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ROADSHOW HOLDINGS LIMITED
路訊通控股有限公司
2011 INTERIM REPORT 中期報告

STRENGTH THROUGH
INTEGRATION



Interim Results For The Six Months Ended 30 June 2011

The directors of RoadShow Holdings Limited (the “Company” or “RoadShow”) (the “Directors”) present 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 2011 and the unaudited consolidated balance sheet of the Group at 30 June 2011, together with the comparative figures for the six months ended 30 June 2010 and at 31 December 2010 respectively.

Financial Review

Results

For the six months ended 30 June 2011, the Group reported total operating revenue of HK\$187.8 million, representing an increase of approximately 14.4% over the corresponding period of the previous year. Loss attributable to equity shareholders of the Company was HK\$83.0 million for the six months ended 30 June 2011, compared with HK\$97.7 million for the six months ended 30 June 2010. The loss attributable to equity shareholders is mainly due to a full and final impairment loss made on other non-current financial assets amounting to HK\$109.6 million (six months ended 30 June 2010: HK\$110.0 million), which is non-cash in nature. The impairment loss was made as a result of the re-assessment of the recoverable amount of the Group’s investment in AdSociety Daye Advertising Company Limited (“AdSociety Daye”), the Group’s joint venture in Mainland China. During the six months ended 30 June 2011, the cash position of AdSociety Daye has continued to deteriorate and AdSociety Daye defaulted in the repayment of the shareholder’s loans when due. The making of such impairment loss has had no effect on the core business of the Group. Despite the impairment loss made, profit from operations was approximately HK\$35.6 million (six months ended 30 June 2010: HK\$16.5 million), representing an increase of approximately 115.8% compared with the corresponding period last year.

Operating Revenue

For the six months ended 30 June 2011, the Group reported a total operating revenue of HK\$187.8 million, of which HK\$176.8 million was from the media sales services and HK\$11.0 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 99.8% and 0.2% of the Group’s total turnover respectively. Revenue generated from media sales services of the Hong Kong operations was HK\$176.3 million for the six months ended 30 June 2011 compared with HK\$151.2 million for the corresponding period in 2010, representing an increase of approximately 16.6% mainly resulted from the growth in our core business, in particular the Bus-Body advertising business.

Operating Expenses

The Group's operating expenses increased by HK\$4.6 million, from HK\$147.7 million for the six months ended 30 June 2010 to HK\$152.3 million for the six months ended 30 June 2011.

Interim Dividend

The Directors do not propose to declare an interim dividend for the six months ended 30 June 2011 (six months ended 30 June 2010: HK\$Nil).

Liquidity, Financial Resources and Capital Structure

At 30 June 2011, the Group's bank deposits and cash amounted to HK\$384.8 million (31 December 2010: HK\$383.5 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 2011 and 31 December 2010, 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 2011 and 31 December 2010.

The Group had stand-by banking facilities totalling HK\$50.0 million at 30 June 2011 and 31 December 2010.

At 30 June 2011, the Group had net current assets of HK\$443.3 million (31 December 2010: HK\$459.9 million) and total assets of HK\$702.7 million (31 December 2010: HK\$806.8 million).

Charge on Assets

At 30 June 2011 and 31 December 2010, 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.

At 31 December 2010, included in other non-current financial assets, the Group provided a loan to AdSociety Daye through a designated deposit/loan arrangement where a subsidiary of the Company placed a pledged deposit of RMB22,858,000 with a bank in Mainland China and the bank lent the proceeds to AdSociety Daye. The pledged deposit was released during the six months ended 30 June 2011.

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 2011, 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 six months ended 30 June 2011.

Contingent Liabilities

The Group did not have any significant contingent liabilities at 30 June 2011 and 31 December 2010.

Employees and Emolument Policies

At 30 June 2011, the Group had 107 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 participated in employee pension schemes organised and governed by the relevant local governments for its employees in Mainland China.

Prospects

Despite on-going global economic uncertainty, the reduction in regional market momentum caused by the tsunami and nuclear crisis in Japan earlier this year and new entrants in the local media market, the Group saw significant positive growth in profits from its core Hong Kong operations. Our continued efforts at integrating a total media platform, with its Bus-Body and Bus Interior advertising business complementing MMOB, have been rewarded and it is clear that advertisers and agencies alike welcome the comprehensive event and marketing services the Group is now able to offer. This gives the Group considerable confidence for the second half of the year.

