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## **ROADSHOW HOLDINGS LIMITED**

### **路訊通控股有限公司\***

*(incorporated in Bermuda with limited liability)*

**(Stock Code: 888)**

#### **DISCLOSEABLE TRANSACTION**

The Board wishes to announce that the Company, through its wholly-owned subsidiary, RML, had on 23 April 2010 entered into the Agreement with the Contractor pursuant to which RML has agreed to engage the Contractor and the Contractor has agreed to provide the Services, which includes the supply of New Devices, for the aggregate consideration of HK\$62 million.

As the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Transaction are greater than 5% but less than 25%, the Transaction constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

The Board wishes to announce that RML, a wholly-owned subsidiary of the Company, had on 23 April 2010 entered into the Agreement with the Contractor pursuant to which RML has agreed to engage the Contractor and the Contractor has agreed to provide the Services, which includes the supply of New Devices, for the aggregate consideration of HK\$62 million.

#### **THE AGREEMENT**

##### **1. Date**

23 April 2010

##### **2. The parties**

- (a) RML, a wholly-owned subsidiary of the Company; and
- (b) the Contractor.

To the best knowledge, information and belief of the Directors and having made all reasonable enquiries, as at the date of this announcement, the Contractor and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons as defined under the Listing Rules.

\* For identification purposes only

### **3. Services to be provided and New Devices to be supplied by the Contractor**

RML entered into the Agreement with the Contractor for the purpose of upgrading the Equipment and enhancing the MMOB broadcasting system which has been fitted on certain Buses whereby the relevant licences for fitting such MMOB broadcasting system were successfully obtained from KMB, NWFB and/or CTB.

Pursuant to the Agreement, RML engaged the Contractor to provide the Services, which includes the supply of New Devices, for the upgrading and Enhancement of the MMOB broadcasting system under the requirements as agreed between RML and the Contractor.

The scope of Services would comprise of, but not limited to, the overall design, development, manufacture, installation of New Devices on the MMOB broadcasting system which has been fitted on the Buses and also the commissioning, maintenance, technical support and other work in connection with the Enhancement of MMOB broadcasting system on the relevant Buses.

### **4. Consideration**

The consideration and value for the Services, including the supply of the New Devices, is HK\$62 million, which was derived from the public tender process in which the Contractor was awarded the tender, and such consideration was accepted by RML by reference to the market rate of similar services and new devices.

It is intended that the consideration to be paid by RML shall be funded by internal resources of the Group and such consideration shall be paid by RML to the Contractor in the following manner:

- (a) 20% of the consideration shall be paid to an account designated by the Contractor within 3 Business Days from the date of the Agreement (“First Payment”), an amount of 2% of the consideration shall be deducted from the First Payment and such amount shall be kept by RML as part of the Retention Money which shall be held and released by RML in accordance with paragraph (5) headed “The treatment of the Retention Money” below;
- (b) 35% of the consideration shall be paid to an account designated by the Contractor within 45 calendar days after the date of completion of the first 100 Buses of the Enhancement of MMOB broadcasting system or 45 calendar days from the date of the Agreement (whichever is later) (“Second Payment”), an amount of 3.5% of the consideration shall be deducted from the Second Payment and such amount shall be kept by RML as part of the Retention Money which shall be held and released by RML in accordance with paragraph (5) headed “The treatment of the Retention Money” below;
- (c) 35% of the consideration shall be paid to an account designated by the Contractor within 45 calendar days after the date of completion of the subsequent 900 Buses of the Enhancement of MMOB broadcasting system or 80 calendar days from the date of the Agreement (whichever is later) (“Third Payment”), an amount of 3.5% of the consideration shall be deducted from the Third Payment and such amount shall be kept by RML as part of the Retention Money which shall be held and released by RML in accordance with paragraph (5) headed “The treatment of the Retention Money” below; and

- (d) the remaining balance of 10% of the consideration as the final payment shall be paid to an account designated by the Contractor within 45 calendar days after the date of completion of the Enhancement of MMOB broadcasting system of a further 3,800 Buses (“Final Phase”) or 215 calendar days from the date of the Agreement (whichever is later) (“Final Payment”), an amount of 1% of the consideration shall be deducted from the Final Payment and such amount shall be kept by RML as part of the Retention Money which shall be held and released by RML in accordance with paragraph (5) headed “The treatment of the Retention Money” below.

## **5. The treatment of the Retention Money**

The Retention Money shall be released and dealt with in the following manner:

- (1) subject to paragraph 5(2) below, the total amount of Retention Money shall be automatically released to the Contractor within 45 Business Days after the expiration of 2 calendar months after 215 calendar days from the date of the Agreement or 45 calendar days after the completion of the Final Phase, whichever is later, or if it is not a Business Day, the Business Day immediately thereafter, to an account designated by the Contractor; or
- (2) in the event that there shall arise any circumstances where deductions need to be made to the Retention Money pursuant to the terms of the Agreement, RML shall retain and/or release such amount as directed by RML or the Contractor or the judgment of a Hong Kong court to offset any damages suffered by RML and/or the Contractor pursuant to their respective rights and obligations under the Agreement.

