

REF Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 8177

2017

First 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 of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this quarterly report, 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 quarterly report.

This quarterly report, for which the directors of REF Holdings Limited (the “**Company**” and the “**Directors**”, respectively) 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**”) is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the three months ended 31 March 2017 together with the unaudited comparative figures for the corresponding period in 2016, as follows:

Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income

For the three months ended 31 March 2017

	Notes	Three months ended 31 March	
		2017 HK\$'000 (unaudited)	2016 HK\$'000 (unaudited)
Revenue	4	48,566	30,196
Cost of services		(20,575)	(14,192)
Gross profit		27,991	16,004
Other income		799	6
Selling and distribution expenses		(3,159)	(1,838)
Administrative expenses		(6,898)	(4,555)
Finance costs	5	(6)	(2)
Profit before taxation	6	18,727	9,615
Taxation	7	(3,203)	(1,653)
Profit for the period		15,524	7,962
Profit and total comprehensive income for the period attributable to owners of the Company		15,524	7,962
Earnings per share			
Basic and diluted (HK cents)	9	6.06	3.11

Condensed Consolidated Statement of Changes in Equity

For the three months ended 31 March 2017

	Attributable to owners of the Company			Total HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Retained earnings HK\$'000	
At 1 January 2017 (audited)	2,560	41,233	62,114	105,907
Profit and total comprehensive income for the period	–	–	15,524	15,524
At 31 March 2017 (unaudited)	2,560	41,233	77,638	121,431
At 1 January 2016 (audited)	2,560	41,233	16,495	60,288
Profit and total comprehensive income for the period	–	–	7,962	7,962
At 31 March 2016 (unaudited)	2,560	41,233	24,457	68,250

Notes to the Condensed Consolidated Financial Statements

For the three months ended 31 March 2017

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 5 February 2014 as an exempted company with limited liability under the Companies Law (2011 Revision) (as consolidated and revised) of the Cayman Islands. Its immediate parent is Jumbo Ace Enterprises Limited ("**Jumbo Ace**"), a company incorporated in the British Virgin Islands and its ultimate parent is Rising Luck Management Limited ("**Rising Luck**"), a company incorporated in the British Virgin Islands. Its ultimate controlling party is Mr. Lau Man Tak ("**Mr. Lau**") who is also the chairman of the Board (the "**Chairman**") and the non-executive Director. The Company has been registered as a non-Hong Kong company under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) on 12 March 2014. Its shares were initially listed on the GEM of the Stock Exchange on 25 September 2015.

The address of the registered office of the Company is Clifton House, 75 Fort Street, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands and the address of its headquarters, head office and principal place of business in Hong Kong is 3/F., Nexxus Building, 77 Des Voeux Road Central, Hong Kong.

The Company is an investment holding company and 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 also the functional currency of the Company. All values are rounded to the nearest thousand ("**HK\$'000**") except otherwise indicated.

2. REORGANISATION

Pursuant to the reorganisation (the "**Reorganisation**") as fully explained in the paragraph headed "Reorganisation" in the section headed "History, Reorganisation and Corporate Structure" of the prospectus of the Company dated 17 September 2015, the Company became the holding company of the companies now comprising the Group on 17 August 2015.

All intra-group transactions and balances have been eliminated.

Notes to the Condensed Consolidated Financial Statements

For the three months ended 31 March 2017

3. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements for the three months ended 31 March 2017 have been prepared in accordance with the Hong Kong Financial Reporting Standards (the “**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and the applicable disclosure requirements of the GEM Listing Rules.

The accounting policies and methods of computation used in the preparation of the unaudited condensed consolidated financial statements are consistent with those adopted in preparing the audited financial statements for the year ended 31 December 2016.

The HKICPA has issued a number of new and revised HKFRSs and interpretations. 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 the 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 the 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 three months ended 31 March 2017

3. 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 independent auditors, but have been reviewed by the audit committee of the Company (the "**Audit Committee**").

