

# Financial Review

## 財務回顧

For the year ended 31 December  
截至十二月三十一日止年度

	2004 HK\$'000 二零零四年 港幣千元	2003 HK\$'000 二零零三年 港幣千元
Total operating revenue 經營收益總額	<b>243,367</b>	196,457
Total operating expenses 經營費用總額	<b>179,342</b>	210,965
Profit/(loss) attributable to shareholders 股東應佔盈利/(虧損)	<b>20,114</b>	(36,953)
Basic earnings/(loss) per share (in Hong Kong cents) 每股基本盈利/(虧損)(港仙)	<b>2.02</b>	(3.71)

The Group generates its operating revenue from the following geographical locations:

集團的營業額來自以下地區：

		2004 二零零四年			2003 二零零三年		
		Group 集團 HK\$'000 港幣千元	Share of associate 應佔聯營公司 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元	Group 集團 HK\$'000 港幣千元	Share of associate 應佔聯營公司 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
<b>Segment revenue</b>	<b>地區營業額</b>						
Hong Kong	香港	122,595	-	122,595	102,325	-	102,325
China Mainland	中國大陸	59,370	45,307	104,677	54,069	23,080	77,149
Total	總計	181,965	45,307	227,272	156,394	23,080	179,474
<b>Segment results</b>	<b>地區業績</b>						
Hong Kong	香港	22,970	-	22,970	(44,608)	-	(44,608)
China Mainland	中國大陸	(6,946)	14,039	7,093	8,834	6,934	15,768
Total	總計	16,024	14,039	30,063	(35,774)	6,934	(28,840)
Unallocated net operating income and expenses	未予分配經營 收入及費用			2,694			(1,814)
Finance costs	財務費用			(1,348)			(1,437)
Income tax (expense)/ credit	所得稅(開支)/ 收入			(7,638)			1,634
Minority interests	少數股東權益			(3,657)			(6,496)
Profit/(loss) attributable to shareholders	股東應佔盈利/ (虧損)			20,114			(36,953)

## Results 業績

The Group achieved significant operational and financial improvement in 2004 as compared to 2003. For the year ended 31 December 2004, the Group reported total operating revenue of HK\$243.4 million, representing a 24% increase over the previous year; operating revenue included the Group's turnover, share of associate's turnover and other revenue. The Group recorded a profit attributable to shareholders of HK\$20.1 million in 2004 as compared to a loss of HK\$37.0 million in 2003. The Group continues to maintain a strong financial position with total cash and bank balances of HK\$521.5 million at 31 December 2004.

與二零零三年比較，集團於二零零四年在經營及財政上取得顯著改善。於截至二零零四年十二月三十一日止年度內，集團錄得經營收益總額港幣243,400,000元，較去年上升24%；經營收益包括集團營業額、應佔聯營公司營業額及其他收益。與二零零三年的虧損港幣37,000,000元比較，集團錄得股東應佔盈利港幣20,100,000元。集團繼續維持穩健的財政狀況，於二零零四年十二月三十一日的現金及銀行結餘總額為港幣521,500,000元。

## Operating Revenue 經營收益

For the year ended 31 December 2004, the Group reported a total operating revenue of HK\$243.4 million. The operating revenue was derived principally from its media sales business operated in both Hong Kong and China Mainland, with each accounting for approximately 50% and 43% respectively of the total operating revenue for the year ended 31 December 2004. Total operating revenue generated from our Hong Kong and the Mainland media sales business increased from HK\$102.3 million and HK\$77.1 million to HK\$122.6 million and HK\$104.7 million, representing an increase of 20% and 36%, respectively. The increase in the operating revenue was mainly due to the sales efforts made by the staff of the Group and the associate; the improved overall economic environment on China Mainland and Hong Kong and the rebound of the advertising market.

截至二零零四年十二月三十一日止年度，集團錄得經營收益總額港幣243,400,000元。經營收益主要乃來自其在香港及中國大陸經營的媒體銷售業務，各自分別佔截至二零零四年十二月三十一日止年度的經營收益總額約50%及43%。集團在香港及國內的媒體銷售業務所產生的經營收益總額分別由港幣102,300,000元及港幣77,100,000元上升20%及36%至港幣122,600,000元及港幣104,700,000元。經營收益的增加主要由於：集團及聯營公司員工在銷售方面的努力；國內及香港的整體經濟環境改善及廣告市場反彈回升所致。

## Operating Expenses 經營費用

The Group's operating expenses reduced by HK\$31.7 million from HK\$211.0 million to HK\$179.3 million even though depreciation and amortisation and site rental expenses increased by HK\$14.0 million from HK\$45.6 million to HK\$59.6 million. The increase in depreciation and amortisation expenses was due to the additions to the MMOB system and outdoor media assets in Hong Kong and China Mainland to expand our media sales business. The increase in the site rentals for the year was directly due to the expansion of the media sales business on China Mainland. The reduction in other expenses was the result of effective cost control measures and improvements in the collection of accounts receivable during the year.