## **6. Adjustment of consideration**

Pursuant to the terms of the Agreement, RML and the Contractor agreed that the number of Buses required for the Services under the Agreement may be varied from time to time and such variation shall be subject to final confirmation by RML in writing. In the event that the final number of Buses required for the Services is varied, the final consideration charged by the Contractor to RML as stated in paragraph (4) above may also be varied, and in such event the final consideration will be re-calculated and agreed by RML and the Contractor in writing to reflect such variations (“Re-calculated Consideration”).

## **REASONS FOR AND BENEFITS OF THE TRANSACTION**

The Directors consider that the Transaction will benefit the Group in light of the technological improvements and enhancement of the Equipment and will therefore improve the overall performance of the MMOB broadcasting system provided by the Group.

The Directors are of the view that the Transaction is on normal commercial terms and in the ordinary and usual course of business of the Company and the terms of the Agreement are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Transaction are greater than 5% but less than 25%, the Transaction constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

Further, the Board wishes to confirm that the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Transaction, having taken into account of the Re-calculated Consideration as contemplated under the Agreement, will remain to be greater than 5% but less than 25%, and hence, the Transaction will still be regarded as a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

## **PRINCIPAL ACTIVITIES OF THE GROUP**

The Group is principally engaged in the provision of media sales and management and administrative services for the MMOB, transit vehicles exteriors and interiors advertising businesses and the operation of media advertising management services through marketing advertising spaces on transit vehicles exteriors, interiors, shelters and outdoor signages and the provision of advertising agency services.

## **DEFINITIONS**

Unless the context otherwise requires, the following terms in this announcement shall have the meanings set out below:

“Agreement”	the agreement dated 23 April 2010 entered into between RML and the Contractor in relation to the Transaction
“Board”	the board of directors of the Company
“Bus(es)”	the licensed passenger carrying bus(es) owned or operated by KMB, NWFB and/or CTB, the numbers, types and models of which may vary from time to time within the territories of Hong Kong as required under the franchise granted to the respective KMB, NWFB and CTB under the Public Bus Services Ordinance (Chapter 230 of the Laws of Hong Kong)
“Business Day(s)”	a day (other than a Saturday or a Sunday) on which banks are generally open for business in Hong Kong
“Company”	RoadShow Holdings Limited, a company incorporated in Bermuda whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 888)

“Contractor”	Vehicle Engineering Services Limited
“CTB”	Citybus Limited
“Director(s)”	director(s) of the Company
“Documentations”	all the operating manuals, design documents, technical literature, handbooks, maintenance databases and other related publications to give guidance to the use and application of the New Devices
“Enhancement of the MMOB broadcasting system”	the provision of the Services and the supply of New Devices by the Contractor to RML for the purpose of the upgrading of and the enhancement of the relevant MMOB broadcasting system which has been fitted on the Buses in accordance with the Agreement
“Equipment”	the LCD monitors, the video compact disc players and all other equipment and devices installed at or inside the Buses for the purpose of or in connection with the operation of the MMOB
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“KMB”	The Kowloon Motor Bus Company (1933) Limited
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MMOB”	Multi-media On-board
“New Devices”	all the hardware, software and all other related components to be installed at or inside the Buses for the purpose of or in connection with the Enhancement of the MMOB broadcasting system
“NWFB”	New World First Bus Services Limited
“Retention Money”	the retention money to be kept by RML at its designated bank account pursuant to the Agreement

“RML”	RoadShow Media Limited, a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company
“Services”	the overall design, development, manufacture, consultation, inspection, testing, insurance, delivery, management, implementation, installation, erection and set of the New Devices at any of the Spaces; the commissioning, maintenance, training, support, technical support and other work in connection with the Enhancement of the MMOB broadcasting system; and the provision of the Documentations
“Shareholders”	holders of the shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Spaces”	such spaces inside the Buses fitted with MMOB broadcasting system and/or such other locations inside the Buses as directed by RML from time to time
“Transaction”	the transactions as contemplated in the Agreement
“%”	per cent.

By Order of the Board  
**RoadShow Holdings Limited**  
**Man Miu Sheung**  
*Company Secretary*

Hong Kong, 27 April 2010

*As at the date of this announcement, the Directors are Dr. John CHAN Cho Chak, GBS, JP as Chairman and Non-executive Director; Mr. YUNG Wing Chung and Ms. Winnie NG as Deputy Chairmen and Non-executive Directors; Dr. Carlye Wai-Ling TSUI, BBS, MBE, JP, Dr. Eric LI Ka Cheung, GBS, OBE, JP and Professor Stephen CHEUNG Yan Leung, BBS, JP as Independent Non-executive Directors; Mr. MO Tik Sang as Managing Director; Mr. MAK Chun Keung, Mr. Anthony NG (with Ms. Winnie NG as alternate), Mr. John Anthony MILLER, SBS, OBE and Mr. Edmond HO Tat Man as Non-executive Directors.*