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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)

ANNOUNCEMENT

CONTINUING CONNECTED TRANSACTIONS

RENEWAL OF ANNUAL CAPS

Reference is made to the joint announcement of the Company and Transport International dated 13 November 2008 and the circular of the Company dated 28 November 2008 in which details of the non-exempt continuing connected transactions under the Licence Agreement and the Service Agreement were disclosed. The transactions under the Licence Agreement and the annual caps (being the maximum aggregate annual values) of the royalty fees payable under the Licence Agreement for the 3 years ended 31 December 2010 were approved by the independent Shareholders at the special general meeting held on 15 December 2008. The transactions under the Service Agreement and the annual caps of the Shortfall receivable and the management fees payable under the Service Agreement for the 3 years ended 31 December 2010 were approved in writing by KMB Resources Limited, a wholly-owned subsidiary of Transport International and the intermediate controlling Shareholder holding approximately 73.01% of the issued share capital of the Company.

Based on the applicable percentage ratios, the proposed annual caps in respect of the royalty fees payable under the Licence Agreement for the year ending 31 December 2011 and for the 7 months ending 31 July 2012 are subject to the reporting and announcement requirements but are exempt from the independent shareholders' approval requirements of Chapter 14A of the Listing Rules.

Based on the applicable percentage ratios, the proposed annual caps in respect of the Shortfall receivable and the management fees payable under the Service Agreement for the year ending 31 December 2011 and for the 7 months ending 31 July 2012 are subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

In relation to the proposed annual caps in respect of the Service Agreement, a circular of the Company containing, among other things, further details of such proposed annual caps, the recommendation from the independent non-executive directors of the Company and the letter of advice from the independent financial adviser to the independent non-executive directors of the Company and the independent Shareholders, is expected to be despatched to the Shareholders on or before 20 April 2011.

* *For identification purposes only*

BACKGROUND

Reference is made to the joint announcement of the Company and Transport International dated 13 November 2008 and the circular of the Company dated 28 November 2008 in which details of the non-exempt continuing connected transactions under the Licence Agreement and the Service Agreement were disclosed. The transactions under the Licence Agreement and the annual caps (being the maximum aggregate annual values) of the royalty fees payable under the Licence Agreement for the 3 years ended 31 December 2010 were approved by the independent Shareholders at the special general meeting held on 15 December 2008. The transactions under the Service Agreement and the annual caps of the Shortfall receivable and the management fees payable under the Service Agreement for the 3 years ended 31 December 2010 were approved in writing by KMB Resources Limited, a wholly-owned subsidiary of Transport International and the intermediate controlling Shareholder holding approximately 73.01% of the issued share capital of the Company.

Based on the applicable percentage ratios, the proposed annual caps in respect of the royalty fees payable under the Licence Agreement for the year ending 31 December 2011 and for the 7 months ending 31 July 2012 are subject to the reporting and announcement requirements but are exempt from the independent shareholders' approval requirements of Chapter 14A of the Listing Rules.

Based on the applicable percentage ratios, the proposed annual caps in respect of the Shortfall receivable and the management fees payable under the Service Agreement for the year ending 31 December 2011 and for the 7 months ending 31 July 2012 are subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Principal terms of the Licence Agreement and the Service Agreement are summarised below.

(A) THE LICENCE AGREEMENT

Date

12 November 2008

Parties

- (1) KMB; and
- (2) Bus Focus (a non-wholly owned subsidiary of the Company).

Subject Matter

KMB has granted to Bus Focus an exclusive licence to conduct the media sales agency and management business in respect of the Selected Bus Shelters. Bus Focus may sublicense its right to conduct such business.

Bus Focus has granted a sublicense to KMB of its right to use the intellectual property rights in the KMB Shelter Designs for the purpose of the Selected Bus Shelters and the Non-Selected Bus Shelters only, which right has been granted by JCL to Bus Focus under the Service Agreement.

Term

The term of the Licence Agreement commences as effective on 1 August 2008 until 31 July 2012 (both dates inclusive), and (subject to the fulfillment of all financial obligations of Bus Focus under the Licence Agreement and conditional upon the approval by the Shareholders as and if required by the Listing Rules) shall be extended for the renewal period commencing on 1 August 2012 until 30 June 2017 (both dates inclusive).