Roll-out of the Group's up-graded MMOB technology was completed in March this year and it has bedded down well. The new features offered, including screen segmentation, full sub-titling and ticker tape for breaking news, financial data and other announcements of public interest, have increased the popularity of the medium with advertisers and agencies. An additional function permitting location specific differentiation of advertising packages will be launched in the latter part of the year. The Group looks forward to working with its clients in adding further value to the customer package as the technology evolves.

Prospects (Continued)

In contrast, our experience in Mainland China has been disappointing. Tighter credit and increasingly fierce competition have negatively impacted China's TV content industry and the Group no longer has significant influence over its investment in AdSociety Daye. Management has re-assessed the recoverable amount of the Group's investment in AdSociety Daye and noted that the cash position of AdSociety Daye has continued to deteriorate during the period. Furthermore, the agreements in relation to the loans to AdSociety Daye had expired and AdSociety Daye not only defaulted in the repayment of these loans when due but was also unable to offer any credible alternative repayment schedule. In view of the highly uncertain recoverability of these amounts and in the interests of prudence, the Group recognised a further impairment loss of approximately HK\$109,606,000 which represents a full and final provision against the entire amount invested in AdSociety Daye. The making of such impairment loss is non-cash in nature and has no effect on the core business of the Group. That said, management will keep on trying all means to recover the mentioned amount, including but not limited to legal actions.

Looking forward the Group is both encouraged by the growth of its Hong Kong operations and confident of its ability both to meet industry demand and expand its market share. With the successful roll-out of upgraded MMOB technology, we look forward to being able to introduce new value-added services for the benefit and enjoyment of both advertisers and the travelling public. The Group will continue to operate in an open and transparent business environment that meets the highest standards of corporate governance.

Consolidated Income Statement

For the six months ended 30 June 2011

| | | Six months ended 30 June | |
|--|-------|---------------------------------|---------------------------------|
| | Note | 2011 (Unaudited) HK\$'000 | 2010 (Unaudited) HK\$'000 |
| Turnover | 3 & 4 | 176,760 | 152,198 |
| Other revenue and other net income | | 11,056 | 11,943 |
| Total operating revenue | | 187,816 | 164,141 |
| Operating expenses | | | |
| Royalty, licence and management fees | | (64,937) | (68,872) |
| Cost of production | | (35,914) | (32,368) |
| Staff expenditure | | (26,072) | (25,718) |
| Depreciation and amortisation | | (3,647) | (4,678) |
| Cost of inventories | | (2,689) | (2,028) |
| Repairs and maintenance | | (4,645) | (2,184) |
| Impairment loss of media assets | | — | (171) |
| Impairment loss of accounts receivable | | — | (80) |
| Other operating expenses | | (14,351) | (11,567) |
| Total operating expenses | | (152,255) | (147,666) |
| Profit from operations | | 35,561 | 16,475 |
| Impairment loss of other non-current financial assets | 5 | (109,606) | (110,000) |
| Loss on disposal of subsidiaries | 16 | (468) | — |
| Loss before taxation | 6 | (74,513) | (93,525) |
| Income tax | 7 | (6,046) | (2,309) |
| Loss for the period | | (80,559) | (95,834) |
| Attributable to: | | | |
| Equity shareholders of the Company | | (82,997) | (97,689) |
| Non-controlling interests | | 2,438 | 1,855 |
| Loss for the period | | (80,559) | (95,834) |
| Loss per share (in Hong Kong cents) | 9 | | |
| Arising from the Group's operations | | 2.67 | 1.24 |
| Arising from impairment loss of other non-current financial assets | | (10.99) | (11.03) |
| Basic | | (8.32) | (9.79) |
| Diluted | | N/A | N/A |

The notes on pages 10 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 2011

| | Six months ended 30 June | |
|--|---------------------------------|---------------------------------|
| | 2011 (Unaudited) HK\$'000 | 2010 (Unaudited) HK\$'000 |
| Loss for the period | (80,559) | (95,834) |
| 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 | 1,110 | 274 |
| Exchange differences on translation of the financial statements of operations outside Hong Kong | 160 | 140 |
| Reclassification of exchange reserve on disposal of operations outside Hong Kong | (751) | — |
| Total comprehensive income for the period | (80,040) | (95,420) |
| Attributable to: | | |
| Equity shareholders of the Company | (82,478) | (97,275) |
| Non-controlling interests | 2,438 | 1,855 |
| Total comprehensive income for the period | (80,040) | (95,420) |

The notes on pages 10 to 21 form part of this interim financial report.

