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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)

2010 ANNUAL RESULTS ANNOUNCEMENT

FINANCIAL HIGHLIGHTS

- Total turnover amounted to approximately HK\$325.2 million (2009: HK\$196.4 million), representing an increase of approximately 65.6%, mainly due to the growth in core business in Hong Kong, including the new BUS-BODY and IN-BUS advertising businesses commenced in November 2009 and February 2009 respectively.
- The loss attributable to equity shareholders of the Company was approximately HK\$61.6 million (2009: profit of HK\$14.0 million). However, the operating profits of the Group, before the effect of impairment loss of other non-current financial assets amounting to HK\$110.0 million, was approximately HK\$61.1 million, an increase of approximately 65.9% against the previous year.
- Basic loss per share was HK6.18 cents (2009: earnings per share of HK1.41 cents).
- Final dividend of HK4.85 cents per share was proposed (2009: HK1.41 cents per share).

ANNUAL RESULTS

The directors of RoadShow Holdings Limited (the "Company" or "RoadShow") (the "Directors") submit herewith the consolidated income statement and consolidated statement of comprehensive income of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2010 and the consolidated balance sheet of the Group at 31 December 2010, together with the relevant comparative figures.

** For identification purposes only*

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2010

(Expressed in Hong Kong dollars)

	Note	2010 \$'000	2009 \$'000
Turnover	3 & 4	325,231	196,361
Other revenue and other net income		31,213	26,778
Total operating revenue		356,444	223,139
Operating expenses			
Royalty, licence and management fees		(135,866)	(84,077)
Cost of production		(62,964)	(23,496)
Staff expenditure		(54,454)	(40,315)
Depreciation and amortisation		(6,498)	(9,875)
Cost of inventories		(5,849)	(5,505)
Repairs and maintenance		(5,171)	(3,511)
Impairment loss of media assets		(171)	—
Impairment loss of accounts receivable		(318)	(10)
Other operating expenses		(24,039)	(19,508)
Total operating expenses		(295,330)	(186,297)
Profit from operations		61,114	36,842
Impairment loss of other non-current financial assets	5	(110,000)	(9,801)
Share of loss of associate		—	(4,544)
Gain on deemed disposal of partial interest in associate		—	177
(Loss)/profit before taxation	6	(48,886)	22,674
Income tax	7	(8,269)	(4,454)
(Loss)/profit for the year		(57,155)	18,220
Attributable to:			
Equity shareholders of the Company		(61,641)	14,016
Non-controlling interests		4,486	4,204
(Loss)/profit for the year		(57,155)	18,220
(Loss)/earnings per share (in Hong Kong cents)			
Arising from the Group's operations	9	4.85	1.41
Arising from impairment loss of other non-current financial assets		(11.03)	—
Basic		(6.18)	1.41
Diluted		N/A	N/A

Details of dividends payable to equity shareholders of the Company attributable to the year are set out in note 8.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2010

(Expressed in Hong Kong dollars)

	2010	2009
	\$'000	\$'000
(Loss)/profit for the year	(57,155)	18,220
Other comprehensive income for the year (after tax and reclassification adjustments):		
Available-for-sale debt securities:		
Changes in fair value recognised in the fair value reserve during the year	360	(120)
Exchange differences released upon deemed disposal of partial interest in associate	—	(3,112)
Exchange differences on translation of the financial statements of operations outside Hong Kong	559	—
Total comprehensive income for the year	(56,236)	14,988
Attributable to:		
Equity shareholders of the Company	(60,722)	10,784
Non-controlling interests	4,486	4,204
Total comprehensive income for the year	(56,236)	14,988

CONSOLIDATED BALANCE SHEET

At 31 December 2010

(Expressed in Hong Kong dollars)

