

REF Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 8177

2015

Third Quarterly Report

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET OF THE STOCK EXCHANGE OF HONG KONG LIMITED

Growth Enterprise Market (“GEM”) has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This quarterly report, for which the directors (the “**Directors**”) of REF Holdings Limited (the “**Company**”) 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 (the “**GEM Listing Rules**”) 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 quarterly report 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 quarterly report misleading.

Condensed Consolidated Financial Statements

The board of directors (the “**Board**”) of REF Holdings Limited is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the nine months ended 30 September 2015 together with the unaudited comparative figures for the corresponding periods in 2014, as follows:

Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income

For the nine months ended 30 September 2015

	Notes	Nine months ended 30 September		Three months ended 30 September	
		2015 (Unaudited) HK\$'000	2014 (Unaudited) HK\$'000	2015 (Unaudited) HK\$'000	2014 (Unaudited) HK\$'000
Revenue	3	101,510	107,451	35,084	43,414
Cost of services		(49,298)	(51,192)	(16,138)	(18,217)
Gross profit		52,212	56,259	18,946	25,197
Other income		265	11	221	4
Selling and distribution expenses		(8,214)	(8,479)	(3,137)	(3,980)
Administrative expenses		(14,735)	(14,839)	(5,438)	(5,700)
Listing expenses		(6,399)	(4,521)	(6,399)	(553)
Finance costs	4	(6)	(9)	(2)	(3)
Profit before taxation	5	23,123	28,422	4,191	14,965
Taxation	6	(4,892)	(5,294)	(1,766)	(2,589)
Profit for the period		18,231	23,128	2,425	12,376
Profit and total comprehensive income for the period attributable to owners of the Company		18,231	23,128	2,425	12,376
Earnings per share					
Basic and diluted (HK cents per share)	8	9.41	12.05	1.23	6.45

Condensed Consolidated Statement of Changes in Equity

For the nine months ended 30 September 2015

	Attributable to owners of the Company			
	Share capital	Share premium	Retained earnings	Total
	HK\$'000 unaudited	HK\$'000 unaudited	HK\$'000 unaudited	HK\$'000 unaudited
At 1 January 2015 (audited)	–	–	10,823	10,823
Profit and total comprehensive income for the period	–	–	18,231	18,231
Capitalisation Issue (note (i))	1,920	(1,920)	–	–
Issuance of new shares by way of placing (note (ii))	640	47,360	–	48,000
Transaction costs attributable to issue of new shares	–	(4,207)	–	(4,207)
Dividend paid (note 7)	–	–	(23,000)	(23,000)
At 30 September 2015 (unaudited)	2,560	41,233	6,054	49,847
At 1 January 2014 (audited)	–	–	10,260	10,260
Profit and total comprehensive income for the period	–	–	23,128	23,128
At 30 September 2014 (unaudited)	–	–	33,388	33,388

Condensed Consolidated Statement of Changes in Equity

For the nine months ended 30 September 2015

Notes:

- (i) Pursuant to the written resolutions of the sole shareholder passed on 12 August 2015, conditional upon the share premium account of the Company having sufficient balance, or otherwise being credited as a result of the allotment and issue of the placing shares by the Company pursuant to the placing, the Directors were authorised to capitalise the amount of HK\$1,919,999 from the amount standing to the credit of the share premium account of the Company and to appropriate such amount as to pay up in full at par 191,999,900 shares for allotment and issue to the persons whose names appeared on the register of members of the Company at the close of business on 10 September 2015 (or as each of them may direct) in proportion (as nearly as possible without involving fractions so that no fraction of a Share shall be allotted and issued) to their respective shareholdings in the Company, and the Shares to be allotted and issued shall rank *pari passu* in all respects with the then existing issued Shares.
- (ii) On 25 September 2015, the Company placed 64,000,000 new shares at HK\$0.75 per share for a total gross proceeds of HK\$48,000,000. The proceeds were proposed to be used to finance the implementation plan as set forth in the section headed “Future Plans and Use of Proceeds” of the prospectus of the Company dated 17 September 2015 (the “**Prospectus**”).