Consideration

The royalty fee payable by Bus Focus to KMB for the term of the Licence Agreement, to be determined on an annual basis, is equal to the stipulated percentage of the net advertising rental (i.e. the rental net of the trade discounts, agency commission and the agreed deductible operating expenses), or a guaranteed minimum royalty fee, whichever is the greater. Details of the net advertising rental and the stipulated percentage were disclosed in the joint announcement of the Company and Transport International dated 13 November 2008 and the circular of the Company dated 28 November 2008. The stipulated percentage was determined with reference to the relevant rates of royalty fees charged by different bus operators for licences obtained by the Group in relation to the advertising broadcast business through the multi-media broadcasting system on buses.

The guaranteed minimum royalty fees payable for the years ending 31 July 2011 and 31 July 2012 are as follows:-

Year of term	Guaranteed minimum royalty fee for the corresponding year
1 August 2010 – 31 July 2011	HK\$11,851,320
1 August 2011 – 31 July 2012	HK\$12,018,240

Historical transaction figures

The royalty fees paid and payable by Bus Focus to KMB for each of three years ended 31 December 2010 under the Licence Agreement were approximately HK\$10.6 million, HK\$13.8 million and HK\$14.1 million respectively.

Proposed annual caps

The directors of the Company (including the independent non-executive directors) proposed the following annual caps in respect of the royalty fees payable by Bus Focus to KMB under the Licence Agreement:-

Period	Proposed annual cap for royalty fee
1 January 2011 - 31 December 2011	HK\$15.0 million
1 January 2012 - 31 July 2012	HK\$9.0 million

The above proposed annual caps have been determined based on the stipulated percentage of the presumed net advertising rental. The presumed net advertising rental is the aggregate amount of the JCL Monthly Guaranteed Rentals (defined in the paragraph headed "The Service Agreement - Consideration" in this announcement below) as guaranteed by JCL under the Service Agreement for the relevant period, less a sum equal to 50% of such aggregate monthly guaranteed rentals being the presumed amount of deductible items.

Bank Guarantee

Bus Focus has provided KMB with a bank guarantee, in the amounts of HK\$5,925,660 and HK\$6,009,120 for the years ending 31 July 2011 and 31 July 2012 respectively, as security for the due payment of the royalty fee and all other sums payable by Bus Focus to KMB under the Licence Agreement and the due performance and observance by Bus Focus of all terms and conditions in the Licence Agreement.

(B) THE SERVICE AGREEMENT

Date

12 November 2008

Parties

- (1) Bus Focus; and
- (2) JCL.

Subject Matter

Bus Focus has appointed JCL exclusively to provide the media sales agency services and maintenance and operational services in respect of the Selected Bus Shelters.

JCL has granted to Bus Focus an exclusive royalty-free right to use the intellectual property rights in the KMB Shelter Designs for the purpose of the Selected Bus Shelters and the Non-Selected Bus Shelters only and JCL has agreed that Bus Focus shall have the right to sublicense such right to KMB only.

Term

The term of the Service Agreement commences as effective on 1 August 2008 until 31 July 2012 (both dates inclusive), and (subject to the fulfillment of all financial obligations of JCL under the Service Agreement and conditional upon the renewal of the Licence Agreement and the approval by the Shareholders as and if required by the Listing Rules) shall be extended for the renewal period commencing on 1 August 2012 until 30 June 2017 (both dates inclusive).

Consideration

If the actual advertising rental accrued by Bus Focus derived from the panels in relation to the Advertising Contracts is less than the guaranteed rental in any calendar month, JCL shall pay to Bus Focus the shortfall (the “**Shortfall**”). The monthly guaranteed rentals (the “**JCL Monthly Guaranteed Rentals**”) for the years ending 31 July 2011 and 31 July 2012 are HK\$3,950,440 and HK\$4,006,080 respectively.

The management fee payable by Bus Focus to JCL in each calendar month shall be an amount which equals to 35.6% of the sum of the monthly advertising rental derived from the panels in relation to the Advertising Contracts plus the Shortfall (if any) in the relevant calendar month during the term.

Historical transaction figures

The Shortfall paid and payable by JCL to Bus Focus for each of the three years ended 31 December 2010 under the Service Agreement were approximately HK\$9.8 million, HK\$19.8 million and HK\$7.5 million respectively. The management fee paid and payable by Bus Focus to JCL for each of the three years ended 31 December 2010 under the Service Agreement were approximately HK\$14.1 million, HK\$16.5 million and HK\$16.7 million respectively.

