2002.

PUBLICATION OF ANNUAL RESULTS ON THE WEBSITE OF THE STOCK EXCHANGE

A detailed results announcement of the Group for the financial year ended 31 December 2001 containing all information required by paragraphs 45(1) to 45(5) of Appendix 16 to the Listing Rules will be published on the website of the Stock Exchange in due course.

By Order of the Board
Thomas Mak
Company Secretary
Hong Kong, 8 March 2002

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of RoadShow Holdings Limited (“the Company”) will be held at Marriott Ballroom, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Friday, 10 May 2002 at 3 p.m. to transact the following business:-

1. to receive and consider the Audited Financial Statements and the Reports of the Directors and Auditors for the year ended 31 December 2001;
2. to declare a final dividend with a scrip alternative at shareholders’ option;
3. to re-elect Directors and fix their remuneration;
4. to appoint Auditors and to authorise the Directors to fix their remuneration;

and, as special business, to consider and, if thought fit, pass the following resolution as Ordinary Resolution:-

5. “THAT:--
 - (A) (i) subject to paragraph A(iii) of this Resolution, pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“the Stock Exchange”), the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;

- (ii) the approval in paragraph A(i) of this Resolution shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the expiry of the Relevant Period;
- (iii) the aggregate nominal value of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approval in paragraph A(i) of this Resolution, otherwise than pursuant to:--
 - (a) a Rights Issue (as hereinafter defined), or
 - (b) an issue of shares of the Company upon the exercise of the subscription rights under any option scheme or similar arrangement for the time being adopted for the grant or issue to Directors and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company, or
 - (c) an issue of shares of the Company in lieu of the whole or part of the dividend on shares of the Company in accordance with the bye-laws of the Company,

shall not exceed 20 per cent of the aggregate nominal value of the share capital of the Company in issue as at the date of the passing of this Resolution and the said approval shall be limited accordingly; and

- (iv) for the purposes of this paragraph (A):--

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:--

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or the Companies Act 1981 of Bermuda or any applicable laws to be held; or
- (c) the time when such mandate is revoked or varied by an ordinary resolution by shareholders of the Company in general meeting; and

“Rights Issue” means an offer of shares of the Company open for a period fixed by the Directors of the Company to holders of shares of the Company whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).

- (B) (i) subject to paragraph B(ii) of this Resolution, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase shares of the Company on the Stock Exchange or any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (ii) the aggregate nominal value of shares of the Company which the Company is authorised to repurchase pursuant to the approval in paragraph B(i) of this Resolution during the Relevant Period shall not exceed 10 per cent of the aggregate nominal value of the share capital of the Company in issue as at the date of the passing of this Resolution and the authority pursuant to paragraph B(i) of this Resolution shall be limited accordingly; and
- (iii) for the purposes of this paragraph (B):--

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:--

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or the Companies Act 1981 of Bermuda or any applicable laws to be held; or
- (c) the time when such mandate is revoked or varied by an ordinary resolution by shareholders of the Company in general meeting.

- (C) the general unconditional mandate granted to the Directors of the Company and for the time being in force to exercise the powers of the Company to allot, issue and deal with additional shares of the Company pursuant to paragraph (A) of this Resolution be and is hereby extended by the addition to the aggregate nominal value of the share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors of the Company pursuant to such general mandate of an amount representing the aggregate nominal value of the share capital of the Company repurchased by the Company pursuant to the general unconditional mandate to repurchase shares referred to in paragraph (B) of this Resolution provided that such extended amount shall not exceed 10 per cent of the aggregate nominal value of the share capital of the Company in issue as at the date of the passing of this Resolution.”

By Order of the Board
Thomas Mak
Company Secretary
Hong Kong, 8 March 2002

Notes:--

- (1) Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. On a poll, votes may be given either personally or by proxy. A proxy need not be a member of the Company. A member may appoint more than one proxy to attend on the same occasion.
- (2) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of authority must be lodged with the Company’s principal office at No. 1, Po Lun Street, Lai Chi Kok, Kowloon, Hong Kong not less than 48 hours before the time appointed for holding the meeting or adjourned meeting.
- (3) The Register of Members will be closed from Monday, 29 April 2002 to Friday, 10 May 2002 both days inclusive, during which period no transfer of shares will be effected. All transfers accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong share registrars, Central Registration Hong Kong Limited at 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong not later than 4:00 p.m. on Friday, 26 April 2002.

Please also refer to the published version of this announcement in the South China Morning Post.