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**萬 華 媒 體**  
**ONEMEDIAGROUP**  
**ONE MEDIA GROUP LIMITED**  
**萬華媒體集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 426)**

**INTERIM RESULTS ANNOUNCEMENT  
FOR THE SIX MONTHS ENDED 30TH SEPTEMBER 2021**

The directors (the “Directors”) of One Media Group Limited (the “Company”) announce the unaudited consolidated interim results of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30th September 2021, together with the comparative figures for the corresponding period in 2020 as follows:

**CONDENSED CONSOLIDATED INCOME STATEMENT  
FOR THE SIX MONTHS ENDED 30TH SEPTEMBER 2021**

		<b>(Unaudited)</b>	
		<b>Six months ended</b>	
		<b>30th September</b>	
		<b>2021</b>	<b>2020</b>
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Turnover	4	<b>21,853</b>	20,777
Cost of goods sold		<b>(18,202)</b>	(22,923)
<b>Gross profit/(loss)</b>		<b>3,651</b>	(2,146)
Other income	5	<b>5,816</b>	6,316
Other gains	6	–	1,712
Selling and distribution expenses		<b>(4,674)</b>	(6,318)
Administrative expenses		<b>(8,523)</b>	(9,029)
<b>Operating loss</b>		<b>(3,730)</b>	(9,465)
Finance costs	8	<b>(325)</b>	(81)
Share of net loss of a joint venture accounted for using the equity entitled		<b>(59)</b>	–
<b>Loss before income tax</b>		<b>(4,114)</b>	(9,546)
Income tax expense	9	<b>(19)</b>	(40)
<b>Loss for the period</b>		<b>(4,133)</b>	(9,586)

		<b>(Unaudited)</b>	
		<b>Six months ended</b>	
		<b>30th September</b>	
		<b>2021</b>	<b>2020</b>
<i>Note</i>		<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Loss is attributable to:</b>			
— Owners of the Company		(4,133)	(9,586)
— Non-controlling interests		—	—
		<u>          </u>	<u>          </u>
		<u><b>(4,133)</b></u>	<u><b>(9,586)</b></u>
<b>Loss per share attributable to owners of</b>			
<b>the Company during the period</b>			
<b>(expressed in HK cents per share)</b>			
<b>Basic and diluted</b>	<i>10</i>	<u><b>(1.03)</b></u>	<u><b>(2.39)</b></u>

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE SIX MONTHS ENDED 30TH SEPTEMBER 2021**

	(Unaudited)	
	Six months ended	
	30th September	
	2021	2020
	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Loss for the period</b>	<b>(4,133)</b>	<b>(9,586)</b>
<b>Other comprehensive (loss)/income</b>		
<i>Item that may be reclassified subsequently to profit or loss</i>		
Currency translation differences	(7)	(72)
<i>Item that will not be reclassified to profit or loss</i>		
Fair value change on financial asset at fair value through other comprehensive income	(600)	9,102
<b>Total comprehensive loss for the period</b>	<b>(4,740)</b>	<b>(556)</b>
<b>Total comprehensive loss for the period attributable to:</b>		
— Owners of the Company	(4,740)	(556)
— Non-controlling interests	—	—
	<b>(4,740)</b>	<b>(556)</b>

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
*AS AT 30TH SEPTEMBER 2021*

		(Unaudited) 30th September 2021 <i>HK\$'000</i>	(Audited) 31st March 2021 <i>HK\$'000</i>
	<i>Note</i>		
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		454	567
Intangible assets		–	–
Right-of-use assets		–	–
Financial asset at fair value through other comprehensive income	12	6,720	7,320
Investments accounted for using the equity method	13	141	200
<b>Total non-current assets</b>		<u>7,315</u>	<u>8,087</u>
<b>Current assets</b>			
Inventories		241	281
Trade and other receivables	14	10,143	10,480
Amounts due from fellow subsidiaries	14	40	12
Cash and cash equivalents		111,029	115,082
<b>Total current assets</b>		<u>121,453</u>	<u>125,855</u>
<b>Total assets</b>		<u>128,768</u>	<u>133,942</u>
<b>EQUITY</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital	15	401	401
Share premium	15	457,543	457,543
Other reserves		(332,271)	(331,664)
Accumulated losses		(124,900)	(120,767)
<b>Total equity</b>		<u>773</u>	<u>5,513</u>