Consolidated Balance Sheet

At 30 June 2011

| | Note | At 30 June 2011 (Unaudited) HK\$'000 | At 31 December 2010 (Audited) HK\$'000 |
|--|-------|--|--|
| Non-current assets | | | |
| Fixed assets | | 69,727 | 8,406 |
| Non-current prepayments | | 5,658 | 44,268 |
| Other non-current financial assets | 10 | 82,951 | 219,140 |
| Deferred tax assets | | 4,599 | 4,067 |
| | | 162,935 | 275,881 |
| Current assets | | | |
| Inventories | | 658 | 979 |
| Amount due from ultimate holding company | 11(a) | 5,004 | 5,004 |
| Amounts due from fellow subsidiaries | 11(b) | 2,953 | 3,867 |
| Accounts receivable | 12 | 86,812 | 78,302 |
| Other receivables and deposits | | 8,710 | 8,422 |
| Prepayments | | 9,580 | 9,580 |
| Pledged bank deposits | 13 | 41,200 | 41,200 |
| Bank deposits and cash | 14 | 384,810 | 383,521 |
| | | 539,727 | 530,875 |
| Current liabilities | | | |
| Accounts payable | 15 | 4,512 | 4,729 |
| Amounts due to fellow subsidiaries | 11(b) | 3,719 | 4,370 |
| Other payables and accruals | | 75,721 | 53,553 |
| Current taxation | | 12,480 | 8,350 |
| | | 96,432 | 71,002 |
| Net current assets | | 443,295 | 459,873 |
| Total assets less current liabilities | | 606,230 | 735,754 |
| Non-current liabilities | | | |
| Deferred tax liabilities | | 89 | 86 |
| NET ASSETS | | 606,141 | 735,668 |
| CAPITAL AND RESERVES | | | |
| Share capital | | 99,737 | 99,737 |
| Reserves | | 497,605 | 628,455 |
| Total equity attributable to equity shareholders of the Company | | 597,342 | 728,192 |
| Non-controlling interests | | 8,799 | 7,476 |
| TOTAL EQUITY | | 606,141 | 735,668 |

The notes on pages 10 to 21 form part of this interim financial report.

Consolidated Statement of Changes in Equity

For the six months ended 30 June 2011

| Note | Attributable to equity shareholders of the Company | | | | | | | | | Non-controlling interests HK\$'000 | Total equity HK\$'000 |
|---|--|------------------------|--------------------------|------------------------------|------------------------|-----------------------------|---------------------------|---|----------------|------------------------------------|-----------------------|
| | 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 | | |
| Balance at 1 January 2010 | 99,737 | 531,769 | 839 | (200) | (605) | (120) | 13,962 | 157,595 | 802,977 | 6,190 | 809,167 |
| Changes in equity for the six months ended 30 June 2010: | | | | | | | | | | | |
| (Loss)/profit for the period | — | — | — | — | — | — | — | (97,689) | (97,689) | 1,855 | (95,834) |
| Other comprehensive income | — | — | — | — | — | 274 | 140 | — | 414 | — | 414 |
| Total comprehensive income for the period | — | — | — | — | — | 274 | 140 | (97,689) | (97,275) | 1,855 | (95,420) |
| Dividends approved in respect of the previous year | 8(b) | — | — | — | — | — | — | — | (14,063) | (14,063) | — |
| Dividends paid to non-controlling interests | | — | — | — | — | — | — | — | — | (3,200) | (3,200) |
| Balance at 30 June 2010 and 1 July 2010 | 99,737 | 531,769 | 839 | (200) | (605) | 154 | 14,102 | 45,843 | 691,639 | 4,845 | 696,484 |
| Changes in equity for the six months ended 31 December 2010: | | | | | | | | | | | |
| Profit for the period | — | — | — | — | — | — | — | 36,048 | 36,048 | 2,631 | 38,679 |
| Other comprehensive income | — | — | — | — | — | 86 | 419 | — | 505 | — | 505 |
| Total comprehensive income for the period | — | — | — | — | — | 86 | 419 | 36,048 | 36,553 | 2,631 | 39,184 |
| Balance at 31 December 2010 and 1 January 2011 | 99,737 | 531,769 | 839 | (200) | (605) | 240 | 14,521 | 81,891 | 728,192 | 7,476 | 735,668 |
| 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) | — |
| Transfer of reserves upon disposal of subsidiaries | | — | — | (237) | — | — | — | — | 237 | — | (1,115) |
| Balance at 30 June 2011 | 99,737 | 531,769 | 602 | (200) | (605) | 1,350 | 13,930 | (49,241) | 597,342 | 8,799 | 606,141 |