4. 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 three months ended 31 March 2017 together with the unaudited comparative figures for the corresponding period in 2016:

	Three months ended 31 March	
	2017	2016
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Financial printing services:		
Printing	34,639	18,764
Translation	9,621	8,050
Media placement	4,306	3,382
	48,566	30,196

Notes to the Condensed Consolidated Financial Statements

For the three months ended 31 March 2017

5. FINANCE COSTS

	Three months ended 31 March	
	2017	2016
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Bank charges	6	2

6. PROFIT BEFORE TAXATION

	Three months ended 31 March	
	2017	2016
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Profit for the period has been arrived at after charging:		
Directors' emoluments	1,507	518
Other staff costs:		
Salaries and other benefits	6,967	6,026
Discretionary bonuses	1,551	326
Retirement scheme contributions	266	271
Total employee benefit expense	8,784	6,623
Depreciation of plant and equipment	61	88
Operating lease rental expenses in respect of rented premises	2,495	2,236

Notes to the Condensed Consolidated Financial Statements

For the three months ended 31 March 2017

7. TAXATION

	Three months ended 31 March	
	2017	2016
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Current tax — Hong Kong:		
Current period	3,151	1,651
Deferred tax:		
Current period	52	2
	3,203	1,653

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

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

8. DIVIDENDS

The Board does not declare the payment of any dividend for the three months ended 31 March 2017 (2016: Nil).

Notes to the Condensed Consolidated Financial Statements

For the three months ended 31 March 2017

9. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to the owners of the Company is based on the following data:

	Three months ended 31 March	
	2017	2016
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Earnings:		
Profit attributable to owners of the Company for the purpose of calculating basic earnings per share	15,524	7,962
	'000	'000
Number of shares:		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share (Note)	256,000	256,000
Basic earnings per share (HK cents)	6.06	3.11

Note:

The calculation of basic earnings per share for the three months ended 31 March 2017 and 2016 is based on the profit attributable to owners of the Company for the periods and the weighted average number of shares for the relevant periods.

For the three months ended 31 March 2017 and 2016, the weighted average number of ordinary shares for the purpose of calculating basic earnings per share is calculated based on 256,000,000 ordinary shares in issue.

Diluted earnings per share is the same as the basic earnings per share for the three months ended 31 March 2017 and 2016 as there were no potential dilutive ordinary shares in issue.

Notes to the Condensed Consolidated Financial Statements

For the three months ended 31 March 2017

10. EVENTS AFTER REPORTING PERIOD

On 26 April 2017, the Group had entered into a tenancy agreement for the lease of an office premises in Hong Kong for a lease term of three years with retrospective effect from 18 April 2017, which will be used as the office for the newly set up in-house translation team.

As at 30 April 2017, the outstanding commitments of the Group amounted to approximately HK\$0.9 million (2016: Nil).

Except as disclosed above, the Group had no significant events after the end of the reporting period of this quarterly report.

Management Discussion and Analysis

BUSINESS REVIEW AND OUTLOOK

The Group aims to establish itself as one of the top-notch financial printing service providers in the financial sector by strengthening its core competitiveness. It provides ancillary services such as provision of conference room facilities and 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 submission, newspaper placement to distribution. The core financial printing services of the Group cover printing of listing documents, financial reports, compliance documents and other documents. The services of the Group can be broadly categorised into three types, namely printing, translation and media placement. Most of the Group's customers are listed on the Stock Exchange and/or other stock exchanges.

To maximise profits and returns of the Group and its shareholders, the Group has been focusing on enhancing the competitiveness of its core business and simultaneously, will continue exploring new business opportunities. By achieving these goals, the Group will further enhance its competitive edge by (i) expanding its workforce; (ii) improving and acquiring office facilities, equipment and software; (iii) strengthening its design capabilities so as to react to the changing needs of our customers more efficiently and effectively; and (iv) establishing a translation team so as to enhance our services. The Group will continue to enhance multiple points of quality control and inspection throughout the production process and creative design proposals in terms of quality and variety; and increase its professional expertise.

