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万 华 媒 体 ONEMEDIAGROUP

One Media Group Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 426)

FIRST QUARTER RESULTS ANNOUNCEMENT FOR THE THREE MONTHS ENDED 30TH JUNE 2011

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 June 2011, together with the comparative unaudited consolidated figures for the corresponding period in 2010 as follows:

CONSOLIDATED INCOME STATEMENT

FOR THE THREE MONTHS ENDED 30TH JUNE 2011

		(Unaudited)	
		Three months ended 30th June	
		2011	2010
	Notes	HK\$'000	HK\$'000
Turnover	2	50,571	44,905
Cost of goods sold		<u>(23,219)</u>	<u>(23,047)</u>
Gross profit		27,352	21,858
Other income		809	271
Selling and distribution costs		(12,438)	(11,549)
Administrative expenses		<u>(8,952)</u>	<u>(6,976)</u>
Profit before income tax		6,771	3,604
Income tax expense	4	<u>(1,594)</u>	<u>(1,195)</u>
Profit for the period		<u><u>5,177</u></u>	<u><u>2,409</u></u>
Profit attributable to:			
Equity holders of the Company		<u><u>5,177</u></u>	<u><u>2,409</u></u>
Earnings per share attributable to equity holders of the Company during the period (expressed in HK cent per share)			
- Basic and diluted	5	<u><u>1.29</u></u>	<u><u>0.60</u></u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED 30TH JUNE 2011

(Unaudited)
Three months ended 30th June
2011 **2010**
HK\$'000 *HK\$'000*

Profit for the period	5,177	2,409
Other comprehensive income		
Currency translation differences	<u>539</u>	<u>175</u>
Total comprehensive income for the period	<u>5,716</u>	<u>2,584</u>
Total comprehensive income attributable to:		
- Equity holders of the Company	<u>5,716</u>	<u>2,584</u>

CONSOLIDATED BALANCE SHEET
AS AT 30TH JUNE 2011

	Notes	30th June 2011 HK\$'000	31st March 2011 HK\$'000
ASSETS			
Non-current assets			
Property, plant and equipment		4,202	4,376
Intangible assets		2,731	2,719
Deferred income tax assets		65	51
		<u>6,998</u>	<u>7,146</u>
Current assets			
Inventories		5,276	10,213
Trade and other receivables		55,842	50,268
Cash and cash equivalents		111,535	108,575
		<u>172,653</u>	<u>169,056</u>
Total assets		<u>179,651</u>	<u>176,202</u>
EQUITY			
Capital and reserves attributable to the Company's equity holders			
Share capital		400	400
Share premium		456,073	456,073
Other reserves		(331,128)	(331,668)
Retained earnings			
- Proposed dividends		8,000	8,000
- Others		16,343	11,166
		<u>149,688</u>	<u>143,971</u>
Total equity		<u>149,688</u>	<u>143,971</u>
LIABILITIES			
Non-current liabilities			
Long service payment obligations		28	28
		<u>28</u>	<u>28</u>
Current liabilities			
Trade and other payables		21,953	23,430
Amounts due to fellow subsidiaries	7	4,818	6,039
Current income tax liabilities		3,164	2,734
		<u>29,935</u>	<u>32,203</u>
Total liabilities		<u>29,963</u>	<u>32,231</u>
Total equity and liabilities		<u>179,651</u>	<u>176,202</u>
Net current assets		<u>142,718</u>	<u>136,853</u>
Total assets less current liabilities		<u>149,716</u>	<u>143,999</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 June 2011 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 first quarter results announcement should be read in conjunction with the annual financial statements for the year ended 31st March 2011.

(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.