The notes on pages 10 to 21 form part of this interim financial report.

Condensed Consolidated Cash Flow Statement

For the six months ended 30 June 2011

| | Note | Six months ended 30 June | |
|---|------|---------------------------------|---------------------------------|
| | | 2011 (Unaudited) HK\$'000 | 2010 (Unaudited) HK\$'000 |
| Net cash generated from operating activities | | 48,664 | 21,953 |
| Net cash (used in)/generated from investing activities | | (13,015) | 6,945 |
| Net cash used in financing activities | | (48,372) | (4,063) |
| Net (decrease)/increase in cash and cash equivalents | | (12,723) | 24,835 |
| Effect of foreign exchange rate changes | | 535 | 1,623 |
| Cash and cash equivalents at 1 January | | 141,036 | 251,987 |
| Cash and cash equivalents at 30 June | 14 | 128,848 | 278,445 |

The notes on pages 10 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 17 August 2011.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2010 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2011 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 2010 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 22.

The financial information relating to the financial year ended 31 December 2010 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 2010 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 15 March 2011.

2. Changes in accounting policies

The HKICPA has issued a number of amendments to HKFRSs and one new Interpretation 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:

- HKAS 24 (revised 2009), *Related party disclosures*
- Improvements to HKFRSs (2010)

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

These developments related primarily to clarification of certain disclosure requirements applicable to the Group's financial statements. These developments have had no material impact on the contents of this interim financial report.

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 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 2011 and 2010 is set out below.

Notes to the Unaudited Interim Financial Report

3. Segment reporting (Continued)

- (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 | |
| | 2011 (Unaudited) HK\$'000 | 2010 (Unaudited) HK\$'000 | 2011 (Unaudited) HK\$'000 | 2010 (Unaudited) HK\$'000 | 2011 (Unaudited) HK\$'000 | 2010 (Unaudited) HK\$'000 |
| Revenue from external customers | 176,341 | 151,172 | 419 | 1,026 | 176,760 | 152,198 |
| Other revenue and other net income/(loss) | 4,270 | 3,393 | (67) | 285 | 4,203 | 3,678 |
| Reportable segment revenue | 180,611 | 154,565 | 352 | 1,311 | 180,963 | 155,876 |
| Reportable segment profit/(loss) | 37,527 | 17,627 | (111,367) | (113,712) | (73,840) | (96,085) |
| Interest income | — | — | — | 17 | — | 17 |
| Depreciation and amortisation for the period | (3,448) | (4,097) | (82) | (510) | (3,530) | (4,607) |
| Impairment loss of accounts receivable | — | (80) | — | — | — | (80) |
| Impairment loss of media assets | — | — | — | (171) | — | (171) |
| Impairment loss of other non-current financial assets | — | — | (109,606) | (110,000) | (109,606) | (110,000) |
| Loss on disposal of subsidiaries | — | — | (468) | — | (468) | — |

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

| | Six months ended 30 June | |
|--|---------------------------------|---------------------------------|
| | 2011 (Unaudited) HK\$'000 | 2010 (Unaudited) HK\$'000 |
| Revenue | | |
| Reportable segment revenue | 180,963 | 155,876 |
| Unallocated other revenue and other net income | 6,853 | 8,265 |
| Consolidated total operating revenue | 187,816 | 164,141 |

