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万 华 媒 体 ONEMEDIAGROUP

One Media Group Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 426)

SECOND QUARTER RESULTS ANNOUNCEMENT FOR THE THREE MONTHS ENDED 30TH SEPTEMBER 2010

The directors (the “Directors”) of One Media Group Limited (the “Company”) announce the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the three months ended 30th September 2010, together with the comparative unaudited consolidated figures for the corresponding period in 2009 as follows:

CONSOLIDATED INCOME STATEMENT

FOR THE THREE MONTHS ENDED 30TH SEPTEMBER 2010

	Notes	(Unaudited)	
		Three months ended 30th September	
		2010	2009
		HK\$'000	HK\$'000
Turnover	2	44,413	37,923
Cost of goods sold		<u>(22,267)</u>	<u>(22,394)</u>
Gross profit		22,146	15,529
Other income		1,464	155
Selling and distribution costs		(10,746)	(10,277)
Administrative expenses		<u>(8,347)</u>	<u>(7,521)</u>
Profit/(loss) before income tax		4,517	(2,114)
Income tax expense	4	<u>(1,293)</u>	<u>(498)</u>
Profit/(loss) for the period		<u><u>3,224</u></u>	<u><u>(2,612)</u></u>
Profit/(loss) attributable to:			
Equity holders of the Company		<u><u>3,224</u></u>	<u><u>(2,612)</u></u>
Earnings/(loss) per share attributable to equity holders of the Company during the period (expressed in HK cent per share)			
- Basic and diluted	5	<u><u>0.81</u></u>	<u><u>(0.65)</u></u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED 30TH SEPTEMBER 2010

	(Unaudited)	
	Three months ended 30th September	
	2010	2009
	HK\$'000	HK\$'000
Profit/(loss) for the period	3,224	(2,612)
Other comprehensive income		
Currency translation differences	<u>406</u>	<u>465</u>
Total comprehensive income/(loss) for the period	<u>3,630</u>	<u>(2,147)</u>
Total comprehensive income/(loss) attributable to:		
- Equity holders of the Company	<u>3,630</u>	<u>(2,147)</u>

CONSOLIDATED BALANCE SHEET
AS AT 30TH SEPTEMBER 2010

	Notes	30th September 2010 HK\$'000	31st March 2010 HK\$'000
ASSETS			
Non-current assets			
Property, plant and equipment		3,738	4,318
Intangible assets		2,584	2,591
Deferred income tax assets		24	-
		<u>6,346</u>	<u>6,909</u>
Current assets			
Inventories		9,240	11,045
Trade and other receivables		47,239	44,535
Current income tax recoverable		-	645
Cash and cash equivalents		93,942	125,365
		<u>150,421</u>	<u>181,590</u>
Total assets		<u>156,767</u>	<u>188,499</u>
EQUITY			
Capital and reserves attributable to the Company's equity holders			
Share capital		400	400
Share premium		456,073	456,073
Other reserves		(332,488)	(333,175)
Retained earnings			
- Proposed dividends	6	3,000	42,000
- Others		4,393	1,760
		<u>131,378</u>	<u>167,058</u>
Total equity		<u>131,378</u>	<u>167,058</u>
LIABILITIES			
Non-current liabilities			
Deferred income tax liabilities		-	41
Long service payment obligations		32	32
		<u>32</u>	<u>73</u>
Current liabilities			
Trade and other payables		17,955	16,622
Amounts due to fellow subsidiaries		7,082	4,746
Current income tax liabilities		320	-
		<u>25,357</u>	<u>21,368</u>
Total liabilities		<u>25,389</u>	<u>21,441</u>
Total equity and liabilities		<u>156,767</u>	<u>188,499</u>
Net current assets		<u>125,064</u>	<u>160,222</u>
Total assets less current liabilities		<u>131,410</u>	<u>167,131</u>

NOTES

1 BASIS OF PREPARATION AND ACCOUNTING POLICIES

(a) *Basis of preparation*

The financial information of the Company (the “Financial Information”) for the three months ended 30th September 2010 is unaudited and has been prepared in accordance with International Financial Reporting Standards (“IFRSs”) issued by the International Accounting Standards Board (“IASB”), requirements of the Hong Kong Companies Ordinance and applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

This Financial Information has been prepared under the historical cost convention.

This second quarter results announcement should be read in conjunction with the audited consolidated annual financial statements for the year ended 31st March 2010 and the interim results announcement for the six months ended 30th September 2010.

(b) *Accounting policies*

The preparation of this Financial Information in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies.

The accounting policies adopted are consistent with those used in the audited consolidated annual financial statements for the year ended 31st March 2010. IASB has issued a number of new standards, amendments to standards and interpretations that have become effective for the accounting period beginning 1st April 2010. These amendments to standards and interpretations had no material impact on the Group’s results and financial positions.

The Group has not early adopted new or revised standards and amendments to standards that have been issued but are not yet effective for the accounting period beginning 1st April 2010. The Group is in the process of making an assessment of the impact of these new or revised standards and amendments to standards on the Group’s results and financial position in the period of initial application.

