



Oriental
UniversityCity
东方大学城

Oriental University City Holdings (H.K.) Limited 東方大學城控股（香港）有限公司

(incorporated in Hong Kong with limited liability)

(於香港註冊成立之有限公司)

Stock code (股票代號) : 8067

第一季度業績報告
FIRST QUARTERLY REPORT

2016

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE” AND THE “GEM”, RESPECTIVELY)

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. 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 the GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on the GEM, there is a risk that securities traded on the 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 the GEM.

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This report, for which the directors of Oriental University City Holdings (H.K.) 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 the GEM (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 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 report misleading.

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Chew Hua Seng (*Chairman*)
Mr. Liu Ying Chun (*Chief Executive Officer*)

Non-executive Director

Mr. He Jun

Independent Non-executive Directors

Mr. Lam Bing Lun, Philip
Mr. Tan Yeow Hiang, Kenneth
Mr. Wilson Teh Boon Piaw

COMPANY SECRETARY

Mr. Kwok Siu Man

COMPLIANCE OFFICER

Mr. Liu Ying Chun

AUTHORISED REPRESENTATIVES

Mr. Chew Hua Seng
Mr. Liu Ying Chun

AUDIT COMMITTEE

Mr. Lam Bing Lun, Philip (*Chairman*)
Mr. Tan Yeow Hiang, Kenneth
Mr. Wilson Teh Boon Piaw

REMUNERATION COMMITTEE

Mr. Wilson Teh Boon Piaw (*Chairman*)
Mr. Chew Hua Seng
Mr. Tan Yeow Hiang, Kenneth

NOMINATION COMMITTEE

Mr. Tan Yeow Hiang, Kenneth (*Chairman*)
Mr. Chew Hua Seng
Mr. Lam Bing Lun, Philip
Mr. Wilson Teh Boon Piaw

RISK MANAGEMENT COMMITTEE

Mr. He Jun (*Chairman*)
Mr. Lam Bing Lun, Philip
Mr. Wilson Teh Boon Piaw

STOCK CODE/BOARD LOTS

8067/1,000

COMPANY'S WEBSITE

www.oriental-university-city.com

INDEPENDENT AUDITOR

BDO Limited
Certified Public Accountants

REGISTERED OFFICE

31st Floor
148 Electric Road
North Point
Hong Kong

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE PEOPLE'S REPUBLIC OF CHINA (THE "PRC")

Levels 1 and 2
100 Zhangheng Road
Oriental University City
Langfang Economic & Technical Development Zone
Hebei Province 065001
the PRC

SHARE REGISTRAR AND TRANSFER OFFICE

Boardroom Share Registrars (HK) Limited
31st Floor
148 Electric Road
North Point
Hong Kong

PRINCIPAL BANKERS

United Overseas Bank Limited (Hong Kong Branch)
Bank of Langfang (Development Zone Sub-Branch)
Industrial and Commercial Bank of China
(Langfang Chaoyang Sub-Branch)
Langfang City Suburban Rural Credit Cooperatives
(Tongbai Credit Union)

COMPLIANCE ADVISOR

BNP Paribas Securities (Asia) Limited

LEGAL ADVISOR

As to PRC law
Hebei Ruoshi Law Firm

FINANCIAL HIGHLIGHTS

- The Group recorded a revenue of approximately RMB 17.1 million for the three months ended September 30, 2015, representing an increase of 11.9% as compared with the corresponding period in 2014. The Group also received a one-time government grant of RMB 2.0 million from Hebei government in recognition of successful listing on the GEM.
- Profit attributable to shareholders of the Company for the three months ended September 30, 2015 amounted to approximately RMB 11.2 million, representing an increase of 74.0% as compared with the corresponding period in 2014. Excluding the one-time government grant and foreign exchange gains, underlying profits increased by 31.4% in first quarter of the year ending June 30, 2016 (“Q1 FY2015”) compared to first quarter of the year ending June 30, 2015 (“Q1 FY2014”).
- Basic earnings per share for the three months ended September 30, 2015 amounted to RMB 0.06 (2014: RMB 0.05).