	Note	2010 \$'000	2009 \$'000
Non-current assets			
Fixed assets		8,406	13,407
Media assets		—	372
Non-current prepayments		44,268	19,160
Other non-current financial assets		219,140	231,664
Deferred tax assets		4,067	3,802
		<u>275,881</u>	<u>268,405</u>
Current assets			
Inventories		979	1,138
Amount due from ultimate holding company		5,004	4,773
Amounts due from fellow subsidiaries		3,867	2,997
Accounts receivable	10	78,302	64,470
Other receivables and deposits		8,422	8,369
Prepayments		9,580	9,580
Pledged bank deposits		41,200	51,200
Bank deposits and cash		383,521	447,934
		<u>530,875</u>	<u>590,461</u>
Current liabilities			
Accounts payable	11	4,729	4,931
Amounts due to fellow subsidiaries		4,370	3,286
Other payables and accruals		53,553	39,228
Current tax payable		8,350	1,681
		<u>71,002</u>	<u>49,126</u>
Net current assets		<u>459,873</u>	<u>541,335</u>
Total assets less current liabilities		735,754	809,740
Non-current liabilities			
Deferred tax liabilities		86	573
NET ASSETS		<u>735,668</u>	<u>809,167</u>

CONSOLIDATED BALANCE SHEET (CONTINUED)

At 31 December 2010

(Expressed in Hong Kong dollars)

	2010	2009
	\$'000	\$'000
CAPITAL AND RESERVES		
Share capital	99,737	99,737
Reserves	628,455	703,240
Total equity attributable to equity shareholders of the Company	728,192	802,977
Non-controlling interests	7,476	6,190
TOTAL EQUITY	735,668	809,167

NOTES

(Expressed in Hong Kong dollars unless otherwise indicated)

1. BASIS OF PREPARATION

The annual results set out in the announcement do not constitute the Group's financial statements for the year ended 31 December 2010 but are extracted from those financial statements.

The financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. The financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Main Board of The Stock Exchange of Hong Kong Limited ("the Listing Rules").

2. CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued two revised HKFRSs, a number of amendments to HKFRSs and two new Interpretations 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:

- HKFRS 3 (revised 2008), *Business combinations*
- Amendments to HKAS 27, *Consolidated and separate financial statements*
- Amendments to HKFRS 5, *Non-current assets held for sale and discontinued operations – plan to sell the controlling interest in a subsidiary*
- Improvements to HKFRSs (2009)

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

These developments resulted in changes in accounting policies but none of these changes in policies have a material impact on the current or comparative periods, for the following reasons:

- The impact of the majority of the revisions to HKFRS 3, HKAS 27 and HKFRS 5 have not yet had a material effect on the Group's financial statements as these changes will first be effective as and when the Group enters into a relevant transaction (for example, a business combination, a disposal of a subsidiary or a non-cash distribution) and there is no requirement to restate the amounts recorded in respect of previous such transactions.
- The impact of the amendments to HKFRS 3 (in respect of recognition of acquiree's deferred tax assets) and HKAS 27 (in respect of allocation of losses to non-controlling interests (previously known as minority interests) in excess of their equity interest) have had no material impact as there is no requirement to restate amounts recorded in previous periods and no such deferred tax assets or losses arose in the current period.

Further details of these changes in accounting policies are as follows:

- As a result of the adoption of HKFRS 3 (revised 2008), any business combination acquired on or after 1 January 2010 is recognised in accordance with the new requirements and detailed guidance contained in HKFRS 3 (revised 2008). These include the following changes in accounting policies:
 - Transaction costs that the Group incurs in connection with a business combination, such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees, will be expensed as incurred, whereas previously they were accounted for as part of the cost of the business combination and therefore impacted the amount of goodwill recognised.
 - If the Group holds interests in the acquiree immediately prior to obtaining control, these interests will be treated as if disposed of and re-acquired at fair value on the date of obtaining control. Previously, the step-up approach would have been applied, whereby goodwill was computed as if accumulated at each stage of the acquisition.
 - Contingent consideration will be measured at fair value at the acquisition date. Subsequent changes in the measurement of that contingent consideration unrelated to facts and circumstances that existed at the acquisition date will be recognised in profit or loss, whereas previously these changes were recognised as an adjustment to the cost of the business combination and therefore impacted the amount of goodwill recognised.
 - If the acquiree has accumulated tax losses or other deductible temporary differences and these fail to meet the recognition criteria for deferred tax assets at the date of acquisition, any subsequent recognition of these assets will be recognised in profit or loss, rather than as an adjustment to goodwill as was previously the policy.
 - In addition to the Group's existing policy of measuring non-controlling interests (previously known as "minority interests") in the acquiree at the non-controlling interest's proportionate share of the acquiree's net identifiable assets, in future the Group may elect, on a transaction by transaction basis, to measure the non-controlling interest at fair value.

