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萬 華 媒 體 ONEMEDIAGROUP

ONE MEDIA GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 426)

DISCLOSEABLE TRANSACTION PARTIAL DISPOSAL OF SHARES IN MOST KWAI CHUNG LIMITED

The Board announces that, TIL, being an indirect wholly-owned subsidiary of the Company disposed on-market of an aggregate of 6,750,000 Most Kwai Chung Shares in a series of transactions conducted on 11 August 2020, at the average price of approximately HK\$1.547 per Most Kwai Chung Share for an aggregate gross sale proceeds of approximately HK\$10.4 million (excluding transaction costs).

As one or more of the applicable percentage ratios in respect of the Disposal calculated in accordance with Chapter 14 of the Listing Rules exceeds 5% but all such ratios are less than 25%, the Disposal aggregated constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under the Chapter 14 of the Listing Rules.

THE DISPOSAL

TIL disposed on-market of a total 6,750,000 Most Kwai Chung Shares, representing approximately 2.5% of the entire issued share capital of Most Kwai Chung, in a series of transactions conducted on 11 August 2020, at the average price of approximately HK\$1.547 per Most Kwai Chung Share for an aggregate gross sale proceeds of approximately HK\$10.4 million (excluding transaction costs). Before the Disposal, TIL held a total of 20,250,000 Most Kwai Chung Shares, representing approximately 7.5% of the entire issued share capital of Most Kwai Chung. Following the completion of the Disposal, TIL holds 13,500,000 Most Kwai Chung Shares, representing approximately 5.0% of the entire issued share capital of Most Kwai Chung.

As the Disposal was made on-market, the Company is not aware of the identities of the purchasers of the Most Kwai Chung Shares. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the purchasers of the Most Kwai Chung Shares and their ultimate beneficial owners are Independent Third Parties.

CONSIDERATION

The aggregate gross sale proceeds of the Disposal is approximately HK\$10.4 million (excluding transaction costs), which is receivable in cash on settlement. The consideration for the Disposal represented the market price of the Most Kwai Chung Shares at the time of the Disposal.

INFORMATION ON THE GROUP AND MOST KWAI CHUNG

The Group is principally engaged in media business in Hong Kong and Taiwan, including but not limited to magazine publishing and digital media business.

Most Kwai Chung is principally engaged in the provision of digital media services, print media services and other media services which include events organisation and artistes management.

The following financial information is extracted from the financial reports of Most Kwai Chung:

	For the year ended 31 March 2020 (HK\$'000) (audited)	For the year ended 31 March 2019 (HK\$'000) (audited)
Revenue	76,908	100,481
Profit before income tax	15,015	18,087
Profit after income tax	13,307	15,555
Net asset value	98,245	98,978

REASONS FOR AND BENEFITS OF THE DISPOSAL

As a result of the Disposal, the Group is expected to recognise a gain of approximately HK\$7.1 million from the Disposal which will be recognised as other comprehensive income for the financial year ending 31 March 2021. The gain from the Disposal was calculated on the basis of the difference between the aggregate gross sale proceeds of HK\$10.4 million and the carrying value of 6,750,000 Most Kwai Chung Shares as at 31 March 2020 of approximately HK\$3.3 million.

The Disposal represents a good opportunity for the Group to realise its partial investment in Most Kwai Chung and will enhance the cash position and working capital of the Group.

The Disposal was made at market price and the Board is of the view that the Disposal will enhance the liquidity of the Company, was fair and reasonable, is on normal commercial terms and is in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As the series of on-market transactions within 11 August 2020, the transactions shall be aggregated. As one or more of the applicable percentage ratios in respect of the Disposal calculated in accordance with Chapter 14 of the Listing Rules exceeds 5% but all such ratios less than 25%, the Disposal aggregated constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under the Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the meanings set out below:

“Board”	the board of Directors
“Company”	One Media Group Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange with the stock code 426
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Parties”	persons or entities (and their ultimate beneficial owner(s)) who, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are parties independent of the Company and the connected persons of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Most Kwai Chung Share(s)”	the ordinary share(s) at HK\$0.01 each in the share capital of Most Kwai Chung
“Most Kwai Chung”	Most Kwai Chung Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange with the stock code 1716
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Disposal”	the disposal on-market of a total 6,750,000 Most Kwai Chung Shares by TIL in a series of transactions conducted on 11 August 2020 for an aggregate gross sale proceeds of approximately HK\$10.4 million (excluding transaction costs)
“TIL”	Tronix Investment Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

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

Hong Kong, 11 August 2020

As at the date of this announcement, the Board 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.

In the case of any inconsistency, the English text of this announcement shall prevail over the Chinese text.