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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 2009

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 2009, together with the comparative unaudited consolidated figures for the corresponding period in 2008 as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE THREE MONTHS ENDED 30TH SEPTEMBER 2009

		(Unaudited)	
		Three months ended 30th September	
		2009	2008
	Note	HK\$'000	HK\$'000
Turnover	2	37,923	48,491
Cost of goods sold		<u>(22,394)</u>	<u>(25,727)</u>
Gross profit		15,529	22,764
Other income		155	1,471
Selling and distribution costs		(10,277)	(12,245)
Administrative expenses		<u>(7,521)</u>	<u>(12,639)</u>
Loss before income tax		(2,114)	(649)
Income tax expense	4	<u>(498)</u>	<u>(1,186)</u>
Loss for the period		<u><u>(2,612)</u></u>	<u><u>(1,835)</u></u>
Attributable to:			
Equity holders of the Company		<u><u>(2,612)</u></u>	<u><u>(1,835)</u></u>
Loss per share attributable to the equity holders of the Company during the period (expressed in HK cent per share)			
- Basic and diluted	5	<u><u>(0.65)</u></u>	<u><u>(0.46)</u></u>
Dividends	6	<u><u>2,000</u></u>	<u><u>2,400</u></u>

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED 30TH SEPTEMBER 2009

	(Unaudited)	
	Three months ended 30th September	
	2009	2008
	<i>HK\$'000</i>	<i>HK\$'000</i>
Loss for the period	(2,612)	(1,835)
Other comprehensive income		
Currency translation differences	465	(80)
Share compensation costs on share options granted	<u>119</u>	<u>227</u>
Total comprehensive expenses for the period	<u>(2,028)</u>	<u>(1,688)</u>
Total comprehensive expenses attributable to:		
-Equity holders of the Company	<u>(2,028)</u>	<u>(1,688)</u>

CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 30TH SEPTEMBER 2009

	(Unaudited) 30th September 2009 HK\$'000	(Audited) 31st March 2009 HK\$'000
<i>Note</i>		
ASSETS		
Non-current assets		
Property, plant and equipment	5,492	7,008
Intangible assets	2,180	2,165
Financial assets at fair value through profit or loss	-	-
	<u>7,672</u>	<u>9,173</u>
Current assets		
Inventories	13,533	11,910
Trade and other receivables	47,752	44,147
Cash and cash equivalents	112,620	125,951
	<u>173,905</u>	<u>182,008</u>
Total assets	<u>181,577</u>	<u>191,181</u>
EQUITY		
Capital and reserves attributable to the Company's equity holders		
Share capital	400	400
Share premium	456,073	456,073
Other reserves	(334,427)	(334,809)
Retained earnings		
- Proposed dividend	2,000	4,600
- Others	33,091	40,098
	<u>157,137</u>	<u>166,362</u>
Total equity	<u>157,137</u>	<u>166,362</u>
LIABILITIES		
Non-current liabilities		
Deferred income tax liabilities	161	303
Long service payment liability	649	649
	<u>810</u>	<u>952</u>
Current liabilities		
Trade and other payables	19,583	21,108
Amounts due to fellow subsidiaries	1,751	1,508
Income tax liabilities	2,296	1,251
	<u>23,630</u>	<u>23,867</u>
Total liabilities	<u>24,440</u>	<u>24,819</u>
Total equity and liabilities	<u>181,577</u>	<u>191,181</u>
Net current assets	<u>150,275</u>	<u>158,141</u>
Total assets less current liabilities	<u>157,947</u>	<u>167,314</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1 BASIS OF PREPARATION AND ACCOUNTING POLICIES

(a) Basic of preparation

The unaudited consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (“IFRSs”). The unaudited consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss.

The preparation of unaudited consolidated financial statements 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 for the year ended 31st March 2009 and the interim results announcement for the six months ended 30th September 2009.

(b) Accounting policies

The accounting policies adopted are consistent with those used in the audited consolidated annual financial statements for the year ended 31st March 2009 with the adoption of the following standards, which are relevant to the Group’s operations and are mandatory for the financial year ending 31st March 2010:

IFRS 8 “Operating Segments” - IFRS 8 replaces IAS 14 “Segment Reporting”. It requires a management approach under which segment information is presented on the same basis as that used for internal reporting purpose and in a manner consistent with the internal reporting provided to the chief operating decision maker. This has resulted in a redesignation of the Group’s reportable segments, but does not have any effect on the reported results or financial position of the Group. Comparatives of segment information have been restated.

IAS 1 (Revised) “Presentation of Financial Statements” - The revised standard prohibits the presentation of items of income and expenses (that is “non-owner changes in equity”) in the statement of changes in equity, and requires “non-owner changes in equity” to be presented separately from owner changes in equity. All “non-owner changes in equity” are required to be shown in a performance statement. Entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income). The Group has elected to present both the consolidated income statement and consolidated statement of comprehensive income. This unaudited consolidated financial information has been prepared under the revised disclosure requirements.

The following new standards, amendments to standards and interpretations are mandatory for the first time for the financial year beginning 1st April 2009, but are not currently relevant to the Group.