In accordance with the transitional provisions in HKFRS 3 (revised 2008), these new accounting policies will be applied prospectively to any business combinations in the current or future periods. The new policy in respect of recognition in the movement of deferred tax assets will also be applied prospectively to accumulated tax losses and other deductible temporary differences acquired in previous business combinations. No adjustments have been made to the carrying values of assets and liabilities that arose from business combinations whose acquisition dates preceded the application of this revised standard.

- As a result of the adoption of HKAS 27 (amended 2008), the following changes in policies have been applied as from 1 January 2010:
 - If the Group acquires an additional interest in a non-wholly owned subsidiary, the transaction will be accounted for as a transaction with equity shareholders (the non-controlling interests) in their capacity as owners and therefore no goodwill will be recognised as a result of such transactions. Similarly, if the Group disposes of part of its interest in a subsidiary but still retains control, this transaction will also be accounted for as a transaction with equity shareholders (the non-controlling interests) in their capacity as owners and therefore no profit or loss will be recognised as a result of such transactions. Previously the Group treated such transactions as step-up transactions and partial disposals, respectively.
 - If the Group loses control of a subsidiary, the transaction will be accounted for as a disposal of the entire interest in that subsidiary, with any remaining interest retained by the Group being recognised at fair value as if reacquired. In addition, as a result of the adoption of the amendment to HKFRS 5, if at the end of a reporting period the Group has the intention to dispose of a controlling interest in a subsidiary, the entire interest in that subsidiary will be classified as held for sale (assuming that the held for sale criteria in HKFRS 5 are met) irrespective of the extent to which the Group will retain an interest. Previously such transactions were treated as partial disposals.

In accordance with the transitional provisions in HKAS 27, these new accounting policies will be applied prospectively to transactions in the current or future periods and therefore previous periods have not been restated.

- As a result of the amendments to HKAS 27, as from 1 January 2010 any losses incurred by a non-wholly owned subsidiary will be allocated between the controlling and non-controlling interests in proportion to their interests in that entity, even if this results in a deficit balance within consolidated equity being attributed to the non-controlling interests. Previously, if the allocation of losses to the non-controlling interests would have resulted in a deficit balance, the losses were only allocated to the non-controlling interests if the non-controlling interests were under a binding obligation to make good the losses. In accordance with the transitional provisions in HKAS 27, this new accounting policy is being applied prospectively and therefore previous periods have not been restated.

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.

Segment assets and liabilities include all current and non-current assets and liabilities, respectively, which are directly managed by the segments.

Information regarding the Group's reportable segments for the years ended 31 December 2010 and 2009 is set out below.

(a) Reportable segment revenues, profit or loss, assets and liabilities:

	Hong Kong		Mainland China		Total	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Revenue from external customers	324,060	194,082	1,171	2,279	325,231	196,361
Other revenue and other net income	9,266	8,553	1,866	2,302	11,132	10,855
Reportable segment revenue	333,326	202,635	3,037	4,581	336,363	207,216
Reportable segment profit/(loss)	59,206	40,746	(115,893)	(21,084)	(56,687)	19,662
Interest income	—	—	30	56	30	56
Depreciation and amortisation for the year	5,552	8,722	783	1,002	6,335	9,724
Impairment loss of media assets	—	—	171	—	171	—
Impairment loss of accounts receivable	318	10	—	—	318	10
Impairment loss of other non-current financial assets	—	—	110,000	9,801	110,000	9,801
Reportable segment assets	454,685	470,611	268,775	371,666	723,460	842,277
Additions to non-current segment assets during the year	35,957	10,282	34	739	35,991	11,021
Reportable segment liabilities	69,969	46,511	1,119	3,188	71,088	49,699

