OOH Holdings Limited
奧傳思維控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 8091

2019 / 20
First Quarterly Report

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

GEM has been positioned as a market designed to accommodate small and mid-sized 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.

Given that the companies listed on GEM are generally small and mid-sized companies, 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.

*This report, for which the directors (the "**Directors**") of OOH 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 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.*

The board of Directors (the "**Board**") of the Company 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 period ended 30 June 2019, together with the unaudited comparative figures for the corresponding period in 2018 (the "**Financial Information**"), as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months period ended 30 June 2019

	Notes	**For the three months period ended 30 June** **2019** **HK$'000** **(Unaudited)**	2018 HK$'000 (Unaudited)
Revenue	*4*	**17,921**	12,298
Cost of sales		**(12,862)**	(8,633)
Gross profit		**5,059**	3,665
Other income and gains/(losses), net	*5*	**1,114**	(85)
Selling expenses		**(2,871)**	(1,461)
Administrative expenses		**(3,451)**	(2,685)
Finance costs	*6*	**(584)**	—
Loss before income tax expense		**(733)**	(566)
Income tax expense	*7*	**(64)**	—
Loss and total comprehensive loss for the period		**(797)**	(566)
Loss and total comprehensive loss for the period attributable to:			
Owners of the Company		**(950)**	(566)
Non-controlling interests		**153**	—
		(797)	(566)
		HK cents	HK cents
Loss per share attributable to owners of the Company			
Basic and diluted	*8*	**(0.13)**	(0.08)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months period ended 30 June 2019

	Attributable to owners of the Company						
	Share capital HK$'000 (Unaudited)	**Share premium** HK$'000 (Unaudited)	**Other reserve** HK$'000 (Unaudited)	**Retained earnings** HK$'000 (Unaudited)	**Total** HK$'000 (Unaudited)	**Non-controlling interests** HK$'000 (Unaudited)	**Total equity** HK$'000 (Unaudited)
At 1 April 2018 (Audited)	7,200	35,371	(90)	20,305	62,786	—	62,786
Loss and total comprehensive loss for the period	—	—	—	(566)	(566)	—	(566)
At 30 June 2018 (Unaudited)	7,200	35,371	(90)	19,739	62,220	—	62,220
At 1 April 2019 (Audited)	**7,200**	**35,371**	**(90)**	**20,949**	**63,430**	**500**	**63,930**
Loss and total comprehensive loss for the period	**—**	**—**	**—**	**(950)**	**(950)**	**153**	**(797)**
At 30 June 2019 (Unaudited)	**7,200**	**35,371**	**(90)**	**19,999**	**62,480**	**653**	**63,133**

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. General Information

OOH Holdings Limited (the "**Company**") was incorporated in the Cayman Islands on 28 June 2016 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as revised and consolidated) of the Cayman Islands and its shares had been listed on GEM of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") since 5 January 2017 ("**Listing Date**"). The address of its registered office is located at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands and its principal place of business is located at Suite A5, 9/F, Jumbo Industrial Building, 189 Wai Yip Street, Kwun Tong, Kowloon, Hong Kong.

The principal activity of the Company (together with its subsidiaries as the "**Group**") is investment holding. The principal activity of the Group is provision of advertising display services.

2. Basis of Preparation

The unaudited condensed consolidated financial statements of the Group for the three months period ended 30 June 2019 have not been audited by the Company's auditor, but have been reviewed by the audit committee of the Company. They have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("**HKFRSs**"), Hong Kong Accounting Standards ("**HKASs**") and Interpretations (hereinafter collectively referred to as the "**HKFRS**") issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the disclosure requirements of the Hong Kong Companies Ordinance. In addition, the unaudited condensed consolidated financial statements also comply with the applicable disclosure requirements under the GEM Listing Rules.

The unaudited condensed consolidated financial statements are presented in Hong Kong Dollars ("**HK$**"), which is the same as the functional currency of the Company.

3. Adoption of HKFRSs

(a) Adoption of new or revised HKFRSs — effective from 1 April 2019

In the current period, the Group has applied the following new and amendments to HKFRSs issued by the HKICPA which are mandatory effective for the annual period beginning on or after 1 January 2019 for the preparation of the Group's unaudited condensed consolidated financial statements.