		(Unaudited) 30th September 2021 <i>HK\$'000</i>	(Audited) 31st March 2021 <i>HK\$'000</i>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Long service payment obligations		50	50
Loans from a fellow subsidiary	17	<u>115,000</u>	<u>115,000</u>
<b>Total non-current liabilities</b>		<u>115,050</u>	<u>115,050</u>
<b>Current liabilities</b>			
Trade and other payables	16	7,249	6,963
Contract liabilities	16	4,213	3,680
Amounts due to fellow subsidiaries	16	721	1,292
Lease liabilities		713	1,414
Income tax payable		<u>49</u>	<u>30</u>
<b>Total current liabilities</b>		<u>12,945</u>	<u>13,379</u>
<b>Total liabilities</b>		<u>127,995</u>	<u>128,429</u>
<b>Total equity and liabilities</b>		<u>128,768</u>	<u>133,942</u>

# **NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION**

## **1 GENERAL INFORMATION**

The Company was incorporated in the Cayman Islands on 11th March 2005 as an exempted company with limited liability under the Companies Law of the Cayman Islands. The address of its registered office is Windward 3, Regatta Office Park, P.O. Box 1350, KY1-1108, Grand Cayman, Cayman Islands.

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

The condensed consolidated interim financial information of the Group for the six months ended 30th September 2021 (this “interim financial information”) is presented in Hong Kong dollars (“HK\$”), unless otherwise stated. This interim financial information has been approved for issue by the Board of Directors on 24th November 2021.

This interim financial information has not been audited.

## **2 BASIS OF PREPARATION**

This condensed consolidated interim financial information for the six months ended 30th September 2021 has been prepared in accordance with International Accounting Standard (“IAS”) 34, “Interim Financial Reporting”. This condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31st March 2021, which have been prepared in accordance with International Financial Reporting Standards (“IFRS”).

## **3 ACCOUNTING POLICIES**

Except as described below, the accounting policies adopted are consistent with those of the annual financial statements for the year ended 31st March 2021, as described in those annual financial statements.

- (a) There are no standards, amendments, revisions and interpretations to existing standards that are effective for the first time for this interim period that could be expected to have a material impact on the Group.
- (b) Taxes on income in the interim periods are accrued using the tax rates that would be applicable to expected total annual earnings.

## **4 TURNOVER AND 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 entertainment and lifestyle operation and the watch and car operation and others.

The breakdown of total turnover from customers from these businesses and the Group's turnover and results provided to the executive committee for the reporting segments for the period ended 30th September 2021 and 2020 are as follows:

	<b>(Unaudited)</b>		
	<b>Six months ended 30th September 2021</b>		
	<b>Media Business</b>		
	<b>Entertainment and lifestyle operation <i>HK\$'000</i></b>	<b>Watch and car operation and others <i>HK\$'000</i></b>	<b>Total <i>HK\$'000</i></b>
<b>Turnover</b>	<u>16,920</u>	<u>4,933</u>	<u>21,853</u>
<b>Segment loss</b>	<u>(783)</u>	<u>(872)</u>	<u>(1,655)</u>
Unallocated expenses (net)			<u>(2,459)</u>
Loss before income tax			<u>(4,114)</u>
Income tax expense			<u>(19)</u>
<b>Loss for the period</b>			<u><u>(4,133)</u></u>
<b>Other segmental information:</b>			
Interest income	<u>9</u>	<u>–</u>	<u>9</u>
Settlement fee income	<u>5,000</u>	<u>–</u>	<u>5,000</u>
Government grants	<u>–</u>	<u>87</u>	<u>87</u>
Finance costs	<u>(270)</u>	<u>(55)</u>	<u>(325)</u>
Depreciation of property, plant and equipment	<u>(127)</u>	<u>(26)</u>	<u>(153)</u>