Notes to the Condensed Consolidated Financial Statements

For the nine months ended 30 September 2015

1. GENERAL INFORMATION

REF Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands on 5 February 2014 as an exempted company with limited liabilities under the Companies Law (2011 Revision) (as consolidated and revised) of the Cayman Islands. The Company has been registered as a non-Hong Kong company under Part 16 of the Companies Ordinance (Cap 622 of the laws of Hong Kong) on 12 March 2014. Its shares were listed on GEM of the Stock Exchange on 25 September 2015. The Company’s registered office address is Clifton House, 75 Fort Street, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands and the address of its headquarter, head office and principal place of business in Hong Kong is 3/F., Nexus Building, 77 Des Voeux Road Central, Hong Kong.

The Company is an investment holding company. The Group is principally engaged in the provision of financial printing services.

The unaudited condensed consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), which is the functional currency of the Company and its subsidiaries.

Pursuant to a reorganisation (the “**Reorganisation**”) of the Company and its subsidiaries now comprising the Group in preparation for the listing of the shares of the Company on the GEM of the Stock Exchange, the Company became the holding company of the Group. Details of the Reorganisation are set out in the Prospectus.

2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements for the nine months ended 30 September 2015 have been prepared in accordance with the Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and the applicable disclosure requirements of the GEM Listing Rules.

Notes to the Condensed Consolidated Financial Statements

For the nine months ended 30 September 2015

2. BASIS OF PREPARATION *(Continued)*

The Group resulting from the Reorganisation is regarded as a continuing entity. Accordingly, the unaudited condensed consolidated statements of profit or loss and other comprehensive income for the three months and nine months ended 30 September 2014 and 2015, respectively and unaudited condensed consolidated statement of changes in equity for the nine months ended 30 September 2014 and 2015, respectively have been prepared on the basis as if the Company had always been holding company of the companies now comprising the Group throughout the period. The unaudited condensed consolidated financial statements have been prepared using the principles of merger accounting in accordance with Accounting Guideline 5 “Merger accounting under common control combination” issued by the HKICPA as if the group structure under the Reorganisation had been in existence throughout the abovementioned periods or since their respective dates of incorporation/establishment of the entities now comprising the Group, whichever is the shorter period.

The accounting policies and methods of computation used in the preparation of the unaudited condensed consolidated financial statements are consistent with those adopted in the accountants’ report included in the Prospectus, except for the adoption of the new and revised standards, amendments and interpretations (“New and Revised HKFRSs”) issued by the HKICPA that are adopted for the first time for the current periods financial statements.

The HKICPA has issued a number of new and revised HKFRSs and interpretations that are first effective or available for early adoption for the current accounting period of the Company. The adoption of these new and revised HKFRSs has no material effect on the unaudited condensed consolidated financial statements, and there have otherwise been no significant changes to the accounting policies applied in these financial statements.

The unaudited condensed consolidated financial statements have been prepared under the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The preparation of the unaudited condensed consolidated financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Notes to the Condensed Consolidated Financial Statements

For the nine months ended 30 September 2015

2. BASIS OF PREPARATION *(Continued)*

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The condensed consolidated financial statements have not been audited by the Company's auditors, but have been reviewed by the audit committee (the "Audit Committee") of the Company.

3. REVENUE

Revenue represents the fair value of amounts received and receivable for financial printing services provided by the Group to outside customers, less discount during the relevant periods.