Annual Improvements to HKFRSs 2015–2017 Cycle	Amendments to HKFRS 3 "Business Combinations"
Annual Improvements to HKFRSs 2015–2017 Cycle	Amendments to HKAS 12 "Income Taxes"
Amendments to HKFRS 9	Prepayment Features with Negative Compensation
HKFRS 16	Leases
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures

Except as described below for HKFRS 16, the adoption of the new or amended HKFRSs above has no material impact on the Group's consolidated financial statements.

HKFRS 16 — Leases

HKFRS 16, which upon the effective date supersedes HKAS 17 "Leases" and related interpretations, introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Specifically, under HKFRS 16, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows. Also, the right-of-use asset and the lease liability are initially measured on a present value basis. The measurement includes non-cancellable lease payments and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or to exercise an option to terminate the lease. This accounting treatment is significantly different from the lessee accounting for leases that are classified as operating leases under the predecessor standard, HKAS 17.

In respect of the lessor accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

Application of HKFRS 16 result in the Group's recognition of right-of-use assets and corresponding liabilities in respect of its operating lease arrangements. The adoption of HKFRS 16 therefore result in an increase in right-of-use assets and an increase in lease liabilities in the Group's consolidated statement of financial position. In the Group's consolidated statement of profit or loss and other comprehensive income, the annual rental under otherwise identical circumstances decrease, while amortisation of right-of-use of assets and interest expenses arising from the financial liabilities increase.

The Group applied the standard from its mandatory adoption date of 1 April 2019 and applied the simplified transition approach and did not restate comparative amounts for the year prior to first adoption. Right-of-use assets for property leases were measured on transition at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

(b) Revised HKFRSs that have been issued but are not yet effective

The following revised HKFRSs, potentially relevant to the Group's financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group's current intention is to apply these changes on the date they become effective.

Amendments to HKAS 1 and HKAS 8	Definition of Material[1]
Amendments to HKFRS 3	Definition of a Business[2]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3]

1 Effective for annual periods beginning on or after 1 January 2020.

2 Effective for business combinations where the acquisition date is on or after 1 January 2020.

3 The amendments were originally intended to be effective for periods beginning on or after 1 January 2016. The effective date has now been deferred/removed. Early application of the amendments continue to be permitted.

4. Revenue

Disaggregation of revenue

In the following table, revenue is disaggregated by primary geographical markets, major platforms and service lines and timing of revenue recognition.

	Transportation Business HK$'000 (Unaudited)	Healthcare Business HK$'000 (Unaudited)	Digital Media Business HK$'000 (Unaudited)	Logistic Advertising Business HK$'000 (Unaudited)	Digital Event Management Business HK$'000 (Unaudited)	Total HK$'000 (Unaudited)
For the three months period ended 30 June 2019						
Primary geographical markets						
Hong Kong (place of domicile)	13,009	163	2,155	203	–	15,530
Taiwan	–	–	–	–	2,391	2,391
	13,009	163	2,155	203	2,391	17,921
Major service lines						
Advertising display services						
– Minibus	12,384	–	–	–	–	12,384
– Taxi	375	–	–	–	–	375
– Others	250	–	–	–	–	250
– Hospitals and clinics	–	163	–	–	–	163
– Health and beauty retail stores	–	–	–	–	–	–
– Digital and online media	–	–	2,155	–	–	2,155
– Self-pickup lockers	–	–	–	203	–	203
	13,009	163	2,155	203	–	15,530
Esports event management services	–	–	–	–	2,391	2,391
	13,009	163	2,155	203	2,391	17,921
Timing of revenue recognition						
Transferred over time	13,009	163	2,155	203	2,391	17,921

	Transportation Business HK$'000 (Unaudited)	Healthcare Business HK$'000 (Unaudited)	Total HK$'000 (Unaudited)
For the three months period ended 30 June 2018			
Primary geographical market			
Hong Kong (place of domicile)	10,843	1,455	12,298
Major platforms/services			
Advertising display services			
— Minibus	10,318	—	10,318
— Taxi	387	—	387
— Others	138	—	138
— Hospitals and clinics	—	783	783
— Health and beauty retail stores	—	672	672
	10,843	1,455	12,298
Timing of revenue recognition			
Transferred over time	10,843	1,455	12,298

Geographical information

The Company is an investment holding company and the principal place of the Group's operation is in Hong Kong. For the purpose of segment information disclosures under HKFRS 8, the Group regarded Hong Kong as its place of domicile.

The following table provides an analysis of the Group's revenue from external customers and non-current assets other than financial asset ("**Specified non-current assets**").