Proposed annual caps

The directors of the Company (excluding the independent non-executive directors whose view will be given in the circular to be despatched to the Shareholders after taking into account the advice of its independent financial adviser) proposed the following annual caps in respect of the Shortfall receivable by Bus Focus from JCL and the management fees payable by Bus Focus to JCL under the Service Agreement:-

Period	Proposed annual cap for the Shortfall	Proposed annual cap for the management fee
1 January 2011 – 31 December 2011	HK\$24.0 million	HK\$18.0 million
1 January 2012 – 31 July 2012	HK\$15.0 million	HK\$10.5 million

The above proposed annual caps in respect of the Shortfall have been determined based on the estimated advertising rental (the “**Estimated Advertising Rental**”) arrived at with reference to the average historical occupancy rate of the panels in relation to the Advertising Contracts in the preceding three years ended 31 December 2010 and the amount of the JCL Monthly Guaranteed Rentals.

The above proposed annual caps in respect of the management fees have been determined based on the amount of the Estimated Advertising Rental and the amount of the JCL Monthly Guaranteed Rentals.

The above proposed annual caps in respect of the Shortfall receivable and the management fees payable under the Service Agreement are subject to the approval of the independent Shareholders.

Bank Guarantee

JCL has provided Bus Focus with a bank guarantee, in the amounts of HK\$5,925,660 and HK\$6,009,120 for the years ending 31 July 2011 and ending 31 July 2012 respectively, as security for the due payment of the monthly Shortfall and all other sums payable by JCL to Bus Focus under the Service Agreement and the due performance and observance by JCL of all terms and conditions in the Service Agreement.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS UNDER THE LICENCE AGREEMENT AND THE SERVICE AGREEMENT

The bus shelter media sales business has been generating revenue and profits for the Group. It is therefore favourable to the Group that KMB continues to grant Bus Focus a licence to conduct media sales agency and management business in respect of the Selected Bus Shelters and Bus Focus continues to sublicense its rights to use the intellectual rights in the KMB Shelter Designs to KMB. The cooperation between Bus Focus and KMB brings a strong favourable support to the Group's business activities. The combined strengths of Bus Focus and KMB in terms of resources and market share also enhance the competitiveness of the Group.

JCL is engaged in outdoor media sales business and has a dominant position in handling bus shelter media sales in Hong Kong. In view of JCL's extensive expertise in media sales, it is beneficial to the Group that JCL continues to provide media sales agency services to Bus Focus. Moreover, as mentioned above, the bus shelter media sales business has been generating revenue and profits for the Group. It is therefore beneficial to the Group for JCL to continue to grant Bus Focus a right to use the intellectual property rights in the KMB Shelter Designs pursuant to the Service Agreement, which Bus Focus, in turn, sublicenses to KMB. The combined strengths of Bus Focus and JCL in terms of resources and market share also enhance the competitiveness of the Group and JCL.

The directors of the Company (including its independent non-executive directors) consider that the proposed annual caps in respect of the Licence Agreement are fair and reasonable and are in the interest of Company and the Shareholders as a whole.

The directors of the Company (excluding its independent non-executive directors whose view will be given in the circular to be despatched to the Shareholders after taking into account the advice of its independent financial adviser) consider that the proposed annual caps in respect the Service Agreement are fair and reasonable and are in the interest of Company and the Shareholders as a whole.

DESCRIPTION OF THE CONNECTED RELATIONSHIPS BETWEEN THE PARTIES IN THE CONTINUING CONNECTED TRANSACTIONS

Bus Focus:

Bus Focus is indirectly owned by the Company through RoadShow Media Holdings Limited as to 60% and directly owned by Immense Prestige Limited ("IPL") as to 40%. Therefore, Bus Focus is an indirectly non-wholly owned subsidiary of the Company.

KMB:

KMB is an indirect wholly-owned subsidiary of Transport International, the ultimate controlling Shareholder of the Company. Accordingly, KMB is a connected person of the Company within the meaning of the Listing Rules.

JCL:

As IPL, which holds 40% in Bus Focus, is a wholly-owned subsidiary of JCHKL, JCHKL is a substantial shareholder of Bus Focus. JCL is a wholly-owned subsidiary of JCHKL and is therefore a connected person of the Company within the meaning of the Listing Rules.