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

	2010 \$'000	2009 \$'000
Profit or loss		
Reportable segment (loss)/profit	(56,687)	19,662
Unallocated other revenue and other net income	20,081	15,923
Unallocated head office and corporate expenses	(12,280)	(12,911)
Consolidated (loss)/profit before taxation	<u>(48,886)</u>	<u>22,674</u>
	2010 \$'000	2009 \$'000
Assets		
Reportable segment assets	723,460	842,277
Other non-current financial assets	82,470	16,043
Unallocated head office and corporate assets	826	546
Consolidated total assets	<u>806,756</u>	<u>858,866</u>

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

As disclosed in the announcement of the Company dated 21 July 2010, management has re-assessed the estimated future cash flow from the operation of AdSociety Daye Advertising Company Limited ("AdSociety Daye") and adjusted the discount rates used in calculating the present value of the estimated future cash flow to determine the recoverable amount of its unlisted available-for-sale equity interest in AdSociety Daye in accordance with HKAS 39 issued by the HKICPA. As a result of the assessment, an impairment loss of approximately \$110,000,000 (2009: \$9,801,000) is recognised in profit or loss.

6. (LOSS)/PROFIT BEFORE TAXATION

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

	2010 \$'000	2009 \$'000
Amortisation of media assets	205	406
Auditor's remuneration	2,330	1,957
Contributions to defined contribution retirement schemes	1,165	1,000
Depreciation	6,293	9,469
Impairment loss of accounts receivable	318	10
Impairment loss of media assets	171	—
Impairment loss of other non-current financial assets	110,000	9,801
Operating lease charges		
- land and buildings	3,481	2,551
- audio and visual equipment	5,205	3,185

7. INCOME TAX

	2010 \$'000	2009 \$'000
Current tax		
Provision for Hong Kong Profits Tax for the current year	9,162	3,502
Provision for the Peoples' Republic of China ("PRC") income tax	260	249
Over-provision in respect of prior years	(401)	—
	(141)	249
	9,021	3,751
Deferred tax		
Reversal and origination of temporary differences	(752)	703
Income tax expense	8,269	4,454

The provision for Hong Kong Profits Tax for the year is calculated at 16.5% (2009: 16.5%) of the estimated assessable profits for the year. Taxation for the subsidiaries in the PRC is charged at the appropriate current rates of taxation ruling in the PRC.

8. DIVIDENDS

- (a) Dividends payable to equity shareholders of the Company attributable to the year:

	2010	2009
	\$'000	\$'000
Final dividend proposed after the balance sheet date of 4.85 cents per share (2009: 1.41 cents per share)	<u>48,372</u>	<u>14,063</u>

The final dividend proposed after the balance sheet date has not been recognised as a liability at the balance sheet date.

- (b) Dividends payable to equity shareholders of the Company attributable to the previous year, approved and paid during the year:

	2010	2009
	\$'000	\$'000
Final dividend in respect of the previous financial year, approved and paid during the year, of 1.41 cents per share (2009: 5.00 cents per share)	<u>14,063</u>	<u>49,868</u>

9. (LOSS)/EARNINGS PER SHARE

- (a) Basic (loss)/earnings per share

The calculation of basic (loss)/earnings per share is based on the loss attributable to ordinary equity shareholders of the Company of \$61,641,000 (2009: profit of \$14,016,000) and the weighted average of 997,365,332 ordinary shares (2009: 997,365,332 ordinary shares) in issue during the year.

- (b) Diluted (loss)/earnings per share

There were no dilutive potential ordinary shares outstanding during the years ended 31 December 2010 and 2009.

10. ACCOUNTS RECEIVABLE

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

	2010	2009
	\$'000	\$'000
Neither past due nor impaired	40,769	34,068
Less than one month past due	20,291	16,836
One to two months past due	9,696	7,006
Two to three months past due	4,228	3,629
More than three months past due	3,318	2,931
	78,302	64,470

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

Impairment loss is written off against accounts receivable when the recovery of the amount is remote. At 31 December 2010, the Group's accounts receivable of \$318,000 (2009: \$10,000) was individually determined to be impaired. The individually impaired receivables related to customers that were in financial difficulties and management assessed that all of their receivables are not expected to be recovered. Consequently, an impairment loss is provided for and written off against the accounts receivable directly. The Group does not hold any collateral over these balances.

