

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

**萬 華 媒 體**  
**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 2018**

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 2018, together with the comparative figures for the corresponding period in 2017 as follows:

**CONSOLIDATED INCOME STATEMENT**

*FOR THE THREE MONTHS ENDED 30TH SEPTEMBER 2018*

		<b>(Unaudited)</b>	
		<b>Three months ended 30th September</b>	
		<b>2018</b>	<b>2017</b>
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
			(Restated)
<b>Continuing operations</b>			
Turnover	2	<b>22,585</b>	23,410
Cost of goods sold		<u><b>(14,915)</b></u>	<u>(15,786)</u>
Gross profit		<b>7,670</b>	7,624
Other income		<b>328</b>	235
Selling and distribution expenses		<b>(5,283)</b>	(5,881)
Administrative expenses		<u><b>(6,004)</b></u>	<u>(7,898)</u>
Operating loss		<b>(3,289)</b>	(5,920)
Share of results of joint ventures and associates		<u>-</u>	<u>290</u>
Loss before income tax		<b>(3,289)</b>	(5,630)
Income tax expense	6	<u><b>(52)</b></u>	<u>(211)</u>
Loss for the period from continuing operations		<b>(3,341)</b>	(5,841)
Loss for the period from discontinued operation (attributable to equity holders of the Company)		<u><b>(4,605)</b></u>	<u>(3,053)</u>
Loss for the period		<u><b>(7,946)</b></u>	<u>(8,894)</u>

**(Unaudited)**  
**Three months ended 30th September**

	<b>2018</b>	2017
<i>Note</i>	<b><i>HK\$'000</i></b>	<i>HK\$'000</i> (Restated)
Loss attributable to:		
- Owners of the Company		
- from continuing operations	(3,341)	(5,841)
- from discontinued operation	(4,605)	(3,053)
	(7,946)	(8,894)
- Non-controlling interests	-	-
	(7,946)	(8,894)
 Loss per share attributable to owners of the Company during the period (expressed in HK cents per share)		
- from continuing operations	(0.83)	(1.46)
- from discontinued operation	(1.15)	(0.76)
Basic and diluted	7 (1.98)	(2.22)



**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
AS AT 30TH SEPTEMBER 2018

		(Unaudited) 30th September 2018 HK\$'000	(Audited) 31st March 2018 HK\$'000
	<i>Note</i>		
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		1,546	1,753
Intangible assets	3	5,020	5,173
Available-for-sale financial asset	4	-	70,470
Financial asset at fair value through other comprehensive income	4	25,313	-
Investments accounted for using equity method		1,115	1,115
<b>Total non-current assets</b>		<b>32,994</b>	<b>78,511</b>
<b>Current assets</b>			
Inventories		848	1,406
Trade and other receivables		23,031	20,800
Amount due from a fellow subsidiary		-	3
Income tax recoverable		502	1,005
Cash and cash equivalents		17,994	29,761
<b>Total current assets</b>		<b>42,375</b>	<b>52,975</b>
<b>Total assets</b>		<b>75,369</b>	<b>131,486</b>
<b>EQUITY</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital		401	401
Share premium		457,543	457,543
Other reserves		(323,411)	(279,273)
Accumulated losses		(80,296)	(66,980)
<b>Total equity</b>		<b>54,237</b>	<b>111,691</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Long service payment obligations		50	50
<b>Total non-current liabilities</b>		<b>50</b>	<b>50</b>
<b>Current liabilities</b>			
Trade and other payables		20,063	18,781
Amounts due to fellow subsidiaries		1,019	964
<b>Total current liabilities</b>		<b>21,082</b>	<b>19,745</b>
<b>Total liabilities</b>		<b>21,132</b>	<b>19,795</b>
<b>Total equity and liabilities</b>		<b>75,369</b>	<b>131,486</b>

## 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 2018 is unaudited and has been prepared in accordance with International Financial Reporting Standards (“IFRSs”) issued by the International Accounting Standards Board (“IASB”).

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

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.

This second quarter results announcement should be read in conjunction with the audited consolidated annual financial statements of the Group for the year ended 31st March 2018, which have been prepared in accordance with IFRSs and the interim results announcement for the six months ended 30th September 2018.

#### (b) *Accounting policies*

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31st March 2018, as described in those annual financial statements.

There are no amended standards or interpretations that are effective for the first time for this period that is expected to have a material impact on the Group

Taxes on income during the period are accrued using the tax rate that would be applicable to expected total annual earnings.

