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萬 華 媒 體
ONEMEDIAGROUP
One Media Group Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 426)

THIRD QUARTER RESULTS ANNOUNCEMENT
FOR THE THREE MONTHS ENDED 31ST DECEMBER 2019

The directors (the “Directors”) of One Media Group Limited (the “Company”) announce the unaudited consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the three months ended 31st December 2019, together with the comparative figures for the corresponding period in 2018 as follows:

CONSOLIDATED INCOME STATEMENT

FOR THE THREE MONTHS ENDED 31ST DECEMBER 2019

		(Unaudited)	
		Three months ended 31st December	
		2019	2018
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Turnover	2	20,909	29,979
Cost of goods sold		<u>(13,448)</u>	<u>(15,443)</u>
Gross profit		7,461	14,536
Other income	4	1,560	353
Selling and distribution expenses		(4,070)	(5,162)
Administrative expenses		<u>(5,676)</u>	<u>(5,385)</u>
Operating (loss)/profit		(725)	4,342
Finance costs		<u>(47)</u>	-
(Loss)/profit before income tax		(772)	4,342
Income tax expense	7	<u>(45)</u>	<u>(66)</u>
(Loss)/profit for the period		<u>(817)</u>	<u>4,276</u>
(Loss)/profit attributable to:			
- Owners of the Company		(817)	4,276
- Non-controlling interests		<u>-</u>	<u>-</u>
		<u>(817)</u>	<u>4,276</u>
(Loss)/earnings per share attributable to owners of the Company during the period (expressed in HK cents per share)			
- Basic and diluted	8	<u>(0.2)</u>	<u>1.1</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER 2019

		(Unaudited) 31st December 2019 HK\$'000	(Audited) 31st March 2019 HK\$'000
	<i>Note</i>		
ASSETS			
Non-current assets			
Property, plant and equipment		1,526	1,627
Intangible assets	3	4,706	4,894
Right-of-use assets		4,965	-
Financial asset at fair value through other comprehensive income	5	14,985	23,895
Total non-current assets		<u>26,182</u>	<u>30,416</u>
Current assets			
Inventories		381	482
Trade and other receivables		16,212	16,811
Income tax recoverable		-	391
Cash and cash equivalents		17,216	22,843
Total current assets		<u>33,809</u>	<u>40,527</u>
Total assets		<u>59,991</u>	<u>70,943</u>
EQUITY			
Equity attributable to owners of the Company			
Share capital		401	401
Share premium		457,543	457,543
Other reserves		(333,709)	(324,805)
Accumulated losses		(88,718)	(79,087)
Total equity		<u>35,517</u>	<u>54,052</u>
LIABILITIES			
Non-current liabilities			
Long service payment obligations		54	54
Lease liabilities		2,843	-
Total non-current liabilities		<u>2,897</u>	<u>54</u>
Current liabilities			
Trade and other payables		10,827	12,620
Contract liabilities		1,773	3,116
Amounts due to fellow subsidiaries		4,529	1,101
Bank borrowings		2,061	-
Lease liabilities		2,187	-
Income tax liabilities		200	-
Total current liabilities		<u>21,577</u>	<u>16,837</u>
Total liabilities		<u>24,474</u>	<u>16,891</u>
Total equity and liabilities		<u>59,991</u>	<u>70,943</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 31st December 2019 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 third quarter results announcement should be read in conjunction with the audited consolidated annual financial statements of the Group for the year ended 31st March 2019, which have been prepared in accordance with IFRSs and the interim results announcement for the six months ended 30th September 2019.

(b) *Accounting policies*

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31st March 2019, as described in those annual financial statements.

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 operation and also the performance of the entertainment and lifestyle operation and the watch and car operation and others, respectively.

The breakdown of total turnover 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 31st December 2019 and 2018 are as follows:

	(Unaudited)		
	Three months ended 31st December 2019		
	<u>Media Business</u>		
	Hong Kong and Taiwan		
	Entertainment and lifestyle operation <i>HK\$'000</i>	Watch and car operation and others <i>HK\$'000</i>	Total <i>HK\$'000</i>
Turnover	15,974	4,935	20,909
Segment (loss)/profit	<u>(138)</u>	<u>511</u>	<u>373</u>
Unallocated expenses			(1,098)
Unallocated finance costs			(47)
Loss before income tax			(772)
Income tax expense			(45)
Loss for the period			<u>(817)</u>
Other segmental information:			
Interest income	<u>53</u>	<u>-</u>	<u>53</u>
Depreciation of property, plant and equipment	<u>152</u>	<u>16</u>	<u>168</u>
Amortisation of intangible assets	<u>61</u>	<u>1</u>	<u>62</u>
Depreciation of right-of-use assets	<u>552</u>	<u>-</u>	<u>552</u>