2 SEGMENT INFORMATION

IFRS 8 “Operating Segments” requires operating segments to be identified based on internal reporting that is regularly reviewed by the chief operating decision maker. The Group has regarded the Group’s Executive Committee as the chief operating decision maker in order to allocate resources to segments and to assess their performance.

The Group’s Executive Committee considers the business from geographic perspective. Geographically, management considers the performance of publication, marketing and distribution of lifestyle magazines in Hong Kong and Mainland China.

The Group’s Executive Committee assesses the performance of the operating segments based on a measure of operating profit/loss before tax but excluding corporate expenses. Other information provided is measured in a manner consistent with that in the internal financial reports.

2 SEGMENT INFORMATION (Continued)

The Group's turnover and results provided to the Executive Committee for the reporting segments for the three months ended 30th September 2010 are as follows:

	(Unaudited)					
	Three months ended 30th September					
	Publication, marketing and distribution of lifestyle magazines					
	Hong Kong		Mainland China		Total	
	2010	2009	2010	2009	2010	2009
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Turnover	37,120	31,460	7,293	6,463	44,413	37,923
Segment profit/(loss) before income tax	10,177	5,267	(3,576)	(4,942)	6,601	325
Unallocated expenses					(2,084)	(2,439)
Profit/(loss) before income tax					4,517	(2,114)
Income tax expense					(1,293)	(498)
Profit/(loss) for the period					3,224	(2,612)
Other information:						
Depreciation of property, plant and equipment	307	549	155	244	462	793
Amortisation of intangible assets	8	8	3	3	11	11

3 EXPENSES BY NATURE

Expenses included in cost of goods sold, selling and distribution costs and administrative expenses are analysed as follows:

	(Unaudited)	
	Three months ended	
	30th September	
	2010	2009
	<i>HK\$'000</i>	<i>HK\$'000</i>
Raw materials used	10,434	10,810
Depreciation of property, plant and equipment	462	793
Amortisation of intangible assets	11	11
Employee benefit expenses (including directors' emoluments)	15,278	14,345
Loss on disposal of property, plant and equipment	-	2
Occupancy costs	850	967

4 INCOME TAX EXPENSE

Income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year.

Hong Kong profits tax has been provided at the rate of 16.5% (2009: 16.5%) on the estimated assessable profit for the period.

No provision for the People's Republic of China ("PRC") enterprise income tax has been made as the Group has no assessable profits generated in PRC during the three months ended 30th September 2010 (2009: Nil).

	(Unaudited)	
	<u>Three months ended 30th September</u>	
	2010	2009
	<i>HK\$'000</i>	<i>HK\$'000</i>
Current income tax		
- Hong Kong profits tax	1,320	559
Deferred income tax		
- Current deferred income tax credit	<u>(27)</u>	<u>(61)</u>
	<u>1,293</u>	<u>498</u>

5 EARNINGS/(LOSS) PER SHARE

Basic earnings/(loss) per share is calculated by dividing the Group's unaudited profit/(loss) attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	(Unaudited)	
	<u>Three months ended 30th September</u>	
	2010	2009
	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit/(loss) attributable to the equity holders of the Company	<u>3,224</u>	<u>(2,612)</u>
Weighted average number of ordinary shares in issue (in thousands)	<u>400,000</u>	<u>400,000</u>
Basic earnings/(loss) per share (HK cent per share)	<u>0.81</u>	<u>(0.65)</u>

There is no dilutive effect arising from the share options granted by the Company.

6 DIVIDENDS

No dividend has been declared by the Directors during the three months ended 30th September 2010 (2009: Nil).

The directors of the Company have declared an interim dividend for the six months ended 30th September 2010 of HK0.75 cent (2009: HK0.5 cent) per ordinary share, totalling HK\$3,000,000 (2009: HK\$2,000,000) payable on 14th January 2011 to shareholders whose names appear on the register of members of the Company on 5th January 2011.

A special dividend of HK10 cents per ordinary share, totalling HK\$40,000,000 (2009: Nil) and a final dividend of HK0.5 cent (2009: HK1.15 cents) per ordinary share, totalling HK\$2,000,000 (2009: HK\$4,600,000) for the year ended 31st March 2010 were paid on 10th September 2010.

7 CONTINGENT LIABILITIES

As at 30th September 2010, the Group did not have any material contingent liabilities or guarantees (31st March 2010: Nil).

8 REVIEW OF OPERATION

For the quarter under review, the Group recorded a consolidated turnover of HK\$44,413,000 (2009: HK\$37,923,000), increased by 17% from the same quarter of last year. The turnover in Hong Kong and Mainland China increased 18% and 13%, respectively. As a result, the Group's results turned around from a loss before income tax of HK\$2,114,000 in the same quarter of last year to a profit before income tax of HK\$4,517,000 in this quarter.

By Order of the Board
One Media Group Limited
TIONG Kiu King
Director

Hong Kong, 25th November 2010

As at the date of this announcement, Mr. TIONG Kiu King, Mr. TIONG Kiew Chiong and Mr. TUNG Siu Ho, Terence are executive directors of the Company. Mr. YU Hon To, David, Mr. SIT Kien Ping, Peter and Mr. TAN Hock Seng, Peter are independent non-executive directors of the Company.