(Unaudited)  
Six months ended 30th September 2020  
Media Business

	Entertainment and lifestyle operation <i>HK\$'000</i>	Watch and car operation and others <i>HK\$'000</i>	Total <i>HK\$'000</i>
<b>Turnover</b>	15,997	4,780	20,777
<b>Segment loss</b>	(5,431)	(1,686)	(7,117)
Unallocated expenses (net)			(2,429)
Loss before income tax			(9,546)
Income tax expense			(40)
<b>Loss for the period</b>			(9,586)
<b>Other segmental information:</b>			
Interest income	5	–	5
Gain on lease modification	1,421	291	1,712
Government grants	4,000	1,019	5,019
Finance costs	(69)	(12)	(81)
Depreciation of property, plant and equipment	(137)	(23)	(160)
<b>Disaggregation of revenue</b>			

	(Unaudited)	
	Six months ended	
	30th September	
	2021	2020
	<i>HK\$'000</i>	<i>HK\$'000</i>
Timing of revenue		
— At a point of time	5,350	5,975
— Overtime	16,503	14,802
	<b>21,853</b>	<b>20,777</b>

## 5 OTHER INCOME

	<b>(Unaudited)</b>	
	<b>Six months ended</b>	
	<b>30th September</b>	
	<b>2021</b>	<b>2020</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Bank interest income	<b>9</b>	5
Other media business income	<b>645</b>	1,292
Government grants	<b>87</b>	5,019
Settlement fee income ( <i>Note</i> )	<b>5,000</b>	–
Administrative service income	<b>75</b>	–
	<b>5,816</b>	<b>6,316</b>

*Note:* The settlement fee income was received from the independent third parties by a subsidiary of the Company during the period in relation to the early termination of certain agreements with them.

## 6 OTHER GAINS

	<b>(Unaudited)</b>	
	<b>Six months ended</b>	
	<b>30th September</b>	
	<b>2021</b>	<b>2020</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Gain on lease modification	<b>–</b>	1,712

## 7 OPERATING LOSS

Expenses included in cost of goods sold, selling and distribution expenses and administrative expenses are analysed as follows:

	<b>(Unaudited)</b>	
	<b>Six months ended</b>	
	<b>30th September</b>	
	<b>2021</b>	<b>2020</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Paper consumed	<b>62</b>	127
Depreciation of property, plant and equipment	<b>153</b>	160
Employee benefit expense (including directors' emoluments)	<b>19,853</b>	24,232
Expenses relating to short-term leases	<b>91</b>	157

## 8 FINANCE COSTS

	<b>(Unaudited)</b>	
	<b>Six months ended</b>	
	<b>30th September</b>	
	<b>2021</b>	<b>2020</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Interest expense on lease liabilities	<b>20</b>	43
Loan interest expenses	<b>305</b>	38
	<b>325</b>	<b>81</b>

## 9 INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% for the six months ended 30th September 2021 (the tax rate for the six months ended 30th September 2020 was 16.5%) on the estimated assessable profit derived from Hong Kong for the period.

Income tax expense in the condensed consolidated income statement represents:

	<b>(Unaudited)</b>	
	<b>Six months ended</b>	
	<b>30th September</b>	
	<b>2021</b>	<b>2020</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Current income tax		
— Hong Kong profits tax	<b>19</b>	40

Income tax expense is recognised based on management's estimate of the weighted average annual income tax rate expected for the full financial year.

## 10 LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

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

	<b>(Unaudited)</b>	
	<b>Six months ended</b>	
	<b>30th September</b>	
	<b>2021</b>	<b>2020</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Weighted average number of ordinary shares in issue ( <i>in thousands</i> )	<b>400,900</b>	400,900
Loss attributable to owners of the Company	<b>(4,133)</b>	(9,586)
Basic and diluted loss per share ( <i>HK cents per share</i> )	<b>(1.03)</b>	(2.39)

The diluted loss per share was the same as the basic loss per share as there was no dilutive potential share in issue for the six months ended 30th September 2021 and 2020.

## 11 DIVIDENDS

The Directors do not recommend the payment of interim dividend for the six months ended 30th September 2021 (six months ended 30th September 2020: nil).

## 12 FINANCIAL ASSET AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

### Classification of financial asset at fair value through other comprehensive income

These comprise listed equity securities which are not held for trading, and which the Group has irrevocably elected at initial recognition to recognise in the category. These are strategic investments and the Group considers this classification to be relevant.