These accounting policies adopted are consistent with those used in the annual financial statements for the year ended 31st March 2011. The Group has adopted the following revised standards and amendments to standard, which are mandatory for the financial year beginning 1st April 2011 and are relevant to its operations:

- IAS 24 (Revised), “Related Party Disclosures” is effective for annual periods beginning on or after 1st January 2011. It introduces an exemption from all of the disclosure requirements of IAS 24 for transactions among government related entities and the government. It also clarifies and simplifies the definition of a related party. The amendment does not have a material impact on this unaudited financial information.
- Amendment to IAS 34, “Interim Financial Reporting” is effective for annual periods beginning on or after 1st January 2011. It emphasises the existing disclosure principles in IAS 34 and adds further guidance to illustrate how to apply these principles. Greater emphasis has been placed on the disclosure principles for significant events and transactions. Additional requirements cover disclosure of changes to fair value measurement (if significant), and the need to update relevant information from the most recent annual report. The amendment does not have a material impact on this unaudited financial information.

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 2011. The Group is in the process of making an assessment of the impact of those 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.

The Group’s turnover and results provided to the Executive Committee for the reporting segments for the three months ended 30th June 2011 are as follows:

	(Unaudited)					
	Three months ended 30th June					
	Publication, marketing and distribution of lifestyle magazines					
	Hong Kong		Mainland China		Total	
	2011	2010	2011	2010	2011	2010
	<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	39,755	36,045	10,816	8,860	50,571	44,905
Segment profit/(loss) before income tax	11,879	9,396	(3,070)	(3,823)	8,809	5,573
Unallocated expenses					(2,038)	(1,969)
Profit before income tax					6,771	3,604
Income tax expense					(1,594)	(1,195)
Profit for the period					5,177	2,409
Other information:						
Depreciation of property, plant and equipment	218	362	220	231	438	593
Amortisation of intangible assets	11	7	3	3	14	10

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 June	
	2011	2010
	HK\$'000	HK\$'000
Raw materials used	11,503	11,162
Depreciation of property, plant and equipment	438	593
Amortisation of intangible assets	14	10
Employee benefit expenses (including directors' emoluments)	14,695	14,399
Occupancy costs	1,193	910

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% (2010:16.5%) 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 June 2011 (2010: Nil).

	(Unaudited)	
	Three months ended 30th June	
	2011	2010
	HK\$'000	HK\$'000
Hong Kong profits tax		
- Current income tax	1,608	1,234
Deferred income tax		
- Current deferred income tax credit	(14)	(39)

5 EARNINGS PER SHARE

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

	(Unaudited)	
	Three months ended 30th June	
	2011	2010
	HK\$'000	HK\$'000
Profit attributable to the equity holders of the Company	<u>5,177</u>	<u>2,409</u>
Weighted average number of ordinary shares in issue (in thousands)	<u>400,000</u>	<u>400,000</u>
Basic earnings per share (HK cent per share)	<u><u>1.29</u></u>	<u><u>0.60</u></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 June 2011 (2010: Nil).

The final dividend of HK2 cents per share (2010: HK0.5 cent per share), totalling HK\$8,000,000 (2010: HK\$2,000,000) for the year ended 31st March 2011 was approved by the shareholders at the Annual General Meeting held on 23rd August 2011 and this final dividend will be paid on 9th September 2011.

7 AMOUNTS DUE TO FELLOW SUBSIDIARIES

The ageing of the amounts due to fellow subsidiaries arising from related-party transactions, by invoice date, are within 180 days. They are unsecured, non-interest bearing and with normal credit terms from 30 days to 180 days.

8 CONTINGENT LIABILITIES

As at 30th June 2011, the Group did not have any material contingent liabilities or guarantees (31st March 2011: Nil).

9 REVIEW OF OPERATION

For the quarter under review, the Group recorded a consolidated turnover of HK\$50,571,000 (2010: HK\$44,905,000), increased by 13% from the same quarter of last year. The increase in turnover attributed to the contribution from both Hong Kong and Mainland China operations. The Group's profit before income tax for this quarter increased by 88% to HK\$6,771,000 (2010: HK\$3,604,000) mainly because of the improvement of the results of the automobile magazines.

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

Hong Kong, 23rd August 2011

As at the date of this announcement, Mr. TIONG Kiu King, Mr. TIONG Kiew Chiong and Mr. LAM Pak Cheong 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.