儘管折舊及攤銷以及場地租金費用由港幣45,600,000元增加港幣14,000,000元至港幣59,600,000元，惟集團的經營費用由港幣211,000,000元減少港幣31,700,000元至港幣179,300,000元。折舊及攤銷費用增加是由於在香港及中國大陸添置流動多媒體系統及戶外媒體資產以擴充媒體銷售業務所致。年內場地租金上升乃直接與拓展中國大陸的媒體銷售業務有關。其他經營費用的減少印證年內成本控制措施的成效及收回應收賬款的改善。

## Dividend 股息

The Directors recommend the payment of a final dividend of HK1.4 cents per share for the year ended 31 December 2004 (2003 : no final dividend). This represents a pay-out ratio of about 69% of the current year's profit.

董事建議就截至二零零四年十二月三十一日止年度派發末期股息每股港幣1.4仙（二零零三年：無末期股息）。派息率約為本年度盈利的69%。

## Cash Flow 現金流量

In 2004, the cash generated from operations of the Group was HK\$40.3 million (2003 : HK\$19.8 million). Payment for capital expenditure in 2004 amounted to HK\$47.8 million (2003 : HK\$54.6 million). The consolidated cash flow statement of the Group for the year ended 31 December 2004 is set out on page 58 of this annual report.

二零零四年內，集團來自經營活動的現金為港幣40,300,000元（二零零三年：港幣19,800,000元）。二零零四年度的資本開支為港幣47,800,000元（二零零三年：港幣54,600,000元）。集團截至二零零四年十二月三十一日止年度的綜合現金流量報表載於本年報第58頁。

## Liquidity and Financial Resources 流動資金及財務資源

At 31 December 2004, the Group had net current assets of HK\$425.7 million (2003 : HK\$432.4 million) and total assets of HK\$1,092.4 million (2003 : HK\$1,083.1 million).

The Group's cash needs are primarily for working capital to support its media sales business, whereas a sufficient amount of cash is maintained to meet potential business expansion and development.

於二零零四年十二月三十一日，集團的流動資產淨值為港幣425,700,000元（二零零三年：港幣432,400,000元），而總資產值為港幣1,092,400,000元（二零零三年：港幣1,083,100,000元）。

集團的現金需要主要是用作支持其媒體銷售業務的營運資金，但持有充裕現金以應付業務擴充及發展的潛在需要。

## Bank Loans 銀行貸款

At 31 December 2004, the Group had bank loans amounting to HK\$138.0 million (2003 : HK\$138.0 million). The gearing ratio, representing the ratio of bank borrowings to the total share capital and reserves of the Group was 16.7% at 31 December 2004 (2003 : 17.1%). The maturity profile of the bank loans of the Group is set out in note 24 on the financial statements on page 87 of this annual report.

於二零零四年十二月三十一日，集團的銀行貸款為港幣138,000,000元（二零零三年：港幣138,000,000元）。於二零零四年十二月三十一日的資本負債比率（為集團銀行貸款與股本及儲備總額的比率）為16.7%（二零零三年：17.1%）。集團銀行貸款的到期情況載於本年報第87頁的財務報表附註24。

## Banking Facilities 銀行信貸額

At 31 December 2004, the Group had banking facilities totalling HK\$150.0 million (2003 : HK\$200.0 million).

於二零零四年十二月三十一日，集團的銀行信貸額合共港幣150,000,000元（二零零三年：港幣200,000,000元）。

## Cash and Deposits at Banks 現金及銀行存款

At 31 December 2004, the Group's cash and deposits at banks amounted to HK\$521.5 million (2003 : HK\$534.7 million comprising cash and cash equivalents of HK\$ 434.7 million and pledged bank deposits of HK\$100.0 million) and they were mainly denominated in Hong Kong Dollars, US Dollars and Renminbi. Cash generated from operations, when not needed for working capital, is principally placed in bank deposits. At 31 December 2004, the proceeds from the Global Offering and the exercise of an over-allotment option by the underwriters on 18 July 2001 which had not been utilised had been placed into bank deposits.