### Equity investments at fair value through other comprehensive income

	(Unaudited) 30th September 2021 HK\$'000	(Audited) 31st March 2021 HK\$'000
Trading securities — listed securities		
At the beginning of the period/year	7,320	9,821
Disposal ( <i>Note a</i> )	–	(12,323)
Fair value (loss)/gain recognised in other comprehensive income	<u>(600)</u>	<u>9,822</u>
At the end of the period/year ( <i>Note b</i> )	<u><u>6,720</u></u>	<u><u>7,320</u></u>

#### Notes:

- (a) During the six months ended 30th September 2021, no securities were disposed by the Group.

During the year ended 31st March 2021, the Group has disposed of some of the securities at total consideration of approximately HK\$12.3 million based on market prices on disposal dates. The positive fair value change for disposed securities together with the fair value change for unsold securities were included in the fair value gain recognised in other comprehensive income amounted to approximately HK\$9.8 million. Upon disposals, a total amount of approximately HK\$2.4 million was transferred from the financial asset through other comprehensive income reserve to accumulated losses in the consolidated statement of changes in equity.

- (b) The balance represents the fair value of the ordinary shares of Most Kwai Chung Limited (“Most Kwai Chung”) which are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). No dividends from the above equity investments held as fair value through other comprehensive income has been recognised in consolidated income statement (for the six months ended 30th September 2020: nil).

### 13 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	(Unaudited) 30th September 2021 <i>HK\$'000</i>	(Audited) 31st March 2021 <i>HK\$'000</i>
At the beginning of the period/year	200	–
Incorporation of a joint venture ( <i>Note a</i> )	–	–*
Loan to a joint venture ( <i>Note b</i> )	–	250
Share of net loss of a joint venture	(59)	(50)
	<u>141</u>	<u>200</u>
Interests in joint venture and associate, net	<u>141</u>	<u>200</u>

*Notes:*

(a) On 24th July 2020, the Group entered into an agreement with an independent third party to incorporate a joint venture, Searching B Company Limited for HK\$50 and the transaction was completed during the year ended 31st March 2021. The Group accounted for the investment in Searching B Company Limited as a joint venture, as unanimous consent is required for decisions of relevant activities according to the agreement.

(b) The loan to a joint venture is unsecured, has no fixed terms of repayment and is interest-free.

Set out below is a joint venture of the Group as at 30th September 2021 and 31st March 2021.

Nature of investment in a joint venture as at 30th September 2021 and 31st March 2021:

Name of joint venture	Place of incorporation	Effective equity interest		Principal activities	Measurement method
		30th September 2021	31st March 2021		
Searching B Company Limited (“Searching B”)	Hong Kong	50%	50%	<i>Note</i>	Equity

*Note:* Searching B is principally engaged in the operation of a content-driven and data-driven e-commerce platform focusing on beauty-related products, namely, [www.searchingb.com](http://www.searchingb.com).

Searching B is a private company with no quoted market prices available for its shares. There is no commitment and contingent liability relating to the Group’s interest in the joint venture.

Set out below is an associate of the Group as at 30th September 2021 and 31st March 2021.

\* *The balance was less than HK\$1,000*

Nature of investment in an associate as at 30th September 2021 and 31st March 2021:

Name of associate	Place of incorporation	Effective equity interest		Principal activities	Measurement method
		30th September 2021	31st March 2021		
ByRead Inc. (“ByRead”)	The Cayman Islands	24.97%	24.97%	Note	Equity

*Note:* ByRead is an investment holding company and the principal activities of its subsidiaries include the provision of mobile value-added services such as entertainment and online reading for individuals and enterprises in Mainland China.

ByRead is a private company and there is no quoted market price available for its shares. There is no contingent liabilities relating to the Group’s interest in the associate. ByRead is currently under dissolution.

The Group recognised an allowance for impairment of HK\$23,467,000 of the investment in ByRead during the year ended 31st March 2015 and the Group’s carrying value of the investment in ByRead become zero since then. Management has performed the assessment and did not consider any reversal of impairment being necessary for the period ended 30th September 2021.

For the period ended 30th September 2021, the associate incurred losses and the Group had shared losses of the associate up to its interest in the associate before current period.