The following is an analysis of the Group's revenue for the nine months ended 30 September 2015 together with the unaudited comparative figures for the corresponding periods in 2014:

	Nine months ended 30 September		Three months ended 30 September	
	2015 (unaudited) HK\$'000	2014 (unaudited) HK\$'000	2015 (unaudited) HK\$'000	2014 (unaudited) HK\$'000
Financial printing services:				
Printing	66,388	73,008	21,513	30,431
Translation	25,303	22,886	10,226	9,194
Media placement	9,819	11,557	3,345	3,789
	101,510	107,451	35,084	43,414

4. FINANCE COSTS

	Nine months ended 30 September		Three months ended 30 September	
	2015 (unaudited) HK\$'000	2014 (unaudited) HK\$'000	2015 (unaudited) HK\$'000	2014 (unaudited) HK\$'000
Bank charges	6	9	2	3

Notes to the Condensed Consolidated Financial Statements

For the nine months ended 30 September 2015

5. PROFIT BEFORE TAXATION

	Nine months ended 30 September 2015		Three months ended 30 September 2015	
	(unaudited) HK\$'000	2014 (unaudited) HK\$'000	(unaudited) HK\$'000	2014 (unaudited) HK\$'000
Profit before taxation has been arrived at after charging:				
Directors' emoluments	2,839	2,828	1,226	1,588
Other staff costs:				
Salaries and other benefits	16,155	15,421	5,481	5,379
Bonuses	5,173	4,474	2,639	2,449
Mandatory provident fund contribution	695	630	223	216
	22,023	20,525	8,343	8,044
Impairment loss of trade receivables	3	–	–	–
Depreciation of plant and equipment	705	748	236	233
Operating lease rental expenses in respect of rented premises	6,709	6,709	2,236	2,236
Listing expenses	6,399	4,521	6,399	553

6. TAXATION

	Nine months ended 30 September 2015		Three months ended 30 September 2015	
	(unaudited) HK\$'000	2014 (unaudited) HK\$'000	(unaudited) HK\$'000	2014 (unaudited) HK\$'000
Current tax — Hong Kong Profits tax				
Provision for the period	4,980	5,523	1,823	2,643
Deferred tax	(88)	(229)	(57)	(54)
	4,892	5,294	1,766	2,589

Notes to the Condensed Consolidated Financial Statements

For the nine months ended 30 September 2015

6. TAXATION (Continued)

Hong Kong Profits Tax is calculated at domestic income tax rate of 16.5% of the estimated assessable profit for the relevant period.

Deferred tax assets are measured at the tax rates of 16.5% that are expected to apply in the relevant period in which the liability is settled or the asset realised.

The Company is an exempted company incorporated in the Cayman Islands, as such there are no taxes on individuals or corporations based upon profits, income, gains or appreciations and there are no other taxes likely to be material to the Company levied by the government of the Cayman Islands save certain stamp duties which may be applicable, from time to time, on certain instruments.

7. DIVIDENDS

	Nine months ended 30 September		Three months ended 30 September	
	2015	2014	2015	2014
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Dividends	23,000	–	23,000	–

On 14 August 2015, a subsidiary of the Company has declared a special dividend of HK\$23.0 million to its then shareholder, such dividend was settled in cash from internal resources. The rate of dividends and the number of shares ranking for dividends are not presented as such information is not meaningful having regard to the purpose of this quarterly report.

The Board does not recommend the payment of dividend for the nine months ended 30 September 2015 (for the nine months ended 30 September 2014: nil).

Notes to the Condensed Consolidated Financial Statements

For the nine months ended 30 September 2015

8. EARNINGS PER SHARE

	Nine months ended 30 September 2015 (unaudited) HK\$'000		Three months ended 30 September 2015 (unaudited) HK\$'000	
	2014 (unaudited) HK\$'000	2014 (unaudited) HK\$'000	2014 (unaudited) HK\$'000	2014 (unaudited) HK\$'000
Earnings:				
Profit attributable to owners of the Company for the purpose of calculating basic earnings per share	18,231	23,128	2,425	12,376
	'000	'000	'000	'000
Number of shares:				
Weighted average number of ordinary shares in issue for the purpose of calculating basic earnings per share	193,641	192,000	196,870	192,000

The calculation of basic earnings per share for the three months and nine months ended 30 September 2014 and 2015 is based on the profit attributable to the owners of the Company for the periods and the weighted average number of shares for the relevant period.

