

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.



## Neo Telemedia Limited 中國新電信集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8167)

### UPDATE ON THE ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2019

Reference is made to the announcement of the Company dated 26 March 2020 in relation to the annual results of the Group for the year ended 31 December 2019 (the “**2019 Results Announcement**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the 2019 Results Announcement.

#### AUDITORS’ AGREEMENT ON THE 2019 ANNUAL RESULTS

As stated in the 2019 Results Announcement, the annual results of the Group for the year ended 31 December 2019 (the “**2019 Annual Results**”) contained therein was then not yet agreed by the Company’s auditors.

The Company wishes to announce that on 12 May 2020, the Company has obtained the agreement from the Company’s auditors, HLB Hodgson Impey Cheng Limited, on the 2019 Annual Results (including the financial information in respect of the Group’s consolidated statement of profit or loss and comprehensive income, consolidated statement of financial position and the related notes thereto) as set out in the 2019 Results Announcement. The 2019 Annual Results contained in the 2019 Results Announcement remain unchanged, except the following amendments to page 7 and page 8 of the 2019 Results Announcement.

#### Amendment No. 1

Consolidated statement of financial position (extract)	Per page 7 of 2019 Results Announcement			Audited		
	31 December 2018 HK\$’000	HKFRS 16 HK\$’000	1 January 2019 HK\$’000	31 December 2018 HK\$’000	HKFRS 16 HK\$’000	1 January 2019 HK\$’000
<b>Non-current assets</b>						
Right of use asset	–	96,013	96,013	–	96,013	96,013
Prepaid lease payments	39,189	(39,189)	–	39,189	(39,189)	–
Deferred tax assets	22,303	577	22,880	22,303	586	22,889

Consolidated statement of financial position (extract)	Per page 7 of 2019 Results Announcement			Audited		
	31 December		1 January	31 December		1 January
	2018	HKFRS 16	2019	2018	HKFRS 16	2019
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Current assets</b>						
Prepayments, deposits and other receivables	163,118	(865)	162,253	163,118	(865)	162,253
<b>Current liabilities</b>						
Leases liabilities	-	9,720	9,720	-	11,020	11,020
<b>Non-current liabilities</b>						
Leases liabilities	-	49,374	49,374	-	48,074	48,074
<b>Net assets</b>	<b>1,325,614</b>	<b>(2,558)</b>	<b>1,323,056</b>	<b>1,325,614</b>	<b>(2,549)</b>	<b>1,323,065</b>
<b>Capital and reserves</b>						
Reserves	286,037	(1,813)	284,224	286,037	(1,804)	284,233
Non-controlling interests	87,359	(745)	86,614	87,359	(745)	86,614
Total equity	1,325,614	(2,558)	1,323,056	1,325,614	(2,549)	1,323,065

## Amendment No. 2

	Per page 8 of 2019 Results Announcement	Audited
	2019 HK\$'000	2019 HK\$'000
Operating lease commitments disclosed as at 31 December 2018	45,594	45,594
Less: short-term leases and low-value leases not recognised as a liability	(12,197)	(11,400)
Add: extension options reasonably certain to be exercised	40,090	30,417
Discounted using the lessee's incremental borrowing rate of at the date of initial application	(14,393)	(5,517)
Lease liability recognised as at 1 January 2019	<u>59,094</u>	<u>59,094</u>
On which are:		
Current lease liabilities	9,720	11,020
Non-current lease liabilities	49,374	48,074
	<u>59,094</u>	<u>59,094</u>

## **EXTRACT FROM INDEPENDENT AUDITORS' REPORT**

The following is an extract of the independent auditors' report on the Group's audited financial statements for the year ended 31 December 2019:

### **“Opinion**

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2019, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### **Material Uncertainty Related to Going Concern**

We draw attention to Note 3 in the financial statements, which indicates that the Group incurred a net loss of approximately HK\$115,643,000 during the year ended 31 December 2019 and, as of that date, the Company's current liabilities exceeded its current assets by approximately HK\$959,888,000. As stated in Note 3, these events or conditions, along with other matters as set forth in Note 3, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.”

### **SCOPE OF WORK OF HLB HODGSON IMPEY CHENG LIMITED**

The figures in respect of the Group's consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position and the related notes thereto for the year ended 31 December 2019 as set out in the 2019 Results Announcement have been agreed by the Group's auditors, HLB Hodgson Impey Cheng Limited, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by HLB Hodgson Impey Cheng Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by HLB Hodgson Impey Cheng Limited on the 2019 Results Announcement.

## CLOSURE OF REGISTER OF MEMBERS

For determining the identity of the shareholders to attend and vote at the forthcoming annual general meeting of the Company to be held on Tuesday, 16 June 2020 (“AGM”), the register of members of the Company will be closed from Wednesday, 10 June 2020 to Tuesday, 16 June 2020, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the AGM, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 9 June 2020.

By order of the Board  
**Neo Telemedia Limited**  
**Dr. LIE Haiquan**  
*Chairman*

Hong Kong, 12 May 2020

*As at the date of this announcement, the Board comprises four executive Directors, namely Dr. LIE Haiquan (Chairman), Mr. CHEUNG Sing Tai (Deputy Chairman and Chief Executive Officer), Mr. XU Gang and Mr. TAO Wei and three independent non-executive Directors, namely Mr. ZHANG Zihua, Ms. XI Lina and Mr. HUANG Zhixiong.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the “Latest Company Announcements” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least seven days from the date of its posting and on the website of the Company at [www.neo-telemedia.com](http://www.neo-telemedia.com).*