3. Segment reporting (Continued)

- (b) Reconciliations of reportable segment revenue and profit or loss is as follows: (Continued)

| | Six months ended 30 June | |
|--|--|--|
| | 2011 (Unaudited) HK\$'000 | 2010 (Unaudited) HK\$'000 |
| Profit or loss | | |
| Reportable segment loss | (73,840) | (96,085) |
| Unallocated other revenue and other net income | 6,853 | 8,265 |
| Unallocated head office and corporate expenses | (7,526) | (5,705) |
| Consolidated loss before taxation | (74,513) | (93,525) |

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 of 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. Up to the date of this report, the Group has not been able to obtain a viable proposal from the investee. The Group is now actively considering taking appropriate legal action to secure the Group’s position.

Notes to the Unaudited Interim Financial Report

5. Impairment loss of other non-current financial assets (Continued)

The default of loan repayment has instigated a re-assessment of the recoverable amount of the unlisted available-for-sale equity interest in and the outstanding amounts due from the investee totalling HK\$109,606,000. Based on the latest information available to the Group, it is considered that the prospect of any significant recovery of the investment and outstanding amounts is highly uncertain. Accordingly, additional impairment losses of HK\$109,606,000 are made against the Group's investment in, loans to and amount due from the investee as follows, resulting in full impairment losses made on such assets as at 30 June 2011:

| | Gross balance with the investee at | | Impairment losses | | Net balance with the investee at | |
|--|--|----------|-------------------|----------|--|----------|
| | 30 June 2011 | HK\$'000 | At | Addition | At 30 June 2011 | HK\$'000 |
| | | | 1 January 2011 | | | |
| Unlisted available-for-sale equity interest | 143,371 | | 119,801 | 23,570 | 143,371 | — |
| Loans to investee | 70,154 | | — | 70,154 | 70,154 | — |
| Amount due from investee | 15,882 | | — | 15,882 | 15,882 | — |
| | 229,407 | | 119,801 | 109,606 | 229,407 | — |

6. Loss before taxation

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

| | Six months ended 30 June | |
|---|---------------------------------|---------------------------------|
| | 2011 (Unaudited) HK\$'000 | 2010 (Unaudited) HK\$'000 |
| | | |
| Amortisation of media assets | — | 205 |
| Depreciation | 3,647 | 4,473 |
| Interest income | (4,379) | (5,502) |
| Impairment loss of accounts receivable | — | 80 |
| Impairment loss of media assets | — | 171 |
| Impairment loss of other non-current financial assets | 109,606 | 110,000 |
| Operating lease charges | | |
| — land and buildings | 1,205 | 1,711 |
| — audio and visual equipment | 2,727 | 2,479 |

7. Income tax

| | Six months ended 30 June | |
|---|---------------------------------|---------------------------------|
| | 2011 (Unaudited) HK\$'000 | 2010 (Unaudited) HK\$'000 |
| Current tax | | |
| Provision for Hong Kong Profits Tax for the period | 6,568 | 2,614 |
| Provision for the People's Republic of China ("PRC") income tax | — | 130 |
| | 6,568 | 2,744 |
| Deferred tax | | |
| Reversal and origination of temporary differences | (522) | (435) |
| Income tax expense | 6,046 | 2,309 |

The provision for Hong Kong Profits Tax for the period is calculated at 16.5% (2010: 16.5%) of the estimated assessable profits for the period. Taxation for the 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 2011 (six months ended 30 June 2010: 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 | |
|--|---------------------------------|---------------------------------|
| | 2011 (Unaudited) HK\$'000 | 2010 (Unaudited) HK\$'000 |
| Final dividend in respect of the financial year ended 31 December 2010, approved and paid during the interim period of HK4.85 cents per share (2010: in respect of the financial year ended 31 December 2009 — HK1.41 cents per share) | 48,372 | 14,603 |

Notes to the Unaudited Interim Financial Report

9. Loss per share

(a) Basic loss per share

The calculation of basic loss per share is based on the loss attributable to ordinary equity shareholders of the Company of HK\$82,997,000 for the six months ended 30 June 2011 (six months ended 30 June 2010: HK\$97,689,000) and the weighted average of 997,365,332 ordinary shares (six months ended 30 June 2010: 997,365,332 ordinary shares) in issue during the period.