For the three months and nine months ended 30 September 2014, assuming that 192,000,000 ordinary shares had been in issue, comprising 100 ordinary shares in issue as at the date of the Prospectus and 191,999,900 ordinary shares issued pursuant to the capitalisation issue as detailed in the sub-section headed "Share Capital" set out in the Prospectus as if the shares had been outstanding throughout the period.

Diluted earnings per share is the same as the basic earnings per share for the three months and nine months ended 30 September 2014 and 2015 as there was no potential dilutive ordinary shares in issue.

9. EVENTS AFTER REPORTING PERIOD

The Group had no significant events after the end of the reporting period of this report.

Management Discussion and Analysis

BUSINESS REVIEW AND OUTLOOK

The Group is principally engaged in the provision of financial printing services for the financial sector in Hong Kong. The Group offers a wide range of convenient and quality financial printing services, from typesetting, proofreading, translation, design, printing, web submitting, newspaper placement to distribution. The core financial printing services of the Group cover printing of listing documents, financial reports, compliance documents and other document. In addition, the Group also provides ancillary services such as provision of conference room facilities. The services of the Group can be broadly categorised into three types, namely printing, translation and media placements. Most of the Group's customers are listed customers on the Stock Exchange and/or other stock exchanges.

The shares of the Company were successfully listed on GEM on 25 September 2015 (the "**Listing**") by way of placing (the "**Placing**"). The Listing has strengthened the Group's financial position with the net proceeds raised in connection with the Listing and has provided the Group with additional capital for future expansion. The net proceeds from the Placing of new shares were approximately HK\$31.4 million, after deducting the listing related expenses. Up to the date of this report, the Group has not yet utilized the net proceeds. As at 30 September 2015, all of the unused proceeds were deposited in a licensed bank in Hong Kong.

Looking forward, the Group will continue strengthening its position by (i) enhance its competitiveness through expansion of workforce; (ii) improve and acquire office facilities, equipment and software; (iii) strengthen its design capabilities; and (iv) set up an in-house translation team so as to grow its brand and business. The Group will strategically expand and strengthen its presence in the financial sector in Hong Kong; continue to enhance its services and creative design proposals in terms of quality and variety; and increase its professional expertise.

FINANCIAL REVIEW

REVENUE

The Group's revenue decreased by approximately HK\$5.9 million, or 5.5%, from approximately HK\$107.4 million for the nine months ended 30 September 2014 to approximately HK\$101.5 million for the nine months ended 30 September 2015. The decrease was primarily attributable to the decrease in printing activity and less media placement services ordered by the Group's customers.

Management Discussion and Analysis

FINANCIAL REVIEW *(Continued)*

COST OF SERVICES

The Group's cost of services decreased by approximately HK\$1.9 million, or 3.7%, from approximately HK\$51.2 million for the nine months ended 30 September 2014 to approximately HK\$49.3 million for the nine months ended 30 September 2015. The decrease was mainly due to the decrease in printing costs and advertising fees paid, approximately amounted to HK\$4.3 million in total, which was in line with the decrease in revenue generated from printing activity and media placement. Such decrease was partly out-weighted by the increase in staff cost which was approximately amounted to HK\$1.8 million in total caused by (i) increase number of staff (48 staff and 56 staff as at 1 January 2014 and 1 January 2015, respectively); and (ii) the general annual salary revision for the staff.

OTHER INCOME

Other income increased by approximately HK\$0.3 million, or 2,309.1%, from approximately HK\$11,000 for the nine months ended 30 September 2014 to approximately HK\$0.3 million for the nine months ended 30 September 2015. The increase was primarily attributable to the one-off sponsorship fee received from Company's subcontractors and customers, in the approximate amount of HK\$0.2 million, for the placement of congratulation advertisement for the listing on 25 September 2015.

SELLING AND DISTRIBUTION EXPENSES

The Group's selling and distribution expenses decreased by approximately HK\$0.3 million, or 3.1%, from approximately HK\$8.5 million for the nine months ended 30 September 2014 to approximately HK\$8.2 million for the nine months ended 30 September 2015. The decrease, in line with the decrease in revenue, was mainly due to decrease in commission payment and sales incentive bonus.