#### 14 TRADE AND OTHER RECEIVABLES AND AMOUNTS DUE FROM FELLOW SUBSIDIARIES

	(Unaudited) 30th September 2021 HK\$’000	(Audited) 31st March 2021 HK\$’000
Trade receivables	7,525	7,546
Less: allowance for impairment of trade receivables	(55)	(41)
Trade receivables, net	<u>7,470</u>	<u>7,505</u>
Other receivables and deposits	459	303
Barter receivables	–	94
Prepayments and advances	<u>2,214</u>	<u>2,578</u>
Trade and other receivables	<u>10,143</u>	10,480
Amounts due from fellow subsidiaries	<u>40</u>	12
	<u><u>10,183</u></u>	<u><u>10,492</u></u>

As at 30th September 2021 and 31st March 2021, the fair values of trade and other receivables and amounts due from fellow subsidiaries approximated their carrying amounts.

The Group allows in general a credit period ranging from 30 to 120 days to its trade customers. As at 30th September 2021 and 31st March 2021, the ageing analysis of the Group's trade receivables by invoice date, net of allowance for impairment, is as follows:

	(Unaudited) 30th September 2021 <i>HK\$'000</i>	(Audited) 31st March 2021 <i>HK\$'000</i>
0 to 60 days	6,521	4,991
61 to 120 days	372	1,302
121 to 180 days	322	688
Over 180 days	255	524
	<u>7,470</u>	<u>7,505</u>

There is no concentration of credit risk with respect to trade receivables as the Group has a large customer base.

#### 15 SHARE CAPITAL AND SHARE PREMIUM

	Number of shares <i>(in thousands)</i>	Nominal values of ordinary shares of HK\$0.001 each <i>HK\$'000</i>	Share premium <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 1st April 2020, 30th September 2020, 31st March 2021 and 30th September 2021	<u>400,900</u>	<u>401</u>	<u>457,543</u>	<u>457,944</u>

#### 16 TRADE AND OTHER PAYABLES, CONTRACT LIABILITIES AND AMOUNTS DUE TO FELLOW SUBSIDIARIES

	(Unaudited) 30th September 2021 <i>HK\$'000</i>	(Audited) 31st March 2021 <i>HK\$'000</i>
Trade payables	1,955	2,299
Other payables	5,294	4,664
	<u>7,249</u>	<u>6,963</u>
Contract liabilities	4,213	3,680
Amounts due to fellow subsidiaries	721	1,292
	<u>12,183</u>	<u>11,935</u>

As at 30th September 2021 and 31st March 2021, the ageing analysis of the trade payables by invoice date is as follows:

	(Unaudited) 30th September 2021 <i>HK\$'000</i>	(Audited) 31st March 2021 <i>HK\$'000</i>
0 to 60 days	1,379	1,422
61 to 120 days	373	763
121 to 180 days	155	49
Over 180 days	48	65
	<u>1,955</u>	<u>2,299</u>

As at 30th September 2021 and 31st March 2021, the fair values of trade and other payables and amounts due to fellow subsidiaries approximated their carrying amounts.

#### 17 LOANS FROM A FELLOW SUBSIDIARY

	(Unaudited) 30th September 2021 <i>HK\$'000</i>	(Audited) 31st March 2021 <i>HK\$'000</i>
<b>Non-current</b>		
Loan from a fellow subsidiary	<u>115,000</u>	<u>115,000</u>

As at 30th September 2021, the Group has obtained the facilities from its fellow subsidiary of HK\$125 million (31st March 2021: same) consisting of used facilities of HK\$115 million (31st March 2021: same) and unused facilities of HK\$10 million (31st March 2021: same).

The loans drawdown as at 30th September 2021 consist of balances amounted to HK\$15 million and HK\$100 million, which are not repayable before 31st December 2022 and 29th February 2024, respectively. The loans carry at interest rates of 1.6% over Hong Kong Inter-bank Offer Rate and 1.4% over Hong Kong Inter-bank Offer Rate per annum, respectively.

#### 18 CONTINGENT LIABILITIES

As at 30th September 2021, the Group did not have any material contingent liabilities or guarantees (31st March 2021: nil).