The board of Directors (the “Board”) presents the unaudited condensed consolidated results of the Company and its subsidiary (together, the “Group”) for the three months ended September 30, 2015 (the “Period”), together with the unaudited comparative figures for the corresponding period in 2014, as follows:

FIRST QUARTERLY CONDENSED CONSOLIDATED INCOME STATEMENT

FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2015

	Notes	September 30, 2015 Unaudited RMB' 000	September 30, 2014 Unaudited RMB' 000
Revenue		17,195	15,367
Government grant		2,000	—
Employee costs		(580)	(650)
Depreciation of property, plant and equipment		(87)	(196)
Business taxes and surcharges		(963)	(861)
Property taxes and land use taxes		(3,170)	(2,983)
Property management fee		(1,491)	(1,601)
Repairs and maintenance		(664)	(1,985)
Legal and consulting fees		(556)	(333)
Other gains/(losses), net	3	1,576	268
Other expenses	4	(481)	(226)
Operating profit		12,779	6,800
Interest income	5	37	81
Profit before income tax		12,816	6,881
Income tax	6	(1,518)	(385)
Profit for the period		11,298	6,496
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss:			
Available-for-sale financial asset		(2,366)	—
Other comprehensive income for the period		(2,366)	—
Total comprehensive income for the period		8,932	6,496
Profit attributable to			
– Owners of the Company		11,196	6,433
– Non-controlling interests		102	63
		11,298	6,496

FIRST QUARTERLY CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2015

	Notes	September 30, 2015 Unaudited RMB'000	September 30, 2014 Unaudited RMB'000
Total comprehensive income attributable to			
– Owners of the Company		8,830	6,433
– Non-controlling interests		<u>102</u>	<u>63</u>
		<u>8,932</u>	<u>6,496</u>
Earnings per share for profit attributable to the owners of the Company during the period	9		
– Basic (RMB per share)		<u>0.06</u>	<u>0.05</u>
– Diluted (RMB per share)		<u>0.06</u>	<u>0.05</u>

FIRST QUARTERLY CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2015

	Reserves								Total RMB' 000
	Share capital RMB' 000	Share premium RMB' 000	Other reserves RMB' 000	Available- for-sale financial asset reserve RMB' 000	Retained profits RMB' 000	Proposed interim dividend RMB' 000	Equity attributable to owners of the Company RMB' 000	Non- controlling interests RMB' 000	
Balance at July 1, 2014	331,898	—	(71,025)	—	542,391	—	803,264	6,526	809,790
Profit and total comprehensive income for the Period	—	—	—	—	6,433	—	6,433	63	6,496
Balance at September 30, 2014	331,898	—	(71,025)	—	548,824	—	809,697	6,589	816,286
Balance at June 30, 2015 and July 1, 2015	411,936	—	(71,025)	1	573,172	11,347	925,431	7,048	932,479
Profit for the Period	—	—	—	—	11,196	—	11,196	102	11,298
Other comprehensive income	—	—	—	(2,366)	—	—	(2,366)	—	(2,366)
Total comprehensive income	—	—	—	(2,365)	11,196	—	8,830	102	8,932
Balance at September 30, 2015	411,936	—	(71,025)	(2,365)	584,368	11,347	934,261	7,150	941,411

NOTES TO THE FIRST QUARTERLY CONDENSED CONSOLIDATED RESULTS

1 GENERAL INFORMATION

Oriental University City (H.K.) Limited (the “Company”) is a limited liability company incorporated in Hong Kong. Its shares have been listed on the GEM since January 16, 2015 (the “Listing Date”). The address of the Company’s registered office is 31st Floor, 148 Electric Road, North Point, Hong Kong. The Group, comprising the Company and its subsidiary, is engaged in the provision of education facilities rental services in the People’s Republic of China (the “PRC”).

The Directors consider the Company’s ultimate parent is Raffles Education Corporation Limited (“REC”), a company incorporated in Singapore, whose shares are listed on Singapore Exchange Securities Trading Limited. This first quarterly results are presented in Renminbi (“RMB”), unless otherwise stated.

2 BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The Group’s unaudited condensed consolidated results for the Period have been prepared in accordance with Chapter 18 of the GEM Listing Rules, and in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), and accounting principles generally accepted in Hong Kong. Except as described below, the accounting policies and methods of computation used in preparing these quarterly results are the same as those followed in the preparation of the Group’s audited financial statements for the year ended June 30, 2015.