Receivables that were neither past due nor impaired relate to wide range of customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

11. ACCOUNTS PAYABLE

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

	2010	2009
	\$'000	\$'000
Due within one month	4,729	4,931

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

12. COMMITMENTS

At 31 December 2010, the Group had the following capital commitments in relation to the purchase of fixed assets not provided for in the financial statements:

	2010 <i>\$'000</i>	2009 <i>\$'000</i>
Contracted for	30,191	—
Authorised but not contracted for	111,006	173,000
	<u>141,197</u>	<u>173,000</u>

BUSINESS RESULTS

For the year ended 31 December 2010, the Group reported total operating revenue of HK\$356.4 million, representing an increase of approximately 59.7% over the previous year. Loss attributable to equity shareholders of the Company was HK\$61.6 million in 2010, compared with a profit of HK\$14.0 million in 2009. The loss attributable to equity shareholders is mainly due to the non-cash impairment loss of the unlisted available-for-sale equity interest in AdSociety Daye Advertising Company Limited (“AdSociety Daye”) amounting to HK\$110.0 million. However, the operating profits of the Group, before the effect of impairment loss of the unlisted available-for-sale equity interest in AdSociety Daye, was approximately HK\$61.1 million, an increase of approximately 65.9% from the previous year. The Group continues to maintain a strong financial position with bank deposits and cash of HK\$383.5 million as at 31 December 2010 (2009: HK\$447.9 million).

Operating Revenue

For the year ended 31 December 2010, the Group reported a total operating revenue of HK\$356.4 million, of which HK\$325.2 million was from the media sales services and HK\$31.2 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 99.6% and 0.4% of the Group’s total turnover respectively. Revenue generated from media sales services of the Hong Kong operations was HK\$324.1 million in 2010 compared with HK\$194.1 million in 2009, representing a 67.0% increase mainly contributed by the BUS-BODY advertising business commenced in November 2009, while that generated from our Mainland China operations was HK\$1.2 million in 2010 compared with HK\$2.3 million in 2009.

Operating Expenses

The Group’s operating expenses increased by HK\$109.0 million, from HK\$186.3 million to HK\$295.3 million, as a result of the commencement of the operation of the BUS-BODY advertising business in November 2009.

BUSINESS OVERVIEW

The year under review (or “FY2010”) saw the RoadShow Group continue to make steady progress on all business fronts.

In Hong Kong, the Group made encouraging advances in its mission of building up an integrated out-of-home (“OOH”) media platform following FY2009’s strategic securing of an exclusive BUS-BODY Media Agency arrangement with The Kowloon Motor Bus Company (1933) Limited (“KMB”). As a result, we have now further enhanced our total integration of BUS-TV, BUS-BODY and IN-BUS media. In addition to earning and retaining the loyalty of leading brands and advertisers, this move has also served to cement the strength of RoadShow’s core competencies.

FY2010 saw each operating division maintain its emphasis on building the media platforms which contributed most substantially to overall profit improvement. The impressive end result of their efforts was another year of strong performance for our core business.

As a result, RoadShow's consolidated net media revenue for FY2010 grew by 65.6% to HK\$325.2 million compared to a figure of HK\$196.4 million for FY2009. Apart from the slight increase in other income, our operating profit recorded a 65.9% growth, reaching HK\$61.1 million for the year, before non-recurring impairments were made (FY2009: HK\$36.8 million).

During FY2010, the fundamentals underpinning China's TV content provision industry remained fragile. This affected the Group's investment in its joint venture in the PRC, AdSociety Daye. In line with our prudent practice and subsequent to the provision we made for our programme library and long-standing debts in FY2009, we have now made a further provision for impairment loss of HK\$110.0 million. As the provision is non-recurring and non-cash, the resultant figure is a much fairer reflection of the true value of our investment in this area. We are continuing to monitor closely this investment in order to protect our position.