## MANAGEMENT DISCUSSION AND ANALYSIS

### Results Summary

Life has returned to a semblance of normalcy where the people in Hong Kong has transition to the new normal and economic activities had started to pick up. The Gross Domestic Product (GDP) in Hong Kong increased by 7.6% year on year in the first half of 2021. Consequently, the overall forecast for real GDP growth in 2021 has been raised from 5.5% to 6.5%. For the first nine months of 2021 taken together, the provisional estimate of the total retail sales increased by 6.8% in volume compared with the same period in 2020.

The Group's turnover increased marginally by 5% to HK\$21,853,000 for the six months ended 30th September 2021 when compared to the same period last year. The Group recorded the loss attributable to owners of the Company of HK\$4,133,000 as compared to the loss of HK\$9,586,000 in the same period last year. The Group recognised the one-off other income and gains of HK\$5,087,000 and HK\$6,731,000 for the six months ended 30th September 2021 and 2020, respectively. The Group's loss excluding one-off other income for the six months ended 30th September 2021 was HK\$9,220,000 as compared to loss excluding one-off other income and gains of HK\$16,317,000 for the same period last year. The improvement was mainly due to the overall costs saving of the Group's operations..

### Review of Operations

#### *Entertainment and Lifestyle Operation*

In line with the improvement in the Hong Kong economy, the Group's turnover for the entertainment and lifestyle operation increased by 6% to HK\$16,920,000 for this period from HK\$15,997,000 in the corresponding period in 2020. The segment loss reduced to HK\$783,000 for this period when compared to HK\$5,431,000 in the same period last year. Excluding the one-off other income and gains of HK\$5,000,000 and HK\$5,421,000 recognised in this segment for the six months ended 30th September 2021 and 2020, respectively, the segment loss would amount to HK\$5,783,000 compared to that of HK\$10,852,000 in the same period last year. The improvement was mainly from the increase in turnover and further costs saving, especially the labour cost and production cost.

Despite the improvement in the Hong Kong economy, the turnover for “Ming Pao Weekly 明周” and “MING'S”, had remained muted. The advertisement spending from the luxury brands was slow for the period under review and the Group continued its efforts to diversify to other sectors.

The Group was still investing and developing its e-commerce platforms, including “searchingb.com”, to gain traction and it has managed to secure distributorship of certain brands for sale through these platforms.

The Group's artist management business was moving in a satisfactory mode and would continue to nurture its artist management business by continuously looking out for new talents to be groomed and grow its portfolio of artists.

### *Watch and Car Operation and Others*

The turnover for the watch and car operation increased marginally by 3% to HK\$4,933,000 for this period from HK\$4,780,000 in the same period last year. The Group had managed to narrow this segment loss by 48% to HK\$872,000 for this period as compared to loss of HK\$1,686,000 recorded in the same period last year. The Group recognised the one-off other income and gains of HK\$87,000 and HK\$1,310,000 in this period and in the same period last year, respectively. Excluding these one-off items, the Group recorded a decrease in segment loss of 68% for this period when compared to the same period last year. Such improvement was not only because of the increase in turnover but also further costs saving, especially the labour costs.

“TopGear 極速誌”, a leading automobile title has maintained its position as a leading automobile magazine with its quality content. Meanwhile “MING Watch 明錶”, a popular high-end watch title, offering quality feature stories and the latest industry trends, continued to be impacted by the soft advertisement spending from the luxury brands.

### *Significant Investments*

As at 30th September 2021, the Group held 12,000,000 ordinary shares (31st March 2021: 12,000,000 ordinary shares) of Most Kwai Chung, representing 4.4% (31st March 2021: 4.4%) equity interests in Most Kwai Chung. Dividend received from these ordinary shares was nil during the period (2020: nil). Most Kwai Chung, a Cayman Islands incorporated company listed on the Main Board of the Stock Exchange (stock code: 1716), is principally engaged in the provision of integrated advertising and media services to the customers. The fair value of these ordinary shares was HK\$6,720,000 as at 30th September 2021 (31st March 2021: HK\$7,320,000) and it was approximately 5% (31st March 2021: 5%) of the total assets of the Group.

The aggregate original costs of investment for 12,000,000 ordinary shares of Most Kwai Chung was HK\$1,041,000 which was treated as interest in associates in the Group’s financial statements before the listing of shares of Most Kwai Chung on the Main Board of the Stock Exchange on 28th March 2018 (the “Listing”). The carrying value of the investment for 12,000,000 ordinary shares was HK\$1,768,000 immediate before the Listing. The investment in Most Kwai Chung is not held for trading. The Group considers this investment as a strategic investment and will review its investment strategy regularly in response to the changes in market situation.