The first quarterly results are unaudited but have been reviewed by the audit committee of the Company.

The financial relating to the year ended June 30, 2015 that is included in these unaudited condensed consolidated financial statements for the Period as comparative information does not constitute the statutory annual consolidated financial statements of the Company for that year but is derived from those consolidated financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Chapter 622) is as follows:

The Company has delivered the consolidated financial statements for the year ended June 30, 2015 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance (Chapter 622).

The Company’s auditor has reported on those consolidated financial statements. The auditor’s report was unqualified; does not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance (Chapter 622).

NOTES TO THE FIRST QUARTERLY CONDENSED CONSOLIDATED RESULTS

3 OTHER GAINS – NET

	September 30, 2015 Unaudited RMB' 000	September 30, 2014 Unaudited RMB' 000
Gains on disposal of property, plant and equipment	—	30
Net foreign exchange gains/(losses)	1,576	237
Others	—	1
	<u>1,576</u>	<u>268</u>

4 OTHER EXPENSES

	September 30, 2015 Unaudited RMB' 000	September 30, 2014 Unaudited RMB' 000
Rental expense	2	—
Utilities	285	68
Stamp duties	17	15
Insurance fee	84	80
Others	93	63
	<u>481</u>	<u>226</u>

5 FINANCE INCOME

	September 30, 2015 Unaudited RMB' 000	September 30, 2014 Unaudited RMB' 000
Finance income		
– Interest income on bank deposits	<u>37</u>	<u>81</u>

NOTES TO THE FIRST QUARTERLY CONDENSED CONSOLIDATED RESULTS

6 INCOME TAX EXPENSES

	September 30, 2015 Unaudited RMB'000	September 30, 2014 Unaudited RMB'000
Current income tax		
– PRC corporate income tax	<u>1,518</u>	<u>385</u>

PRC corporate income tax

The corporate income tax rate applicable to the Group's entity located in the PRC (the "PRC Subsidiary") is 25% pursuant to the Corporate Income Tax Law of the PRC (the "PRC CIT Law"). Since January 1, 2015, the corporate income tax of the PRC Subsidiary is levied according to accounting book under the PRC CIT Law.

PRC withholding income tax

According to the PRC CIT Law, starting from January 1, 2008, a withholding tax of 10% will be levied on the immediate holding companies outside the PRC when their PRC subsidiaries declare dividend out of profits earned after January 1, 2008. A lower 5% withholding tax rate may be applied when the immediate holding companies of the PRC subsidiaries are established in Hong Kong and fulfil requirements under the tax treaty arrangements between the PRC and Hong Kong.

Hong Kong profits tax

No provision for Hong Kong profits tax has been made in the condensed consolidated interim financial information as the Company and the Group did not have assessable profit in Hong Kong during the three months ended September 30, 2015 and 2014.

7 CONTINGENCIES

The Group has no significant contingent liabilities as at September 30, 2015 (September 30, 2014: nil).

NOTES TO THE FIRST QUARTERLY CONDENSED CONSOLIDATED RESULTS

8 RELATED PARTY TRANSACTIONS

The Group is controlled by REC, a company incorporated in Singapore. Mr. Chew Hua Seng, the founding shareholder of REC, the chairman and an executive Director, is the ultimate beneficial owner of the Group.

Transactions with related parties

On September 1, 2015, the Group entered into an agreement with Langfang Development Zone Shenglong Property Management Services Co., Ltd (“Shenglong Property Management”), a subsidiary of REC. Pursuant to the agreement, it was agreed that the Group will lease an office premise to Shenglong Property Management from September 1, 2015 to August 31, 2018 with a rental fee of RMB 80,000 per year.

9 EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the profit attributable to shareholders of the Company by the weighted number of ordinary shares in issue during the Period.