	Revenue from external customers		**Specified non-current assets**	
	For the three months period ended 30 June		**For the three months period ended 30 June**	
	2019	2018	**2019**	2018
	HK$'000	HK$'000	**HK$'000**	HK$'000
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Hong Kong (place of domicile)	**15,530**	12,298	**49,553**	3,731
Taiwan	**2,391**	—	**—**	—
	17,921	12,298	**49,553**	3,731

Segment Information

An operating segment is a component of the Group that is engaged in business activities from which the Group may earn revenue and incur expenses, and is defined on the basis of the internal management reporting information that is provided to and regularly reviewed by the executive directors in order to allocate resources and assess performance of the segment.

The executive directors considered the business from the perspective of advertising platforms available, and determined that the Group has the following reportable operating segments:

— Provision of advertising display services over the transportation media platforms ("**Transportation Business**");

— Provision of advertising display services over the healthcare media platforms ("**Healthcare Business**");

— Provision of advertising display services over the digital and online media platforms ("**Digital Media Business**");

— Provision of advertising display services over the self-pickup lockers platforms ("**Logistic Advertising Business**"); and

— Provision of esports event management services ("**Digital Event Management Business**").

Segment revenue and results

Segment revenue below represents revenue from external customers. There was no inter-segment revenue during the reporting periods. The chief operating decision makers assess the performance of the operating segments mainly based on revenue and gross profit of each operating segment. Corporate and other unallocated expenses include selling expenses, administrative expenses and other expenses which are common costs incurred for the operating segments as a whole and therefore they are not included in the measure of the segments' performance that is used by the chief operating decision makers as a basis for the allocation of resources and assessment of segment performance. Other income and gains/losses, net, finance costs and income tax expense are also not allocated to individual operating segment.

There were no segment assets and liabilities information provided to the chief operating decision makers.

The segment revenue and results, and the totals presented for the Group's operating segments reconciled to the Group's key financial figures as presented in the Financial Information are as follows:

	Transportation Business HK$'000	Healthcare Business HK$'000	Digital Media Business HK$'000	Logistic Advertising Business HK$'000	Digital Event Management Business HK$'000	Total HK$'000
For the three months period ended 30 June 2019						
Revenue						
— From external customers	13,009	163	2,155	203	2,391	17,921
Cost of sales	(8,741)	(82)	(1,821)	(135)	(2,083)	(12,862)
Gross profit	4,268	81	334	68	308	5,059
Unallocated other income and gains, net						1,114
Corporate and other unallocated expenses						(6,322)
Finance costs						(584)
Loss before income tax expense						(733)

	Transportation Business HK$'000	Healthcare Business HK$'000	Total HK$'000
For the three months period ended 30 June 2018			
Revenue			
— From external customers	10,843	1,455	12,298
Cost of sales	(7,499)	(1,134)	(8,633)
Gross profit	3,344	321	3,665
Unallocated other income and losses, net			(85)
Corporate and other unallocated expenses			(4,146)
Loss before income tax expense			(566)

5. Other Income and Gains/(Losses), Net

	For the three months period ended 30 June	
	2019	2018
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Bank interest income	**126**	19
Exchange loss, net	**(80)**	(107)
Others	**1,068**	3
Total	**1,114**	(85)

6. Finance Costs

	For the three months period ended 30 June	
	2019	2018
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Interest on lease liabilities	**584**	—
Total	**584**	—

7. Income Tax Expense

	For the three months period ended 30 June	
	2019	2018
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Current tax — Hong Kong Profits Tax		
— Tax for the period	**64**	—

The Group companies incorporated in the Cayman Islands and the British Virgin Islands are tax-exempted as no business is carried out in the Cayman Islands and the British Virgin Islands under the laws of the Cayman Islands and the British Virgin Islands respectively.

Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profits for the three months period ended 30 June 2018; and at 8.25% on the first HK$2 million of estimated assessable profits and at 16.5% for the portion of the estimated assessable profits above HK$2 million for the three months period ended 30 June 2019.

No deferred tax has been recognized as there were no material temporary differences for the three months period ended 30 June 2019 and 2018.

8. Loss Per Share

The calculation of basic and diluted loss per share attributable to the owners of the Company is based on the following:

	For the three months period ended 30 June	
	2019	2018
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Loss		
Loss for the purposes of basic and diluted loss per share	**(950)**	(566)
	'000	'000
Number of shares		
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share	**720,000**	720,000

The weighted average of 720,000,000 ordinary shares for the three months period ended 30 June 2019 and 2018 were same as the number of ordinary shares of the Company in issue throughout the period.