## **OUTLOOK**

As the Hong Kong economy improves and its people transition to the new normal, the Group hopes this will translate into increase in consumer spending thus leading to higher advertisement spending. Nevertheless, the Group still expects the second half of the financial year 2021/2022 to remain challenging. This is due to most advertisers still being very careful with their advertisement spending as they slowly recover from the negative impact brought about by the pandemic. The Group will continue to focus on strengthening its sales and marketing efficiency and its digital content production manpower.

## **CAPITAL EXPENDITURE**

The Group's total capital expenditure for property, plant and equipment and intangible assets for the six months ended 30th September 2021 amounted to HK\$40,000.

## **LIQUIDITY, FINANCIAL RESOURCES AND GEARING RATIO**

As at 30th September 2021, the Group's net current assets amounted to HK\$108,508,000 (31st March 2021: HK\$112,476,000) and the total equity attributable to the owners of the Company was HK\$773,000 (31st March 2021: HK\$5,513,000). The Group had cash and cash equivalents of HK\$111,029,000 (31st March 2021: HK\$115,082,000) and loans from a fellow subsidiary of HK\$115,000,000 (31st March 2021: HK\$115,000,000) and the gearing ratios, which is defined as the ratio of net debt, calculated as total borrowings less cash and cash equivalents, to total capital, calculated as total equity attributable to the owners of the Company plus net debt, was 84% at 30th September 2021 (31st March 2020: nil).

## **EXPOSURE TO FLUCTUATION IN EXCHANGE RATES**

The Group's revenues and costs are mainly denominated in Hong Kong dollars, the Group does not foresee substantial risks from exposure to fluctuation in exchange rates.

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SECURITIES**

The Company has not redeemed any of its shares during the period. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the period.

## **EMPLOYEES**

As at 30th September 2021, the Group has 119 employees (31st March 2021: 122 employees). The Group remunerates its employees based on the operating results, individual performance and comparable market statistics. The emoluments of the Directors and senior management are reviewed by the Remuneration Committee regularly. In Hong Kong, the Group participates in the Mandatory Provident Fund scheme for its employees.

## **CORPORATE GOVERNANCE**

For the six months ended 30th September 2021, the Company has adopted the code provisions set out in the Corporate Governance Code (the "CG Code") contained in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange and complied with the CG Code throughout the period.

## **COMPLIANCE OF THE MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 of the Listing Rules as the code for securities transactions by the Directors. The Directors have confirmed, following specific enquiries by the Company, their compliance with the required standard set out in the Model Code throughout the period.

The Company has also established written guidelines regarding securities transactions on no less exacting terms of the Model Code for senior management and specific individual who may have access to inside information in relation to the securities of the Company.

#### **AUDIT COMMITTEE**

The Audit Committee currently comprises three independent non-executive Directors, namely, Mr. YU Hon To, David, Mr. LAU Chi Wah, Alex and Mr. CHAU Cheuk Wah. The Audit Committee has reviewed the Group's unaudited condensed consolidated financial information for the six months ended 30th September 2021 and discussed matters relating to auditing, risk management, internal control systems and financial reporting.

#### **REMUNERATION COMMITTEE**

The Remuneration Committee currently comprises three independent non-executive Directors, namely, Mr. YU Hon To, David, Mr. LAU Chi Wah, Alex, and Mr. CHAU Cheuk Wah and one executive Director, namely, Mr. TIONG Kiew Chiong.

#### **NOMINATION COMMITTEE**

The Nomination Committee currently comprises three independent non-executive Directors, namely, Mr. YU Hon To, David, Mr. LAU Chi Wah, Alex, and Mr. CHAU Cheuk Wah and one executive Director, namely, Mr. TIONG Kiew Chiong.

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

Hong Kong, 24th November 2021

*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.*

*The Company's Interim Report 2021/22 containing all the information required by the Listing Rules will be published on The Stock Exchange of Hong Kong Limited's website in due course and will be dispatched to shareholders before end of December 2021.*