1 BASIS OF PREPARATION AND ACCOUNTING POLICIES (Continued)

(b) Accounting policies (Continued)

IAS 23 (revised)	“Borrowing costs”
IAS 32 (amendment)	“Financial instruments: presentation”
IFRS 2 (amendment)	“Share-based payment”
IFRS 7 (amendment)	“Financial instruments: disclosures”
Amendments to IFRS 1 and IAS 27	“Cost of an investment in a subsidiary, jointly controlled entity and associate”
IFRIC- Int 9 (amendment) and IAS 39 (amendment)	“Reassessment of embedded derivatives” and “Financial instruments: recognition and measurement”
IFRIC - Int 13	“Customer loyalty programmes”
IFRIC - Int 15	“Agreements for the construction of real estate”
IFRIC - Int 16	“Hedges of a net investment in a foreign operation”

Apart from the above, a number of improvements and minor amendments to IFRSs have also been issued and effective for the accounting period ended 30th September 2009 and have no significant impact on these consolidated financial information.

2 SEGMENT INFORMATION

The Group has adopted IFRS 8 “Operating Segments” with effect from 1st April 2009. IFRS 8 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 is organised operationally on a worldwide basis in one major business segment - publication, marketing and distribution of lifestyle magazines. The business segment is further evaluated on a geographical basis. This is the main measure reported to the Group’s Executive Committee for the purposes of resources allocation and assessment of segment performance.

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

2 SEGMENT INFORMATION (Continued)

The Group's turnover and results for the period, analysed by operating segments are as follows:

	(Unaudited)					
	Three months ended 30th September					
	Publication, marketing and distribution of lifestyle magazines					
	Hong Kong		Mainland China		Total	
2009	2008	2009	2008	2009	2008	
<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	<u>31,460</u>	41,516	<u>6,463</u>	6,975	<u>37,923</u>	48,491
Segment profit/(loss) before income tax	<u>5,267</u>	5,741	<u>(4,942)</u>	(3,521)	325	2,220
Unallocated expenses					(2,439)	(2,869)
Loss before income tax					(2,114)	(649)
Income tax expense					(498)	(1,186)
Loss for the period					<u>(2,612)</u>	<u>(1,835)</u>
Other information:						
Depreciation					<u>793</u>	851
Amortisation of intangible assets					<u>11</u>	2

3 EXPENSES BY NATURE

	(Unaudited)	
	Three months ended 30th September	
	2009	2008
	<i>HK\$'000</i>	<i>HK\$'000</i>
Raw materials used	10,810	13,230
Depreciation	793	851
Amortisation of intangible assets	11	2
Employee benefit expenses (including directors' emoluments)	14,345	15,286
Loss on disposal of property, plant and equipment	<u>2</u>	<u>1</u>

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% (2008: 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 2009 (2008: Nil).

	(Unaudited)	
	Three months ended 30th September	
	2009	2008
	HK\$'000	HK\$'000
Hong Kong profits tax		
- Current income tax charge	559	1,214
Deferred income tax		
- Current deferred income tax credit	<u>(61)</u>	<u>(28)</u>
	<u>498</u>	<u>1,186</u>

5 LOSS PER SHARE

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

	(Unaudited)	
	Three months ended 30th September	
	2009	2008
	HK\$'000	HK\$'000
Loss attributable to the equity holders of the Company	<u>(2,612)</u>	<u>(1,835)</u>
Weighted average number of ordinary shares in issue (in thousands)	<u>400,000</u>	<u>400,000</u>
Basic loss per share (HK cent per share)	<u>(0.65)</u>	<u>(0.46)</u>

Diluted loss per share is the same as basic loss per share presented as 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 2009 (2008: Nil).

The Directors have declared an interim dividend of HK0.5 cent (2008: HK0.6 cent) per ordinary share, totalling HK\$2,000,000 (2008: HK\$2,400,000) payable on 15th January 2010 to shareholders whose names appear on the register of members of the Company on 5th January 2010.

A final dividend of HK1.15 cents per share for the year ended 31st March 2009 (2008: HK1 cent), totalling HK\$4,600,000 was paid on 10th September 2009 (2008: HK\$4,000,000).

7 CONTINGENT LIABILITIES

As at 30th September 2009, the Group did not have any material contingent liabilities or guarantees (31st March 2009: Nil).

8 REVIEW OF OPERATION

The global financial crisis had a lasting impact on the retail sector in Hong Kong, which in turn reduced the demand for advertisements in magazines. The difficult operating environment was further exacerbated by the outbreak of H1N1 influenza which disrupted the traditional peak seasons of the retail business. The Group's revenue, majority of which comprises advertising placements on its magazine projects primarily from branded products, was therefore adversely affected. Consolidated turnover during the three months ended 30th September 2009 declined 22% to HK\$37,923,000 from HK\$48,491,000 in the last corresponding period. The Group reported a loss after tax of HK\$2,612,000 during this quarter (2008: HK\$1,835,000).

By Order of the Board
TIONG Kiu King
Director

Hong Kong, 25th November 2009

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. Peter Bush BRACK is non-executive director 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.