	September 30, 2015 Unaudited	September 30, 2014 Unaudited
Profit attributable to the shareholders of the Company (RMB' 000)	11,196	6,433
Weighted average number of ordinary shares in issue	<u>180,000,000</u>	<u>135,000,000</u>
Basic earnings per share for profit attributable to the shareholders of the Company during the year (expressed in RMB per share)	<u>0.06</u>	<u>0.05</u>

The Company did not have any potential ordinary shares outstanding during the Period. Diluted earnings per share are equal to basic earnings per share.

10 DIVIDEND

The Board does not declare the payment of any interim dividend for the Period (2014: nil).

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue

Our leasing revenue increased by 11.9% to RMB 17.2 million for the Period compared to RMB 15.4 million for the same period in 2014. This increase was mainly attributable to expected higher education facilities leasing fees from our major customer, Beijing University of Chinese Medicine, by RMB 7.0 million on a 1-year basis.

Operating profit

Our operating profit for the Period was RMB 12.8 million compared to RMB 6.9 million for the same period in 2014, mainly due to the following reasons:

1) *Government grant*

We received a one-time government incentive grant of RMB 2.0 million from Hebei government in recognition of our successful listing on the GEM.

2) *Employee cost*

Employee cost decreased by 14.3% to RMB 0.6 million for the Period compared to RMB 0.7 million for the same period in 2014 mainly because of manpower turnover.

3) *Property taxes and land use taxes*

Property taxes and land use taxes increased by 6.7% to RMB 3.2 million for the Period, compared to RMB 3.0 million for the same period in 2014 due to a slight increase in leasing revenue.

4) *Repairs and maintenance fees*

Repairs and maintenance fees decreased from RMB 2.0 million in Q1 FY2014 by RMB 1.2 million (65.0%) to RMB 0.7 million in Q1 FY2015, primarily due to one-time maintenance expenses of RMB 0.9 million for dormitories and RMB 0.4 million for school facilities incurred in Q1 FY2014.

5) *Legal and consulting fees*

Legal and consulting fees increased by 100% to RMB 0.6 million for the Period from RMB 0.3 million for the same period in 2014 due to compliance advisory services after the listing of Company's shares on the GEM.

6) *Other gains – net*

We incurred a net other gain of RMB 1.6 million for the Period compared a gain of RMB 0.3 million for the same period in 2014. We recorded a net foreign exchange gain of RMB 1.6 million for the Period primarily due to fluctuations of Hong Kong Dollar deposits kept with financial institution in Hong Kong, which were affected by an appreciation in RMB exchange rate versus Hong Kong Dollar.

7) *Other expenses*

Our other expenses increased to RMB 0.5 million for the Period from RMB 0.2 million for the same period in 2014, primarily due increase in travel expenses.

Finance Income - net

For the Period and the same period in 2014, we recorded finance income of RMB 37,000 and RMB 81,000, respectively from bank deposits.

Income tax expenses

Since January 1, 2015 (PRC tax assessment year 2015) onwards, the corporate income tax of the PRC Subsidiary has been levied according to accounting book under the PRC CIT Law. We incurred RMB 1.5 million corporate income tax expense for the Period.

Net profit

Due to the foregoing factors, our net profit for the Period was RMB 11.3 million compared to RMB 6.5 million for the same period in 2014. Total comprehensive income for the Period is RMB 8.9 million compared to RMB 6.5 million for the same period in 2014, mainly due to fair value adjustment for available-for-sale financial asset.

BUSINESS REVIEW AND OUTLOOK

We own and lease education facilities, comprising primarily teaching buildings and dormitories to education institutions in the PRC. All of our existing education facilities are located in Oriental University City, Langfang city, Hebei, the PRC.

Apart from education facilities leasing, in order to serve the daily needs of students and staff, our business, to a much lesser extent, includes commercial leasing. We lease buildings and premises to tenants operating a range of supporting facilities, including grocery stores, laundry shops, internet cafes and canteens.

As the lease-out rate for our dormitories are close to full capacity and to diversify the type of dormitories we provide, we plan to use all of our net proceeds from the placing of 45,000,000 ordinary shares of the Company (the “Shares”) at a price of HK\$ 2.64 each on January 16, 2015 (the “Placing”) to construct new dormitories to house approximately 3,500 students and staff. The construction of the new dormitories will increase our total dormitory capacity by 17.9% from approximately 19,500 beds as of September 30, 2015, to approximately 23,000 beds for the 2016 to 2017 academic year. For update on the business plan of the Group, please refer to “Use of Proceeds from the Company’s Placing” section below.