(b) Diluted loss per share

There were no dilutive potential ordinary shares outstanding during the six months ended 30 June 2011 and 2010.

10. Other non-current financial assets

| | At 30 June 2011 (Unaudited) HK\$'000 | At 31 December 2010 (Audited) HK\$'000 |
|---|--|--|
| Unlisted available-for-sale equity interest, at cost less impairment losses | — | 23,570 |
| Loans to investee | — | 97,218 |
| Amount due from investee | — | 15,882 |
| Available-for-sale debt securities, at fair value (listed outside Hong Kong) | 82,951 | 82,470 |
| | 82,951 | 219,140 |

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

At 30 June 2011 and at 31 December 2010, 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 2011 (31 December 2010: HK\$119,801,000).

10. Other non-current financial assets (Continued)

(b) Loans to investee

At 30 June 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).

At 31 December 2010, loans to investee were unsecured, carried interest ranging from 5.31% to 7.47% p.a.. The loans were neither past due nor impaired.

(c) Amount due from investee

At 30 June 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).

At 31 December 2010, amount due from investee was unsecured, interest free and had no fixed repayment terms. The amount was neither past due nor impaired.

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

The listed debt securities were issued by corporate entities with credit ratings ranging from A- to AA+.

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.

Notes to the Unaudited Interim Financial Report

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 2011 (Unaudited) HK\$'000 | At 31 December 2010 (Audited) HK\$'000 |
|---------------------------------|--|--|
| Neither past due nor impaired | 43,458 | 40,769 |
| Less than one month past due | 22,371 | 20,291 |
| One to two months past due | 11,869 | 9,696 |
| Two to three months past due | 5,235 | 4,228 |
| More than three months past due | 3,879 | 3,318 |
| | 86,812 | 78,302 |

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.

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 2010: HK\$41,200,000) to banks for the bank guarantees issued.

14. Bank deposits and cash

| | At 30 June 2011 (Unaudited) HK\$'000 | At 31 December 2010 (Audited) HK\$'000 |
|--|--|--|
| Cash at bank and in hand | 80,688 | 94,150 |
| Bank deposits with original maturities within three months | 48,160 | 46,886 |
| Cash and cash equivalents for the purpose of cash flow statement | 128,848 | 141,036 |
| Bank deposits with original maturities over three months | 255,962 | 242,485 |
| | 384,810 | 383,521 |

15. Accounts payable

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

| | At 30 June 2011 (Unaudited) HK\$'000 | At 31 December 2010 (Audited) HK\$'000 |
|----------------------|--|--|
| Due within one month | 4,512 | 4,729 |

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.

| | 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) |
| Reclassification of exchange reserve upon disposal of subsidiaries | (751) |
| | |
| Loss on disposal | 468 |
| | (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) |

Notes to the Unaudited Interim Financial Report

17. Commitments

At 30 June 2011, 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 2011 (Unaudited) HK\$'000 | At 31 December 2010 (Audited) HK\$'000 |
|-----------------------------------|--|--|
| Contracted for | 10,355 | 30,191 |
| Authorised but not contracted for | 111,006 | 111,006 |
| | 121,361 | 141,197 |

18. Material related party transactions

The Group had the following related party transactions during the six months ended 30 June 2011:

| | Note | Income/(expenses) | |
|--|------|---|---------------------------------|
| | | Six months ended 30 June 2011 (Unaudited) HK\$'000 | 2010 (Unaudited) HK\$'000 |
| Licence fee for conducting BUS-TV business | (a) | (9,000) | (12,864) |
| Licence and royalty fees paid for the right to sell advertising space on bus shelters | (b) | (7,112) | (7,011) |
| Licence fee for the right to solicit advertising business at advertising space on bus interiors | (c) | (5,400) | (4,500) |
| Licence fee for the right to solicit advertising business at advertising space on bus exteriors | (d) | (28,550) | (27,548) |
| Rental expenses | (e) | (3,774) | (3,526) |
| Management fee expenses | (f) | (8,438) | (8,319) |
| Guaranteed advertising income | (g) | 3,947 | 6,146 |
| Service fee paid for logistic function | (h) | (245) | (245) |
| Key management personnel remuneration | (i) | (3,873) | (3,739) |

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 (1933) Company Limited ("KMB") and fitted with the BUS-TV broadcasting system. The amount payable by the Group at the period end amounted to HK\$5,805,000 (31 December 2010: HK\$5,805,000).
- (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\$141,000 (31 December 2010: HK\$332,000).