ADMINISTRATIVE EXPENSES

The Group's administrative expenses decreased by approximately HK\$0.1 million, or 0.7%, from approximately HK\$14.8 million for the nine months ended 30 September 2014 to approximately HK\$14.7 million for the nine months ended 30 September 2015 which was relatively stable. The increase in audit fee in the approximate amount of HK\$0.5 million was out-weighted by the decrease in consultancy fee paid which was in the approximate amount of HK\$0.6 million. The increase in staff cost due to the general annual salary revision (excluding bonuses) and additional director fee for the appointment of independent non-executive Directors and non-executive Director, in the approximate amount of HK\$0.2 million and HK\$0.1 million respectively was out-weighted by the decrease in management incentive bonus and discretionary bonus which was in line with the decrease in profits before taxation.

Management Discussion and Analysis

FINANCIAL REVIEW *(Continued)*

DEPRECIATION OF PLANT AND EQUIPMENT

Depreciation expenses remained stable at approximately HK\$0.7 million and approximately HK\$0.75 million for the nine months ended 30 September 2015 and 30 September 2014 respectively.

FINANCE COSTS

Finance costs decreased by approximately HK\$3,000, or 33.3%, from approximately HK\$9,000 for the nine months ended 30 September 2014 to approximately HK\$6,000 for the nine months ended 30 September 2015. The decrease was primarily attributable to the decrease in bank charges for the remittance or bank transfer from the Group's customers.

LISTING EXPENSES

During the nine months ended 30 September 2014 and 30 September 2015, the Group recognised non-recurring listing expenses of approximately HK\$4.5 million and HK\$6.4 million, respectively as expenses in connection with the Listing.

TAX EXPENSES

Profits tax expense decreased by approximately HK\$0.5 million, or 9.8%, from approximately HK\$5.5 million for the nine months ended 30 September 2014 to approximately HK\$5.0 million for the nine months ended 30 September 2015. The decrease was primarily attributable to the decrease in profit before taxation, excluding the effect of non-deductible expenses such as listing expenses.

Deferred tax income decreased by approximately HK\$0.1 million, or 61.6%, from approximately HK\$0.2 million for the nine months ended 30 September 2014 to approximately HK\$0.1 million for the nine months ended 30 September 2015. The decrease was primarily attributable to the decrease in accelerated depreciation allowances.

Management Discussion and Analysis

FINANCIAL REVIEW *(Continued)*

PROFIT FOR THE PERIOD

As a result of the foregoing, in particular, the listing expenses of approximately HK\$6.4 million was recognised as expenses in connection with the Listing and the decrease in revenue of approximately HK\$5.9 million for the nine months ended 30 September 2015, the profit for the period decreased by approximately HK\$4.9 million, or 21.2%, from approximately HK\$23.1 million for the nine months ended 30 September 2014 to approximately HK\$18.2 million for the nine months ended 30 September 2015.

SHARE CAPITAL

As at the date of the Listing, the authorised share capital of the Company was HK\$100,000,000 divided into 10,000,000,000 shares of par value HK\$0.01 each and the issued share capital of the Company was HK\$2,560,000 divided into 256,000,000 shares of par value HK\$0.01 each. The share capital of the Company only comprises of ordinary shares. There has been no change in the share capital of the Company since then.

SIGNIFICANT INVESTMENTS

As at 30 September 2015 and 2014, the Group did not hold any significant investments.

CHARGE ON THE GROUP'S ASSETS

As at 30 September 2015 and 2014, the Group had no charges on the Group's assets.

CONTINGENT LIABILITIES

As at 30 September 2015 and 2014, the Group did not have any material contingent liabilities or guarantees.