(Unaudited)
Three months ended 31st December 2018

Media Business

Hong Kong and Taiwan

	Entertainment and lifestyle operation <i>HK\$'000</i>	Watch and car operation and others <i>HK\$'000</i>	Total <i>HK\$'000</i>
Turnover	24,297	5,682	29,979
	<u> </u>	<u> </u>	<u> </u>
Segment profit	5,336	905	6,241
	<u> </u>	<u> </u>	<u> </u>
Unallocated expenses			(1,899)
			<u> </u>
Profit before income tax			4,342
Income tax expense			(66)
			<u> </u>
Profit for the period			4,276
			<u> </u>
Other segmental information:			
Interest income	23	-	23
	<u> </u>	<u> </u>	<u> </u>
Depreciation of property, plant and equipment	150	22	172
	<u> </u>	<u> </u>	<u> </u>
Amortisation of intangible assets	65	4	69
	<u> </u>	<u> </u>	<u> </u>

3 INTANGIBLE ASSETS

	Computer Software <i>HK\$'000</i>	Trademarks <i>HK\$'000</i>	Total <i>HK\$'000</i>
Year ended 31st March 2019			
Opening net book amount	200	4,973	5,173
Additions	11	-	11
Amortisation expenses	(85)	(205)	(290)
	<hr/>	<hr/>	<hr/>
Closing net book amount	126	4,768	4,894
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31st March 2019			
Cost	1,443	75,600	77,043
Accumulated amortisation	(1,317)	(13,378)	(14,695)
Accumulated impairment	-	(57,454)	(57,454)
	<hr/>	<hr/>	<hr/>
Net book amount	126	4,768	4,894
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Period ended 31st December 2019			
Opening net book amount	126	4,768	4,894
Additions	5	-	5
Amortisation expenses	(39)	(154)	(193)
	<hr/>	<hr/>	<hr/>
Closing net book amount	92	4,614	4,706
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31st December 2019			
Cost	1,439	75,600	77,039
Accumulated amortisation	(1,347)	(13,532)	(14,879)
Accumulated impairment	-	(57,454)	(57,454)
	<hr/>	<hr/>	<hr/>
Net book amount	92	4,614	4,706
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

4 OTHER INCOME

	(Unaudited)	
	Three months ended 31st December	
	2019	2018
	HK\$'000	HK\$'000
Bank interest income	53	23
Dividend income	1,053	-
Other media business income	454	330
	1,560	353

5 FINANCIAL ASSET AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	(Unaudited)	(Audited)
	31st December	31st March
	2019	2019
	HK\$'000	HK\$'000
Trading securities - listed securities		
At the beginning of the period/year	23,895	70,470
Fair value loss recognised in other comprehensive income	(8,910)	(46,575)
At the end of the period/year	14,985	23,895

At 31st December 2019 and 31st March 2019, the fair value was determined based on the share price of the listed securities.

The financial asset at fair value through other comprehensive income is denominated in Hong Kong dollar and the fair value approximates the carrying amounts.

6 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 31st December	
	2019	2018
	HK\$'000	HK\$'000
Paper consumed	102	294
Depreciation of property, plant and equipment	168	172
Depreciation of right-of-use assets	552	-
Amortisation of intangible assets	62	69
Employee benefit expense (including directors' emoluments)	12,800	13,446
Occupancy costs	-	742
Short-term lease expenses	56	-

7 INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2018: 16.5%) on the estimated assessable profit for the period.

	(Unaudited)	
	Three months ended 31st December	
	2019	2018
	<i>HK\$'000</i>	<i>HK\$'000</i>
Current income tax		
- Hong Kong profits tax expense	<u>45</u>	<u>66</u>

8 (LOSS)/EARNINGS PER SHARE

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

	(Unaudited)	
	Three months ended 31st December	
	2019	2018
	<i>HK\$'000</i>	<i>HK\$'000</i>
(Loss)/profit attributable to owners of the Company	<u>(817)</u>	<u>4,276</u>
Number of ordinary shares in issue (in thousands)	<u>400,900</u>	<u>400,900</u>
Basic and diluted (loss)/earnings per share (HK cents per share)	<u>(0.2)</u>	<u>1.1</u>

The diluted (loss)/earnings per share was the same as the basic (loss)/earnings per share as there was no dilutive potential share in issue for the three months ended 31st December 2019 and 2018.

9 DIVIDENDS

No dividend has been declared by the Directors during the three months ended 31st December 2019 (2018: Nil).

10 CONTINGENT LIABILITIES

As at 31st December 2019, the Group did not have any material contingent liabilities or guarantees (2018: Nil).

11 REVIEW OF OPERATION

During the quarter under review, the Group's turnover was HK\$20,909,000 (2018: HK\$29,979,000), representing a decrease of around 30% as compared with the same quarter of last financial year. The decline in turnover was due to the weak advertising market in Hong Kong which led to the further decrease in advertising revenue of the Group. As a result, the Group recorded a loss of HK\$817,000 for this quarter compared to the profit of HK\$4,276,000 for the same quarter of last financial year.

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

Hong Kong, 27th February 2020

As at the date of this announcement, the board of the Company comprises Ms. TIONG Choon, being non-executive director; Mr. TIONG Kiew Chiong and Mr. LAM Pak Cheong, being executive directors; and Mr. YU Hon To, David, Mr. LAU Chi Wah, Alex and Mr. CHAU Cheuk Wah being independent non-executive directors.