The Group has not early adopted new or revised standards, amendments to standards and interpretations that have been issued but are not effective for the financial year beginning 1st January 2019. The Group is in the process of making an assessment of the impact of those new or revised standards, amendments to standards and interpretations 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 regards the executive committee as the chief operating decision maker being responsible for allocating resources to segments and assessing their performance.

The 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.

The executive committee considers the performance of the media business for the Hong Kong and Taiwan and the Mainland China operation and also the performance of the entertainment and lifestyle operation and the watch and car operation and others, respectively.

The breakdown of total revenue from external customers from these areas and the Group's turnover and results provided to the executive committee for the reporting segments for the three months ended 30th September 2018 and 2017 are as follows:

	(Unaudited)				
	Three months ended 30th September 2018				
	<u>Media Business</u>				
	<u>Continuing operations</u>			<u>Discontinued operation</u>	
	Hong Kong and Taiwan				
	Entertainment and lifestyle operation		Watch and car operation	Mainland China	Total
	HK\$'000	HK\$'000	Sub total HK\$'000	HK\$'000	HK\$'000
Turnover	18,219	4,366	22,585	-	22,585
Segment operating loss	(915)	(835)	(1,750)	(4,605)	(6,355)
Unallocated expenses					(1,539)
Loss before income tax					(7,894)
Income tax expense					(52)
Loss for the period					(7,946)
Other segmental information:					
Interest income	18	-	18	1	19
Depreciation of property, plant and equipment	147	21	168	-	168
Amortisation of intangible assets	70	3	73	-	73

*Note:*

During the period ended 30th September 2018, the Group disposed of its entire equity interest in two subsidiaries in Mainland China. The related financial information of the disposed entities is presented as discontinued operation. The comparative figures in the consolidated income statement have been restated to distinguish discontinued operation from continuing operations.

(Unaudited)  
Three months ended 30th September 2017

Media Business

	<u>Continuing operations</u>		<u>Discontinued operation</u>		
	Hong Kong and Taiwan				
	Entertainment and lifestyle operation	Watch and car operation and others	Sub total	Mainland China	Total
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Turnover	19,101	4,309	23,410	450	23,860
Segment operating loss	<u>(2,668)</u>	<u>(1,515)</u>	<u>(4,183)</u>	<u>(3,053)</u>	<u>(7,236)</u>
Unallocated expenses					<u>(1,737)</u>
Operating loss					(8,973)
Share of results of joint ventures and associates	-	290	290	-	290
Loss before income tax					(8,683)
Income tax expense					(211)
Loss for the period					<u>(8,894)</u>
Other segmental information:					
Interest income	40	-	40	34	74
Depreciation of property, plant and equipment	212	15	227	23	250
Amortisation of intangible assets	274	9	283	-	283

### 3 INTANGIBLE ASSETS

	Computer Software <i>HK\$'000</i>	Goodwill <i>HK\$'000</i>	Trademarks <i>HK\$'000</i>	Total <i>HK\$'000</i>
<b>Year ended 31st March 2018</b>				
Opening net book amount	302	-	25,000	25,302
Additions	31	-	-	31
Amortisation expenses	(133)	-	(993)	(1,126)
Provision for impairment	-	-	(19,034)	(19,034)
	<u>200</u>	<u>-</u>	<u>4,973</u>	<u>5,173</u>
<b>At 31st March 2018</b>				
Cost	1,484	2,725	75,600	79,809
Accumulated amortisation	(1,284)	-	(13,173)	(14,457)
Accumulated impairment	-	(2,725)	(57,454)	(60,179)
	<u>200</u>	<u>-</u>	<u>4,973</u>	<u>5,173</u>
<b>Period ended 30th September 2018</b>				
Opening net book amount	200	-	4,973	5,173
Amortisation expenses	(51)	-	(102)	(153)
	<u>149</u>	<u>-</u>	<u>4,871</u>	<u>5,020</u>
<b>At 30th September 2018</b>				
Cost	1,484	2,725	75,600	79,809
Accumulated amortisation	(1,335)	-	(13,275)	(14,610)
Accumulated impairment	-	(2,725)	(57,454)	(60,179)
	<u>149</u>	<u>-</u>	<u>4,871</u>	<u>5,020</u>

#### 4 FINANCIAL ASSET AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	(Unaudited) 30th September 2018 <i>HK\$'000</i>	(Audited) 31st March 2018 <i>HK\$'000</i>
Listed equity securities		
At the beginning of the period/year	70,470	-
Fair value loss recognised in other comprehensive income	(45,157)	-
At the end of the period/year	<u>25,313</u>	<u>-</u>

At the adoption of IFRS 9, investment in listed securities held as long-term strategic investments that are not expected to be sold in the short to medium term were reclassified from available-for-sale financial assets to financial assets at FVOCI. Financial assets at FVOCI is carried at fair value. Gain or loss arising from changes in the fair value is recognised in “other comprehensive income” in the consolidated statement of comprehensive income. As at 30th September 2018, the fair value was determined based on the share price at 30th September 2018 of the listed securities.