於二零零四年十二月三十一日，集團的現金及銀行存款合共港幣521,500,000元（二零零三年：港幣534,700,000元，包括現金及現金等價物港幣434,700,000元及已抵押銀行存款港幣100,000,000元），主要以港幣、美元及人民幣結算。當從業務所賺取的現金毋須撥作營運資金時，則主要會存作銀行存款。於二零零四年十二月三十一日，全球發售及於二零零一年七月十八日包銷商行使超額購股權後尚未動用的所得款項已存作銀行存款。

## Capital Expenditures and Capital Commitments

### 資本開支及資本承擔

Capital expenditures incurred by the Group during 2004 amounted to HK\$47.8 million (2003 : HK\$108.2 million). The breakdown of the capital expenditures incurred is shown in notes 12 and 13 on the financial statements on page 77 and 78 of this annual report.

Capital commitments outstanding and not provided for in the financial statements of the Group as at 31 December 2004 amounted to HK\$283.2 million (2003 : HK\$292.9 million) which is mainly for the upgrade of the existing MMOB system for the MMOB business and for potential investment and business development in Greater China. The commitments are to be financed by bank borrowings and/or internal resources of the Group.

集團於二零零四年內的資本開支為港幣47,800,000元（二零零三年：港幣108,200,000元）。資本開支的明細資料載於本年報第77頁至第78頁之財務報表附註12至13。

於二零零四年十二月三十一日，經批准但並未在集團財務報表作出撥備之資本承擔為港幣283,200,000元（二零零三年：港幣292,900,000元），主要是為流動多媒體業務提升現有流動多媒體系統以及用於日後在大中華區進行投資及拓展業務。資本承擔的資金來源是銀行貸款及/或集團的內部資源。

## Accounting Standards and Policies

### 會計準則及政策

The financial statements set out in pages 53 to 97 have been prepared in accordance with the requirements of the Listing Rules of the Stock Exchange, all applicable Hong Kong Financial Reporting Standards (which include all applicable Statements of Standard Accounting Practice and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the accounting principles generally accepted in Hong Kong.

載於第53頁至第97頁的財務報表乃根據聯交所上市規則、香港會計師公會頒佈的所有適用的香港財務報告準則（包括所有通用的《會計實務準則》及詮釋）及香港公認的會計原則的規定而編製。

## Employees and Emoluments Policies

### 僱員及酬金政策

At 31 December 2004, the Group had 51 full-time employees in Hong Kong and 142 full-time employees on China Mainland. The Group had adopted the Share Option Scheme, details of which are contained in the paragraph headed "Share option scheme" as described on page 48 of this annual report.

於二零零四年十二月三十一日，集團在香港有51名全職僱員，在中國大陸則有142名全職僱員。集團已採納購股權計劃，詳情載於本年報第48頁「購股權計劃」一段。

## Connected transactions 關連交易

For the year ended 31 December 2004, the Group had the following connected transactions, details of which are set out below:

集團在截至二零零四年十二月三十一日止年度所進行的關連交易之詳情如下：

**(a) For the year ended 31 December 2004, transactions with the following connected parties:-**

截至二零零四年十二月三十一日止年度，集團與下列關連人士進行以下交易：

Name of connected parties 關連人士名稱	Nature of transaction 交易性質	HK\$'000 港幣千元
(1) LW-Vision Limited (Note 1) (附註1)	Licence fee payable by RoadShow Media Limited ("RoadShow Media") in connection with the provision of media sales services on the MMOB systems 由RoadShow Media Limited (「RoadShow Media」) 就於流動多媒體系統提供媒體銷售服務而支付特許費	141
(2) Long Win Bus Company Limited (Note 2) 龍運巴士有限公司 (附註2)	Licence fee payable by RoadShow Media in connection with the provision of media sales services 由RoadShow Media就提供媒體銷售服務支付特許費	580
(3) The Kowloon Motor Bus Company (1933) Limited (Note 3) 九龍巴士(一九三三)有限公司 (附註3)	Royalty fee payable by Bus Focus Limited ("Bus Focus") (Note 5) in connection with the provision of media sales services for on-street furniture 由Bus Focus Limited (「Bus Focus」) (附註5) 就街道設備提供媒體銷售服務支付專利費	6,659
(4) Texon Media Limited (Note 4) (附註4)	Management fee payable by Bus Focus in connection with the provision of media sales services for on-street furniture 由Bus Focus就街道設備提供媒體銷售服務支付管理費	10,087

Notes:

- LW-Vision Limited ("LW-Vision") is an indirect 95%-owned subsidiary of the Company and an indirect 5%-owned investment of KMB.
- Long Win Bus Company Limited ("LWB") is an indirect wholly-owned subsidiary of KMB.
- The Kowloon Motor Bus Company (1933) Limited ("KMB (1933)") is an indirect wholly-owned subsidiary of KMB.
- Texon Media Limited ("Texon") is a wholly-owned subsidiary of Texon International Limited ("TIL").
- Bus Focus Limited ("Bus Focus") is an indirect 60% owned subsidiary of the Company and a direct 40% owned associate of Immense Prestige Limited ("IPL"). IPL is a wholly-owned subsidiary of TIL.