PROSPECTS

Although it seems possible that Hong Kong's economic growth may continue to accelerate later this year, global markets remain far from stable. That said, RoadShow remains cautiously optimistic that the advertising industry will remain at a level similar to last year. As a result of our 2010 capital investment in technological upgrades, the Group remains well-placed to increase advertising revenues across its core businesses. Our solid financial strength also means that we continue to be well-positioned to capitalise on any new opportunities that may arise to increase our market share.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

Liquidity and financial resources

At 31 December 2010, the Group's bank deposits and cash amounted to HK\$383.5 million (2009: HK\$447.9 million), denominated in Hong Kong dollars, US dollars and Renminbi. Apart from providing working capital to support its media sales, the Group maintains a strong cash position to meet the potential needs for business expansion and development.

At 31 December 2010 and 2009, 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 31 December 2010 and 2009.

The Group had stand-by banking facilities totalling HK\$50.0 million at 31 December 2010 and 2009.

At 31 December 2010, the Group had net current assets of HK\$459.9 million (2009: HK\$541.3 million) and total assets of HK\$806.8 million (2009: HK\$858.9 million).

Charge on assets

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 (31 December 2009: RMB Nil) with a bank in the PRC and the bank on lent the proceeds to AdSociety Daye.

At 31 December 2010, bank deposits of HK\$41.2 million (2009: HK\$51.2 million) were pledged to secure certain bank guarantees issued 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 year, 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 in 2010. At 31 December 2010 and 2009, 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, were placed into bank deposits.

Capital expenditures and capital commitments

Capital expenditures incurred by the Group during 2010 amounted to HK\$1.3 million (2009: HK\$11.0 million)

Capital commitments outstanding and not provided for in the financial statements of the Group at 31 December 2010 amounted to HK\$141.2 million (2009: HK\$173.0 million).

Contingent liabilities

The Group did not have any significant contingent liabilities at 31 December 2010 and 2009.

EMPLOYEES AND EMOLUMENT POLICIES

At 31 December 2010, the Group had 93 full-time employees in Hong Kong and 11 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. The Company also operates a share option scheme under which the Directors of the Company may offer any employee (including any Director) of the Company or any of its wholly-owned subsidiaries options to subscribe for the Company's shares so as to recognise the contribution of the employee(s) to the Group.

FINAL DIVIDEND

The Directors recommend the payment of final dividend of HK4.85 cents per share for the year ended 31 December 2010 (2009: HK1.41 cents per share). This represents a pay-out ratio of 100% of the current year's profit (excluded the impairment loss of other non-current financial assets of HK\$110.0 million). Subject to the approval of shareholders at the forthcoming annual general meeting to be held on 16 May 2011, the final dividend will be payable on or about 17 May 2011.

CLOSURE OF REGISTER OF MEMBERS

The Transfer Books of the Company will be closed from 11 May 2011 to 16 May 2011, both dates inclusive. To qualify for the proposed final dividend, transfers must be lodged with the Company's Hong Kong share registrars, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on 9 May 2011.

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

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 ON CORPORATE GOVERNANCE PRACTICES OF THE LISTING RULES

The Company has complied throughout the year ended 31 December 2010 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 year ended 31 December 2010, 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 year ended 31 December 2010. No incidence of non-compliance was noted by the Company.

REVIEW OF ANNUAL RESULTS

The audit committee of the Company has reviewed the annual results of the Group for the year ended 31 December 2010.

PUBLICATION OF ANNUAL REPORT

The 2010 Annual Report will be dispatched to shareholders and published on the Stock Exchange’s website (www.hkexnews.hk) and the Company’s website (www.roadshow.com.hk) in due course.

By Order of the Board
John CHAN Cho Chak
Chairman

Hong Kong, 15 March 2011

As at the date of this announcement, the directors of the Company 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. John Anthony MILLER, SBS, OBE and Mr. Edmond HO Tat Man as Non-executive Directors.