The financial asset at FVOCI is denominated in Hong Kong dollar and the fair value approximates the carrying amounts..

#### 5 EXPENSES BY NATURE

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

	(Unaudited)	
	Three months ended 30th September	
	2018 <i>HK\$'000</i>	2017 <i>HK\$'000</i> (Restated)
Paper consumed	325	1,869
Depreciation of property, plant and equipment	168	227
Amortisation of intangible assets	73	283
Employee benefit expense (including directors' emoluments)	14,162	14,993
Occupancy costs	<u>803</u>	<u>781</u>

## 6 INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2017: 16.5%) on the estimated assessable profit for the period.

	(Unaudited)	
	Three months ended 30th September	
	2018	2017
	<i>HK\$'000</i>	<i>HK\$'000</i>
Current income tax		
- Hong Kong profits tax		
	<b>52</b>	<b>211</b>

## 7 LOSS PER SHARE

Basic loss per share is calculated by dividing the Group's loss attributable to owners of the Company by the weighted number of ordinary shares in issue during the period.

	(Unaudited)	
	Three months ended 30th September	
	2018	2017
	<i>HK\$'000</i>	<i>HK\$'000</i>
Weighted number of ordinary shares in issue ( <i>in thousands</i> )	<b>400,900</b>	400,900
Loss from continuing operations attributable to owners of the Company	<b>(3,341)</b>	(5,841)
Basic and diluted loss per share from continuing operations attributable to owners of the Company ( <i>HK cents per share</i> )	<b>(0.83)</b>	(1.46)
Loss from discontinued operation attributable to owners of the Company	<b>(4,605)</b>	(3,053)
Basic and diluted loss per share from discontinued operation attributable to owners of the Company ( <i>HK cents per share</i> )	<b>(1.15)</b>	(0.76)
Basic and diluted loss per share ( <i>HK cents per share</i> )	<b>(1.98)</b>	(2.22)

The diluted loss per share was the same as the basic loss per share as there was no dilutive potential share in issue for the three months ended 30th September 2018 and 2017.

## 8 DIVIDENDS

No dividend has been declared by the Directors during the three months ended 30th September 2018 (2017: Nil).

## 9 CONTINGENT LIABILITIES

As at 30th September 2018, the Group did not have any material contingent liabilities or guarantees (2017: Nil).

## 10 REVIEW OF OPERATION

During the quarter under review, the Group's turnover from continuing operations was HK\$22,585,000 (2017: HK\$23,410,000), representing a decrease of 3.5% as compared with the same quarter of last financial year. The decrease in turnover was due to a decline in overall print advertising income of the Group. However such decline was partly covered by the improvement in digital advertising revenue. Although the turnover for the quarter under review decreased, the loss for this quarter under review decreased to HK\$7,946,000, compared to the loss of HK\$8,894,000 in the same quarter of last financial year. It was mainly due to the saving in labour costs and paper and printing costs during the quarter.

Reference is made to the voluntary announcement dated 20th July 2018, Media2U Company Limited, an indirectly wholly-owned subsidiary of the Company has entered into agreements to dispose of its 100% equity interests in the registered capital of Beijing OMG Advertising Company Limited ("Beijing OMG Advertising") and Beijing Times Resource Technology Consulting Limited ("Beijing TRT") to an independent third party. The principal activities of Beijing OMG Advertising and Beijing TRT are operations of magazines in Mainland China. Beijing OMG Advertising and Beijing TRT have been loss making for the past three years and they were sold at a consideration equal to the aggregate value of their net tangible assets as at 14th July 2018 and the completion of the disposal is subject to the administrative procedures and is expected to be completed shortly. For the three months ended 30th September 2018, the Mainland China operation was classified as discontinued operation.

By Order of the Board  
**One Media Group Limited**  
**TIONG Kiew Chiong**  
*Director*

Hong Kong, 29th November 2018

*As at the date of this announcement, the board of the Company comprises Ms. TIONG Choon and Tan Sri Datuk Sir TIONG Hiew King, being non-executive directors; Mr. TIONG Kiew Chiong and Mr. LAM Pak Cheong, being executive directors; and Mr. YU Hon To, David, Mr. Victor YANG and Mr. LAU Chi Wah, Alex, being independent non-executive directors.*