Although certain unfavourable variables including keen competitions in the financial printing industry and fluctuations of the local financial market may continue to exert pressure on the business of the Group, the Group remains cautiously optimistic about its core business and will continue to capture market opportunities so as to achieve a sustainable business growth and long-term benefits for its shareholders.

Management Discussion and Analysis

FINANCIAL REVIEW

REVENUE

The Group's revenue increased by approximately HK\$18.4 million, or 60.9%, from approximately HK\$30.2 million for the three months ended 31 March 2016 to approximately HK\$48.6 million for the three months ended 31 March 2017. The increase was primarily attributable to the increases in printing activity, translation activity and media placement services.

COST OF SERVICES

The Group's cost of services increased by approximately HK\$6.4 million, or 45.1%, from approximately HK\$14.2 million for the three months ended 31 March 2016 to approximately HK\$20.6 million for the three months ended 31 March 2017. The increase was mainly due to (i) an increase in printing costs, translation costs, media placement cost as well as design and other costs, amounting to approximately HK\$5.7 million in total, which was in line with the increase in revenue generated from printing activity, translation activity and media placement services; and (ii) an increase in staff cost, which amounted to approximately HK\$0.6 million in total caused by (a) an increase in the number of staff; (b) the annual/regular salary revision for the staff; and (c) an increase in bonus provision which was in line with the increase in profits for the reporting period.

OTHER INCOME

Other income increased by approximately HK\$0.8 million, or 132.3 times, from approximately HK\$6,000 for the three months ended 31 March 2016 to approximately HK\$0.8 million for the three months ended 31 March 2017. The increase was primarily due to more sundry income.

SELLING AND DISTRIBUTION EXPENSES

The Group's selling and distribution expenses increased by approximately HK\$1.4 million, or 77.8%, from approximately HK\$1.8 million for the three months ended 31 March 2016 to approximately HK\$3.2 million for the three months ended 31 March 2017. The increase was mainly due to the increases in marketing expenses, commission payment and bonus provision, which was in line with the increase in revenue.

Management Discussion and Analysis

FINANCIAL REVIEW *(Continued)*

ADMINISTRATIVE EXPENSES

The Group's administrative expenses increased by approximately HK\$2.3 million, or 50.0%, from approximately HK\$4.6 million for the three months ended 31 March 2016 to approximately HK\$6.9 million for the three months ended 31 March 2017. The increase was mainly due to (i) the cost for acquiring software to cope with operation needs; (ii) an increase of operating lease rental expenses caused by the inflated monthly rental expenses under the new lease term; and (iii) staff cost (including remuneration of Directors), which was in line with the increase in profits for the reporting period and with prevailing market conditions.

DEPRECIATION OF PLANT AND EQUIPMENT

Depreciation expenses decreased by approximately HK\$27,000, or 30.7%, from approximately HK\$88,000 for the three months ended 31 March 2016 to approximately HK\$61,000 for the three months ended 31 March 2017. The decrease was primarily due to the fact that most fixed assets were fully depreciated.

FINANCE COSTS

Finance costs increased by approximately HK\$4,000, or twofold, from approximately HK\$2,000 for the three months ended 31 March 2016 to approximately HK\$6,000 for the three months ended 31 March 2017. The increase was primarily attributable to the increase in bank charges for the remittance or bank transfer from the Group's customers.

TAX EXPENSES

Profits tax expense increased by approximately HK\$1.5 million, or 88.2%, from approximately HK\$1.7 million for the three months ended 31 March 2016 to approximately HK\$3.2 million for the three months ended 31 March 2017. The increase was primarily attributable to the increase in profit before taxation.

Deferred tax increased by approximately HK\$50,000, or 25 times, from approximately HK\$2,000 for the three months ended 31 March 2016 to approximately HK\$52,000 for the three months ended 31 March 2017. The increase was primarily attributable to the increase in accelerated depreciation allowance.