LISTING RULES REQUIREMENTS

Due to the connected relationships mentioned above and based on the applicable percentage ratios, the proposed annual caps in respect of the royalty fees payable by Bus Focus to KMB under the Licence Agreement are subject to the reporting and announcement requirements but are exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules. Ms. Winnie Ng, a director of the Company, is regarded as having a material interest in the transactions under the Licence Agreement as she is interested in more than 5% of the total issued share capital of Transport International, and she has abstained from voting on the relevant directors' resolution of the Company for the approval of the proposed annual caps in respect of the Licence Agreement. Save as disclosed above, no other directors of the Company have any material interests in the transactions under the Licence Agreement.

Due to the connected relationships mentioned above and based on the applicable percentage ratios, the proposed annual caps in respect of the Shortfall receivable by Bus Focus from JCL and the management fees payable by Bus Focus to JCL under the Service Agreement are subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

WAIVER FOR SHAREHOLDERS' MEETING UNDER RULE 14A.43 and RULE 14A.53

As no Shareholder has any interest in the transactions under the Service Agreement, no Shareholder is required to abstain from voting on the proposed annual caps for the Shortfall receivable and the management fees payable under the Service Agreement. KMB Resources Limited, a wholly-owned subsidiary of Transport International and the intermediate controlling Shareholder holding 728,127,410 shares of the Company, representing approximately 73.01% of the issued share capital of the Company, has approved in writing the proposed annual caps for the Shortfall and the management fees for the year ending 31 December 2011 and the 7 months ending 31 July 2012 as described in this announcement. Accordingly, the Company has applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver of the requirement for convening a general meeting of Shareholders to approve such proposed annual caps for the Shortfall and management fee, pursuant to Rule 14A.43 and Rule 14A.53 of the Listing Rules.

In relation to the proposed annual caps in respect of the Service Agreement, a circular of the Company containing, among other things, further details of such proposed annual caps, the recommendation from the independent non-executive directors of the Company and the letter of advice from the independent financial adviser to the independent non-executive directors of the Company and the independent Shareholders, is expected to be despatched to the Shareholders on or before 20 April 2011.

PRINCIPAL ACTIVITIES OF THE GROUP

The Group is principally engaged in the provision of media sales and management services for the multi-media on-board business, 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.

Bus Focus is principally engaged in the provision of media sales service for advertising on transit vehicle shelters.

KMB is principally engaged in the operation of franchised public bus services in Hong Kong.

JCL is engaged in marketing and sales of on-street furniture advertising.

DEFINITIONS

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

“Advertising Contracts”	the contracts between Bus Focus and the outside advertisers for the purpose of advertising, sponsorship or commercial promotion at the Selected Bus Shelters
“associate”	has the meaning ascribed to it in the Listing Rules
“Board”	the board of directors of the Company
“Bus Focus”	Bus Focus Limited, a company incorporated in the British Virgin Islands and indirectly owned as to 60% by the Company and 40% by JCHKL
“Company”	RoadShow Holdings Limited, a company incorporated in Bermuda, whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 888)
“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
“JCHKL”	JCDecaux Cityscape Hong Kong Limited (formerly known as JCDecaux Texon International Limited), a company incorporated in Hong Kong
“JCL”	JCDecaux Cityscape Limited (formerly known as JCDecaux Texon Limited), a company incorporated in Hong Kong and a wholly-owned subsidiary of JCHKL
“KMB”	The Kowloon Motor Bus Company (1933) Limited, a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of Transport International
“KMB Shelter Designs”	the design, layout and setting of the bus shelters owned by KMB
“Licence Agreement”	the licence agreement dated 12 November 2008 entered into between KMB and Bus Focus in relation to, among others, the grant of an exclusive licence to conduct media sales agency and management business on the Selected Bus Shelters by KMB to Bus Focus for a term commencing as effective on 1 August 2008 until 31 July 2012 (both dates inclusive)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Non-Selected Bus Shelters”	the bus shelters owned by KMB other than the Selected Bus Shelters
“Selected Bus Shelters”	the selected bus shelters owned by KMB
“Service Agreement”	the service agreement dated 12 November 2008 entered into between Bus Focus and JCL in relation to, among others, the provision of media sales agency services and maintenance and operational services in respect of Selected Bus Shelters by JCL to Bus Focus for a term commencing as effective on 1 August 2008 until 31 July 2012 (both dates inclusive)
“Shareholder(s)”	holder(s) of the share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transport International”	Transport International Holdings Limited, a company incorporated in Bermuda and whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 62), which is the ultimate holding company of the Company

“0%”

per cent.

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

Hong Kong, 29 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.