In general, we expect the resident student population of our Contract Colleges and the revenue to be generated from them to remain relatively stable in the current financial year.

MANAGEMENT DISCUSSION AND ANALYSIS

USE OF PROCEEDS FROM THE COMPANY'S PLACING

The net proceeds received by the Company from the Placing, after deducting the amounts due to REC, the controlling shareholder of the Company and a company 36.58% owned by Mr. Chew Hua Seng, the chairman and an executive Director for listing expenses as set out in the prospectus of the Company dated December 31, 2014 (the "Prospectus") and the total underwriting commission, fees and expenses relating to the Placing paid by the Company, amounted to approximately HK\$ 75.3 million.

The Directors intend to apply all the above net proceeds for constructing new dormitories on the campus site owned by the Group, housing the colleges, universities, schools, education training centre and corporate entities that lease facilities from the Group, located in Oriental University City in Langfang Economic and Technology Development Zone in Langfang city, Hebei, the PRC.

As at September 30, 2015, preparation work for the construction of new dormitories was on-going. The planning and design has been approved by the Langfang Development Zone Planning Bureau. The budget of RMB 65.0 million (HK\$ 80.9 million) is slightly higher than the planned investment amount of HK\$ 77.8 million stated in the Prospectus. The additional investment will be funded by internally generated funds.

COMPARISON OF BUSINESS OBJECTIVES WITH ACTUAL BUSINESS PROGRESS

An analysis comparing the implementation plans as set out in the Prospectus with the Group's actual plans for the Period is set out below:

Timetable	Implementation Plans in Prospectus	Actual Plans
For the six months ended June 30, 2015	Commence preparation work for the construction of new dormitories.	Completed
For the six months ended June 30, 2015	Make relevant application to the relevant government authorities	Planning design and drawing had been approved by the Lang Fang Development Zone Planning Bureau on May 20, 2015.
For the six months ending December 31, 2015	Commence selection of appropriate third party contractors for construction of the new dormitories.	On-going

COMPETING INTERESTS

REC has confirmed that save for its shareholding in the Company, it is neither engaged nor interested in any business which, directly or indirectly, competes or may compete with the Group's business (save as disclosed under the heading "Excluded Businesses" in the section headed "History and Development -Post-Reorganization" of the Prospectus).

On December 22, 2014, REC entered into a deed of non-competition and call option in favour of the Company, pursuant to which it has undertaken not to compete with the business of the Company. For further details, please refer to the sub-section headed "Deed of Non-Compete" in the section headed "Relationship with the Controlling Shareholder" of the Prospectus.

The Directors have confirmed that saved as disclosed above, as at September 30, 2015, none of the Directors, controlling shareholder or substantial shareholders of the Company, directors of any of the Company's subsidiaries or any of their respective close associates (as defined in the GEM Listing Rules) has interest in any business (other than our Group) which, directly or indirectly, competes or may compete with the Group's business.

CORPORATE GOVERNANCE

The Company is committed to fulfilling its responsibilities to its shareholders and protecting and enhancing shareholder value through solid corporate governance.

The Company has complied with the code provisions as set out in the Corporate Governance Code contained in Appendix 15 to the GEM Listing Rules during the Period.

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

The Company did not redeem any of its Shares listed on the GEM nor did the Company or any of its subsidiaries purchase or sell any such Shares during the Period.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard of dealings regarding securities transactions by the Directors as set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the "Required Standard of Dealings") as its own code of conduct for dealings in the Company's securities by the Directors. The Company had made specific enquiry with all Directors and each of them has confirmed his compliance with the Required Standard of Dealing during the Period.

INTERESTS OF THE COMPLIANCE ADVISER

As at September 30, 2015, as notified by the Company's compliance adviser, BNP Paribas Securities (Asia) Limited (the "Compliance Adviser"), except for the compliance adviser agreement entered into between the Company and the Compliance Adviser dated August 29, 2014, which became effective on the Listing Date, neither the Compliance Adviser nor its directors, employees or close associates (as defined in 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.