Management Discussion and Analysis

FINANCIAL REVIEW *(Continued)*

PROFIT FOR THE PERIOD

Profit for the three months ended 31 March 2017 was approximately HK\$15.5 million, representing an increase of approximately HK\$7.5 million, or 93.8% as compared with approximately HK\$8.0 million for the three months ended 31 March 2016. The increase was primarily attributable to the increase in revenue.

SHARE CAPITAL

As at 31 March 2017, the authorised share capital of the Company was HK\$100,000,000 divided into 10,000,000,000 ordinary shares of par value of HK\$0.01 each (the “**Shares**”) and the issued share capital of the Company was HK\$2,560,000 divided into 256,000,000 Shares. There was no change in the share capital of the Company during the period.

SIGNIFICANT INVESTMENTS

As at 31 March 2017 and 2016, the Group did not hold any significant investments.

CHARGE ON THE GROUP’S ASSETS

As at 31 March 2017 and 2016, the Group had no charges on the Group’s assets.

CONTINGENT LIABILITIES

As at 31 March 2017 and 2016, the Group did not have any material contingent liabilities or guarantees.

Management Discussion and Analysis

USE OF PROCEEDS

The net proceeds from the placing of new Shares were approximately HK\$31.4 million, after deducting the listing related expenses. As at 31 March 2017, all of the unused proceeds were deposited in a licensed bank in Hong Kong. During the period from 25 September 2015 to 31 March 2017, a portion of the net proceeds from the listing were utilised and the corresponding explanations are set out in the table below:

Proposed use of proceeds	Proposed amount to be used and time frame	Amount used as of 31 March 2017	Amount committed/ estimated to be used for the next 15 months	Changes and explanations
Enhance competitiveness through expansion of workforce, improving and acquiring office facilities, equipment and software	HK\$9.1 million (extend from before 30 June 2017 to 30 June 2018)	HK\$2.6 million has been used to purchase office facilities, equipment and software; and HK\$2.9 million has been used to expand workforce	HK\$3.6 million will be used to expand workforce	Utilised as intended
Strengthen design capabilities	HK\$2.1 million (extend from before 30 June 2017 to 30 June 2018)	HK\$0.6 million has been used to employ additional design personnel; and HK\$0.2 million has been used to purchase various equipment and software to improve the design efficiency	HK\$0.7 million will be used to employ additional design personnel; and HK\$0.6 million will be used to purchase various equipment and software to improve the design efficiency	Utilised as intended

Management Discussion and Analysis

USE OF PROCEEDS *(Continued)*

Proposed use of proceeds	Proposed amount to be used and time frame	Amount used as of 31 March 2017	Amount committed/ estimated to be used for the next 15 months	Changes and explanations
Set up an in-house translation team	HK\$18.5 million (extend from before 30 June 2017 to 31 December 2018)	The set up project was delayed as it needed more time to evaluate the market conditions	HK\$2.2 million for setting up an office for the newly setup in-house translation team including purchase cost of equipment, software and furniture and fixtures; and HK\$9.5 million as operating expenses for the new office and the newly recruited translation personnel	Will be utilised as intended

Other Information

DISCLOSURE OF INTERESTS

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

As at 31 March 2017, the interests and short positions of the Directors and the 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 (Chapter 571 of the Laws of Hong Kong) (the "SFO"), which were required: (a) to be notified to the 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 (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein (the "Register"), or (c) pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange were as follows:

Long Position in the Shares

Name of Director	Capacity/Nature of interest	Number of Shares held	Percentage of issued share capital of the Company
Mr. Lau Man Tak ("Mr. Lau")	Interest in controlled corporations (Note)	192,000,000	75.0%

Note: Mr. Lau, the Chairman and the non-executive Director, 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 95% of the entire issued share capital of Jumbo Ace. Mr. Lau also has a direct 5% interest in Jumbo Ace. Under the SFO, Mr. Lau is deemed to be interested in 192,000,000 Shares registered in the name of Jumbo Ace. In addition, Mr. Lau is a director of each of Rising Luck and Jumbo Ace.