Other Information

DISCLOSURE OF INTERESTS

(A) DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 30 September 2015, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) which were notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they are taken or deemed to have under such provisions of the SFO) or which were required pursuant to section 352 of the SFO to be entered in the register referred to therein, or pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors required to be notified to our Company and the Stock Exchange, were as follows:

Long position in shares of the Company

Name of Director	Capacity/Nature of interest	Number of ordinary shares held	Percentage of issued share capital
Mr. Lau Man Tak	Interest in a controlled corporation (Note 1)	192,000,000	75.0%
Ms. Lim Youngsook	Family interest (Note 2)	192,000,000	75.0%

Note 1: Mr. Lau Man Tak (“**Mr. Lau**”) owns 76.25% of the issued share capital of Rising Luck, the remaining 23.75% of which is owned by an Independent Third Party. Rising Luck owns 80% of the entire issued share capital of Jumbo Ace. He also has a direct 5% interest in Jumbo Ace, as disclosed in the Prospectus of the Company. Under the SFO, Mr. Lau is deemed to be interested in 192,000,000 shares of the Company registered in the name of Jumbo Ace.

Note 2: Ms. Lim Youngsook is the spouse of Mr. Lau and is therefore deemed to be interested in the Shares owned by Mr. Lau (by himself and through his controlled corporation).

Other Information

DISCLOSURE OF INTERESTS *(Continued)*

(A) DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY *(Continued)*

Save as disclosed above, as at 30 September 2015, none of the Directors and chief executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO which would have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they are taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors to our Company and the Stock Exchange.

(B) SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

So far as our Directors are aware, as at 30 September 2015, the following persons/entities other than a director or chief executive of the Company) had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register of our Company required to be kept under section 336 of the SFO, or who were directly or indirectly interested in 5% or more of the issued voting shares of our Company or any other members of our Group:

Long position in the shares of the Company

Name	Capacity/Nature of interest	Number of ordinary shares held	Percentage of issued share capital
Jumbo Ace	Beneficial owner	192,000,000	75.0%
Rising Luck	Interest in controlled corporation (Note 1)	192,000,000	75.0%

Note 1: Rising Luck owns 80% of the entire issued share capital of Jumbo Ace, the remaining 15% of which is owned by Independent Third Parties and 5% of which is owned by Mr. Lau Man Tak. Mr. Lau Man Tak owns 76.25% of the issued share capital of Rising Luck, the remaining 23.75% of which is owned by an Independent Third Party. Mr. Lau is deemed to be interested in 192,000,000 shares of the Company registered in the name of Jumbo Ace.

Other Information

DISCLOSURE OF INTERESTS *(Continued)*

(B) SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY *(Continued)*

Save as disclosed above, as at 30 September 2015, the Directors were not aware of any persons/entities who had any interest or short position in the securities in the Company that would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which would be recorded in the register of our Company required to be kept under section 336 of the SFO.

COMPETING INTERESTS

The Directors are not aware of any business or interest of the Directors nor the controlling shareholders of the Company nor any of their respective associates (as defined in the GEM Listing Rules) that compete or may compete, either directly or indirectly, with the business of the Group and any other conflicts of interest which any such person has or may have with the Group since the date of the Listing.

CORPORATE GOVERNANCE CODE

The Company adopted the Corporate Governance Code (the "**Code**") contained in Appendix 15 to the GEM Listing Rules as its own code of corporate governance and the Board is satisfied that the Company had complied with the Code during the period from the date of the Listing to 30 September 2015.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company had also made specific enquiry of all the Directors and the Company was not aware of any non-compliance with the required standard of dealings regarding securities transactions by the Directors during the period from the date of the Listing to 30 September 2015.

INTERESTS OF COMPLIANCE ADVISER

As at 30 September 2015, as notified by the Company's compliance adviser, CLC International Limited (the "**Compliance Adviser**"), except for the compliance adviser agreement entered into between the Company and the Compliance Adviser dated 11 September 2015, neither the Compliance Adviser nor its directors, employees or its close associates (as defined under the GEM Listing Rules) had any interests in relation to the Company which is required to be notified to the Company pursuant to Rule 6A.32 of the GEM Listing Rules.