附註：

- LW-Vision Limited (「LW-Vision」) 是本公司間接持有95%權益之附屬公司，並且是九巴間接持有5%權益的投資項目。
- 龍運巴士有限公司(「龍運」) 是九巴間接全資擁有之附屬公司。
- 九龍巴士(一九三三)有限公司(「九巴(一九三三)」) 是九巴間接全資擁有之附屬公司。
- Texon Media Limited (「Texon」) 是Texon International Limited (「TIL」) 全資擁有之附屬公司。
- Bus Focus Limited (「Bus Focus」) 是本公司間接擁有60%權益之附屬公司，並且是Immense Prestige Limited (「IPL」) 直接擁有40%權益之聯營公司。IPL是TIL全資擁有之附屬公司。

**(b)** For the year ended 31 December 2004, the service fee paid or payable by KMB Public Bus Services Holdings Limited, an indirect wholly-owned subsidiary of KMB, to RoadShow Media arising from or in connection with the provision of media sales management and administrative services by RoadShow Media was HK\$15,441,177.

截至二零零四年十二月三十一日止年度，九巴間接全資擁有之附屬公司KMB Public Bus Services Holdings Limited就其與RoadShow Media提供媒體銷售服務已支付或應支付的款項為港幣15,441,177元。

**(c)** For the year ended 31 December 2004, the fee paid or payable by RoadShow Media to KMB(1933) arising from or in connection with an office rental agreement between RoadShow Media and KMB(1933) was HK\$1,266,000.

截至二零零四年十二月三十一日止年度，RoadShow Media就RoadShow Media與九巴（一九三三）之間一項辦公室租賃事宜向九巴（一九三三）已支付或應支付之款項為港幣1,266,000元。

**(d)** For the year ended 31 December 2004, transactions with the following connected parties:-

截至二零零四年十二月三十一日止年度，集團與下列關連人士進行以下交易：

Name of connected parties 關連人士名稱	Nature of transaction 交易性質	HK\$'000 港幣千元
(1) KM-Vision Limited (Note 1) (附註1)	Shareholder's loan by RoadVision Holdings Limited ("RoadVision") to KM-Vision on the capital expenditure in connection with the purchase of MMOB equipment by RoadVision Holdings Limited (「RoadVision」) 以股東貸款形式撥資KM-Vision的資本開支總額，用以採購流動多媒體設備	157,336
(2) LW-Vision	Shareholder's loan by RoadVision to LW-Vision on the capital expenditure in connection with the purchase of MMOB equipment 由RoadVision以股東貸款形式撥資LW-Vision的資本開支總額，用以採購流動多媒體設備	516

Note:

1. KM-Vision Limited ("KM-Vision") is an indirect 92%-owned subsidiary of the Company and an indirect 8%-owned investment of KMB.

附註：

1. KM-Vision Limited (「KM-Vision」) 是本公司間接持有92%權益的附屬公司，並且是九巴間接持有8%權益的投資項目。

Independent Non-Executive Directors have reviewed and confirmed that the connected transactions as set out above which had been entered into by the Group are :

獨立非執行董事已檢討上述集團進行之關連交易，並確認此等交易是：

- (i) in the ordinary and usual course of business of the Group;
- (ii) on normal commercial terms or on terms no less favourable than terms available to/from (as appropriate) independent third parties;
- (iii) fair and reasonable so far as the shareholders of the Company are concerned; and
- (iv) in accordance with the waiver conditions granted by the Stock Exchange, that during the year
  - (1) the annual amount in respect of (a)(1) above did not exceed 3% of the Group's total turnover;
  - (2) the annual amount in respect of each of the connected transactions (a)(2) to (a)(4) and (b) above individually did not exceed 3% of the Group's total net tangible asset value;
  - (3) the annual amount in respect of (c) above did not exceed HK\$1,272,000;
  - (4) the annual amount in respect of (d)(1) above did not exceed HK\$220,000,000; and
  - (5) the annual amount in respect of (d)(2) above did not exceed HK\$16,500,000.