18. Material related party transactions (Continued)

Notes: (Continued)

- (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 2010: 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 of surplus licence fees paid by the Group at the period end amounted to HK\$349,000 (31 December 2010: HK\$332,000).
- (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 2010: HK\$15,000).
- (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\$2,610,000 (31 December 2010: HK\$3,481,000).
- (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\$3,947,000 during the six months ended 30 June 2011 (six months ended 30 June 2010: HK\$6,416,000). The amount due to JCDecaux Cityscape at the period end amounted to HK\$409,000 (31 December 2010: HK\$848,000).
- (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 payable to JCDecaux Cityscape at the period end amounted to HK\$41,000 (31 December 2010: 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 | |
|------------------------------|---------------------------------|---------------------------------|
| | 2011 (Unaudited) HK\$'000 | 2010 (Unaudited) HK\$'000 |
| Short-term employee benefits | 3,837 | 3,709 |
| Post-employment benefits | 36 | 30 |
| | 3,873 | 3,739 |



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 21 which comprises the consolidated balance sheet of RoadShow Holdings Limited as of 30 June 2011 and the related consolidated income statement, consolidated statement of comprehensive income, consolidated 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 2011 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

17 August 2011

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

The Directors of the Company who held office at 30 June 2011 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

| Beneficial interests | The Company: Ordinary shares of HK\$0.1 each | | | | | Total number of shares held | % of total issued shares |
|-----------------------------|---|-------------------------|----------------------------|------------------------|--|------------------------------------|---------------------------------|
| | Personal interests | Family interests | Corporate interests | Other interests | | | |
| Winnie NG (Note 1) | 1,000,000 | — | — | 123,743 | | 1,123,743 | 0.1% |

| Beneficial interests | Transport International Holdings Limited ("TIH") (Note 2): Ordinary shares of HK\$1 each | | | | | Total number of shares held | % of total issued shares |
|-----------------------------|---|-------------------------|----------------------------|------------------------|--|------------------------------------|---------------------------------|
| | Personal interests | Family interests | Corporate interests | Other interests | | | |
| 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:

1. Ms Winnie NG has interest in 123,743 shares in the Company as a beneficiary of certain private trusts which beneficially held the shares.
2. TIH is the ultimate holding company of the Company.
3. 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 2011, 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 | | | | |
|--|-------------------------|---------------------|-----------------------------|--------------------------|
| | Registered shareholders | Corporate interests | Total number of shares held | % of total issued shares |
| 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.

Share Option Scheme

The Company had a share option scheme (the “Scheme”) which was adopted on 7 June 2001. The Scheme was valid and effective for a period of ten years and expired on 6 June 2011.

No option was granted during the period and there were no outstanding options at 30 June 2011.

Changes in Directors' Biographical Details

During the period under review, the changes in Directors' biographical details since the date of the 2010 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 a Vice Patron of the Community Chest and has been elected as Director of the Community Chest.

Professor Stephen CHEUNG Yan Leung Independent Non-executive Director

BBS, JP, FHKIoD

Professor Stephen CHEUNG Yan Leung has been appointed as member of the Witness Protection Review Board of Independent Commission Against Corruption (ICAC), Minimum Wage Commission and Social Enterprise Advisory Committee, and ceased to be a member of Steering Committee of Review of Urban Renewal Strategy.

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 2011 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 2011, 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 2011. 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 2011. 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 2011, 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, 17 August 2011

ROADSHOW HOLDINGS LIMITED
路訊通控股有限公司

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香港九龍荔枝角寶輪街九號

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www.roadshow.com.hk