Other Information

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the period from the date of the Listing to 30 September 2015, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

SHARE OPTION SCHEME

The Company adopted a share option scheme (the "**Scheme**") on 12 August 2015 to provide incentive and/or to reward eligible persons for their contribution to, and continuing efforts to promote the interest of, the Group. The terms of the Scheme are in accordance with the provisions of Chapter 23 of the GEM Listing Rules. The purpose of the Scheme is to advance the interests of the Company and the Shareholders by enabling the Company to grant options to attract, retain and reward the eligible persons and to provide the eligible persons an incentive or reward for their contribution to the Group and by enabling such persons' contribution to further advance the interests of the Group.

The Scheme is valid and effective for a period of ten years commencing from the date of adoption of the Scheme. As at 30 September 2015, the total number of shares available for issue under the Scheme is 25,600,000 Shares, representing 10% of the issued Shares of the Company.

No share option has been granted since the adoption of the Scheme and there was no share option outstanding as at 30 September 2015.

AUDIT COMMITTEE

The Company had established the Audit Committee on 12 August 2015 with written terms of reference in compliance with the GEM Listing Rules. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control system of the Company, make recommendations to the Board on the appointment, reappointment and removal of the external auditors, and review the Company's financial information.

The Audit Committee currently consists of three independent non-executive Directors, namely, Mr. Leung Chi Hung, Mr. Wong Kun Kau and Mr. Lum Chor Wah Richard. Mr. Leung Chi Hung is the chairman of the Audit Committee.

Other Information

AUDIT COMMITTEE *(Continued)*

The Audit Committee has reviewed the unaudited condensed consolidated financial statements of the Group for the nine months ended 30 September 2015 and this quarterly report and is of the view that such results complied with the applicable accounting standards, the GEM Listing Rules and other applicable legal requirements, and that adequate disclosure had been made.

By order of the Board
REF Holdings Limited
Mr. Lau Man Tak
Chairman and Non-Executive Director

Hong Kong, 10 November 2015

As at the date of this report, the executive Directors are Ms. Chiu Hok Yu and Ms. Kwok Kam Lai; the non-executive Director is Mr. Lau Man Tak; the independent non-executive Directors are Mr. Leung Chi Hung, Mr. Wong Kun Kau and Mr. Lum Chor Wah Richard.

Corporate Information

BOARD OF DIRECTORS

EXECUTIVE DIRECTORS

Ms. Chiu Hok Yu
Ms. Kwok Kam Lai

CHAIRMAN AND NON-EXECUTIVE DIRECTOR

Mr. Lau Man Tak

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Leung Chi Hung
Mr. Wong Kun Kau
Mr. Lum Chor Wah Richard

COMPANY SECRETARY

Mr. Ko Wai Lun Warren

COMPLIANCE OFFICER

Ms. Kwok Kam Lai

AUTHORISED REPRESENTATIVES

Ms. Chiu Hok Yu
Ms. Kwok Kam Lai

AUDIT COMMITTEE

Mr. Leung Chi Hung (*chairman*)
Mr. Wong Kun Kau
Mr. Lum Chor Wah Richard

REMUNERATION COMMITTEE

Mr. Lum Chor Wah Richard (*chairman*)
Mr. Leung Chi Hung
Mr. Wong Kun Kau
Ms. Chiu Hok Yu

NOMINATION COMMITTEE

Mr. Wong Kun Kau (*chairman*)
Mr. Leung Chi Hung
Mr. Lum Chor Wah Richard
Ms. Chiu Hok Yu

AUDITORS

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

REGISTERED OFFICE

Clifton House
75 Fort Street
P.O. Box 1350, Grand Cayman
KY1-1108
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

3/F., Nexus Building
77 Des Voeux Road Central
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Appleby Trust (Cayman) Ltd.
Clifton House
75 Fort Street
P.O. Box 1350,
Grand Cayman
KY1-1108
Cayman Islands

Corporate Information

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Union Registrars Limited
A18/F., Asia Orient Tower
Town Place, 33 Lockhart Road
Wanchai
Hong Kong

PRINCIPAL BANKERS

The Hongkong and Shanghai
Banking Corporation

WEBSITE ADDRESS

www.ref.com.hk

STOCK CODE

8177