Other Information

DISCLOSURE OF INTERESTS *(Continued)*

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

Save as disclosed above, as at 31 March 2017, none of the Directors and the 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 the 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, or were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors to be notified to the Company and the Stock Exchange.

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

So far as the Directors are aware of, as at 31 March 2017, the following persons/entities other than a Director or the chief executive of the Company had interests or short positions in the Shares and underlying Shares, which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register of the Company required to be kept under section 336 of the SFO (the "**Substantial Shareholders' Register**"), or who were directly or indirectly interested in 5% or more of the issued voting Shares:

Long Position in the Shares

Name	Capacity/Nature of interest	Number of Shares held	Percentage of issued share capital of the Company
Jumbo Ace	Beneficial owner	192,000,000	75.0%
Rising Luck	Interest in a controlled corporation (Note 1)	192,000,000	75.0%
Ms. Lim Youngsook	Family interest (Note 2)	192,000,000	75.0%

Other Information

DISCLOSURE OF INTERESTS *(Continued)*

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

Note 1: Rising Luck owns 95% of the entire issued share capital of Jumbo Ace, the remaining 5% of which is owned by Mr. Lau. 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.

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

Save as disclosed above, as at 31 March 2017, the Directors were not aware of any persons who/entities which had any interest or short position in the Shares or underlying Shares 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 Substantial Shareholders' Register 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 or the controlling shareholders (as defined in the GEM Listing Rules) of the Company nor any of their respective close associates (as defined in the GEM Listing Rules) that competed or might compete, either directly or indirectly, with the business of the Group and any other conflicts of interest which any such person had or might have with the Group during the three months ended 31 March 2017.

CORPORATE GOVERNANCE CODE

The Company adopted the Corporate Governance Code (the "**CG 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 provisions of the CG Code during the three months ended 31 March 2017.

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 it was not aware of any non-compliance with the required standard of dealings regarding securities transactions by the Directors during the three months ended 31 March 2017.

Other Information

INTERESTS OF COMPLIANCE ADVISER

As at 31 March 2017, as notified by the Company's compliance adviser, CLC International Limited (the "**Compliance Adviser**"), except for the compliance adviser agreement dated 11 September 2015 and entered into between the Company and the Compliance Adviser, neither the Compliance Adviser nor its directors, employees or 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.

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

During the three months ended 31 March 2017, the Company did not redeem its Shares listed on the GEM of the Stock Exchange nor did the Company or any of its subsidiaries purchase or sell 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 its shareholders by enabling (i) the Company to grant options to attract, retain and reward the eligible persons and to provide them with an incentive or reward for their contribution to the Group and (ii) such persons' contribution to further advance the interests of the Group.

The Scheme is valid and effective for a period of ten years commencing on the date of adoption of the Scheme. As at 31 March 2017, there were a total of 25,600,000 Shares, representing 10% of the issued Shares, available for issue under the Scheme.

No share option has been granted since the adoption of the Scheme and there was no share option outstanding as at 31 March 2017.

Other Information

AUDIT COMMITTEE

The Company 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 and risk management systems 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 comprises three members, all being 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.

The Audit Committee has reviewed the unaudited condensed consolidated financial statements of the Group for the three months ended 31 March 2017 and this quarterly report and is of the view that such statements and report have been prepared in compliance with the applicable accounting standards, the GEM Listing Rules and other applicable legal requirements, and that adequate disclosure has been made.

By order of the Board
REF Holdings Limited
Lau Man Tak
Chairman

Hong Kong, 11 May 2017

As at the date of this quarterly report, the executive Directors are Ms. Chiu Hok Yu and Ms. Kwok Kam Lai; the non-executive Director is Mr. Lau Man Tak (Chairman); and 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

INDEPENDENT AUDITORS

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

REGISTERED OFFICE

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Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

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PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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Corporate Information

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The Hongkong and Shanghai
Banking Corporation Limited

WEBSITE

www.ref.com.hk

STOCK CODE

8177