CORPORATE GOVERNANCE AND OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at September 30, 2015, the interests or 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 which they were 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 as referred to therein, or (c) pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

Long positions

(a) Shares in the Company

Name of Director	Capacity/ Nature of interest	Number of issued Shares held	Appropriate percentage of shareholding
Chew Hua Seng ("Mr. Chew")	Interest of a controlled corporation ^(Note 1)	135,000,000	75% ^(Note 2)

Notes:

- 1) Details of the interest in the Company held by REC are set out in the section headed "Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares and Underlying Shares" below.
- 2) The percentage of shareholding was calculated based on the Company's total number of issued Shares as at September 30, 2015 (i.e. 180,000,000 Shares).

(b) Shares in associated corporation of the Company

Name of Director	Name of Associated Corporation	Nature of interests	Number of shares	Appropriate percentage of shareholding
Mr. Chew	REC ^(Note 1)	Beneficial owner and interest of spouse	357,082,899	36.58% ^(Note 2)

Notes:

- 1) REC, a company incorporated in Singapore and listed on Singapore Exchange Securities Trading Limited, is the immediate holding company of the Company.
- 2) It includes (a) the 2.68% interest of Ms. Doris Chung Gim Lian ("Ms. Chung"), the wife of Mr. Chew in REC; and (b) the 12.84% joint interest of Mr. Chew and Ms. Chung.

Save as disclosed above, as at September 30, 2015, none of the Directors or the chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the GEM Listing Rules.

CORPORATE GOVERNANCE AND OTHER INFORMATION

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at September 30, 2015, so far as it was known by or otherwise notified to any Directors or the chief executive of the Company, the particulars of the corporations or persons (other than a Director or the chief executive of the Company) which/who had 5% or more interests in the Shares and the underlying Shares as recorded in the register kept under section 336 of the SFO were as follows:

Long position in the Shares

Name of Shareholder	Capacity/ Nature of interest	Number of Shares held	Appropriate percentage of shareholding
REC	Beneficial owner ^(Note 1)	135,000,000	75% ^(Note 2)
Ms. Chung	Interest of spouse ^(Note 1)	135,000,000	75% ^(Note 2)

Notes:

- 1) REC is owned as to (a) 21.06% by Mr. Chew, the chairman and an executive Director; (b) 12.84% jointly by Mr. Chew and Ms. Chung; and (c) 2.68% by Ms. Chung. Under the SFO, Mr. Chew is deemed to be interested in the Shares in which REC is interested and Ms. Chung is deemed to be interested in the Shares that Mr. Chew is interested and deemed to be interested.
- 2) The percentage of shareholding was calculated based on the Company's total number of issued Shares as at September 30, 2015 (i.e. 180,000,000 Shares).

Save as disclosed above, as at September 30, 2015, so far as it was known by or otherwise notified to the Directors or the chief executive of the Company, no other corporations or persons (other than a Director or the chief executive of the Company) had any interest or short position in the Shares and the underlying Shares as recorded in the register required to be kept under section 336 of the SFO.

DIRECTORS' INTERESTS IN CONTRACTS

Save as otherwise disclosed, no Director had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the Period.

CORPORATE GOVERNANCE AND OTHER INFORMATION

REVIEW BY AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”) currently comprises three independent non-executive Directors, namely Mr. Lam Bing Lun, Philip, Mr. Tan Yeow Hiang, Kenneth and Mr. Wilson Teh Boon Piaw with Mr. Lam Bing Lun, Philip serving as the chairman.

The Audit Committee has reviewed the accounting principles and practices adopted by the Group and the unaudited condensed consolidated first quarterly results of the Group for the Period and was of the opinion that such results had been prepared in compliance with the applicable accounting standards and the GEM Listing Rules and that adequate disclosures had been made.

By order of the Board

Oriental University City Holdings (H.K.) Limited
Chew Hua Seng
Chairman and Executive Director

Singapore, October 27, 2015

FIRST QUARTERLY REPORT

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Oriental
UniversityCity
东方大学城

Oriental University City Holdings (H.K.) Limited

東方大學城控股（香港）有限公司

Tel:+86 0316 6056302 Fax:+86 0316 6056611

www.oriental-university-city.com