(i) 於集團日常及一般業務過程中訂立；

(ii) 按一般商業條款或按不遜於提供予獨立第三者或由獨立第三者提供（視適用情況而定）的條款訂立；

(iii) 對公司股東而言公平合理；及

(iv) 符合聯交所訂立之豁免條件，即於本年度內：

- (1) 上文(a)(1)項所指的年度金額不超過集團營業總額的3%；
- (2) 上文(a)(2)項至(a)(4)項及(b)項各項所指的年度金額不超過集團有形資產淨值的3%；
- (3) 上文(c)項所指的年度金額不超過港幣1,272,000元；
- (4) 上文(d)(1)項所指的年度金額不超過港幣220,000,000元；及
- (5) 上文(d)(2)項所指的年度金額不超過港幣16,500,000元。

## Use of Proceeds 運用所得收益

Since the listing of RoadShow on the Stock Exchange on the listing date, the Group has utilised approximately HK\$344.1 million for the development of, and the purchase of equipment for use in the MMOB business and for the acquisition of complementary businesses on China Mainland. The balance of the proceeds, which has not been utilised, has been deposited with licensed banks in Hong Kong.

自路訊通於上市日期在聯交所上市以來，集團為採購流動多媒體業務所使用的設備及購置發展流動多媒體系統節目內容及收購中國大陸的配套業務而付出港幣約344,100,000元，餘下所得收益已存入香港持牌銀行作為存款。



## Corporate Governance 企業管治

Over the years, the Group has placed strong emphasis on maintaining high standards of corporate governance and believes good corporate governance provides a solid and sound framework to assist the Directors in fulfilling their duties and responsibilities to the Group. The Group's standards of corporate governance ensure that the Group's corporate decision-making process, internal control, disclosure of information and communication with shareholders is conducted in accordance with sound management practices and in full compliance with the regulatory standards.

集團多年來一直致力保持最高水平的企業管治，並深信良好的企業管治產生穩固而健全的框架，從而有助董事為集團履行職責及責任。集團的企業管治水平，確保集團之企業決策程序、內部監控、資料披露以及與股東之溝通均符合優質管理要求，並充分遵守監管標準。

## Board of Directors 董事會

The Company's Board of Directors is composed of 12 Directors, three of whom are Independent Non-Executive Directors. Board meetings are normally held semi-annually to discuss and decide major corporate and strategic issues.

本公司董事會由十二名董事組成，其中三人為獨立非執行董事。董事會通常每半年召開一次會議，商討及議決重大企業及策略事宜。

## Audit Committee 審核委員會

The Group's Audit Committee is composed of four Non-Executive Directors, three of whom are Independent Non-Executive Directors. Meetings are held to review with senior management the accounting principles and practices adopted by the Group; the accuracy and fairness of the financial statements; and the scope of both internal and external audit work. The Audit Committee also ensures that effective internal control procedures and practices are in place. Two Committee meetings were held during 2004. After each meeting, the Chairman of the Audit Committee reported to the Board of Directors on significant issues.

集團之審核委員會由四名非執行董事所組成，其中三位為獨立非執行董事。審核委員會的會議中與高級管理層一同檢討集團所採用的會計原則及常規，財務報告之準確性及公平性，及內部與外部審核工作的範疇。審核委員會並須確保集團採用有效的內部監控程序及常規。審核委員會於二零零四年召開兩次會議，其主席於每次會議後均就重大議題向董事會匯報。

## Remuneration Committee 薪酬委員會

The Group established the Remuneration Committee in March 2004 comprising three Non-Executive Directors, two of whom are Independent Non-Executive Directors. The Remuneration Committee is responsible for making recommendations to the Board of Directors regarding the Company's framework of directors' remunerations.

集團於二零零四年三月成立薪酬委員會。薪酬委員會由三名非執行董事組成，其中兩名為獨立非執行董事。薪酬委員會負責就本公司董事酬金的框架向董事會提出建議。

## Enhanced Shareholder Value 提升股東價值

The Group conducts its businesses based on high standards of corporate governance. The corporate decision-making process is carried out in an honest, open and systematic manner. Through maintaining and inspiring investors' confidence in the Group's management and internal controls, we work to further enhance the value of the Group for our shareholders.

集團要求自身的營運符合最高企業管治水平，以坦誠、公開及有系統的方式落實企業決策程序。我們透過維持和加強投資者對集團的管理層及內部監控之信心，從而提升集團對股東的價值。