Diluted loss per share was the same as the basic loss per share as the Group had no potential dilutive ordinary shares during the three months period ended 30 June 2019 and 2018.

9. Dividend

The Board does not recommend a payment of an interim dividend for the three months period ended 30 June 2019 (2018: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

The Group is a leading out-of-home ("**OOH**") advertising space and service provider in Hong Kong. During the three months period ended 30 June 2019, the Group continued to engage in the operation of advertising business on transportation and outdoor sector.

Business Review

The Group continued its principal business in the provision of OOH advertising spaces and services to its customers, which comprise end users aiming to promote their brands, products or services, and advertising agents acting for such advertisers. We also offer our customers design and production, advertisement logistics, installation and dismantling services on the different advertising platforms.

During the period under review, the Group's new segments: advertising display services over the self-pickup lockers platforms ("**Logistic Advertising Business**"); digital and online media platforms ("**Digital Media Business**"); and esports event management services ("**Digital Event Management Business**") have recorded a gross profit margin of approximately 33.5%, approximately 15.5% and approximately 12.9% respectively.

As disclosed in the Company's annual results announcement for the year ended 31 March 2019, due to the business restructuring of the principal (the "**Principal**") operating the esports event management facilities in Taiwan, the services agreement entered into between the Group and the Principal was terminated on 31 May 2019. The Group will continue to identify and evaluate new opportunities in the market and strive to bring in new lines of business to the Group in the foreseeable future. The Group has been diversifying the coverage of our OOH advertising spaces from traditional display of advertisement through public transportation and poster frame to digitalization through internet and social media.

Following with the increase of the number of exclusive minibus advertising spaces in our fixed route minibus network from 1,270 as at 30 June 2018 to 1,363 as at 30 June 2019, the Group has further developed the printing business in conjunction with the growth of the exclusive minibus advertising spaces. As present, more than 50% of the production of advertising stickers for the minibus advertising spaces were printed at our in-house printing factory. The Group is planning to further expand the capacity of the production of advertising stickers so all of our advertising stickers will be printed by our own in-house printing machines.

Furthermore, an indirect wholly owned subsidiary of the Company, namely Medic Savvy Media Limited, has entered into an agreement in May 2019 with 蜜滋麻美企業有限公司 ("**Mizimamei Enterprise**") pursuant to which the Group is granted the exclusive right to distribute and market the Mizimamei branded food and beverage products and its retail brand in Hong Kong. The renovation of our first Mizimamei branded retail outlet located in Central, Hong Kong is about to complete and the grand opening is expected to be held in the late August 2019.

Financial Review

Revenue

Total revenue of the Group increased by 45.5% from approximately HK$12.3 million for the three months period ended 30 June 2018 to approximately HK$17.9 million for that of 2019. Such increase was mainly contributed by (i) the increase of revenue generated from minibus advertising from approximately HK$10.3 million for the three months period ended 30 June 2018 to approximately HK$12.4 million for that of 2019; and (ii) the realization of the new business development of the Logistic Advertising Business, Digital Media Business and Digital Event Management Business.

Revenue generated from minibus advertising increased by 20.4% from approximately HK$10.3 million for the three months period ended 30 June 2018 to approximately HK$12.4 million for that of 2019. Such increase was mainly due to the fact that the Group has expanded the coverage of exclusive advertising spaces from 1,270 minibuses as at 30 June 2018 to 1,363 minibuses as at 30 June 2019. Revenue generated from taxi advertising remained stable at approximately HK$0.4 million for the three months period ended 30 June 2019 as compared to that of 2018. Revenue generated from the provision of other types of advertising services (for example advertising spaces in other OOH media formats) increased by approximately HK$0.1 million for the three months period ended 30 June 2019 as compared to that of 2018.

The hospital advertising and the health and beauty retail stores advertising business has ceased since the completion of the agreements for the use of advertising spaces at the public hospitals and the health and beauty retail stores on 30 April 2018 and 30 June 2018 respectively. The revenue generated from private hospital and clinics increased from approximately HK$0.1 million to approximately HK$0.2 million for the three months period ended 30 June 2019 as compared to that of 2018.

Revenue generated from new segments, namely (i) Digital Media Business; (ii) Digital Event Management Business; and (iii) Logistic Advertising Business were approximately HK$2.2 million, approximately HK$2.4 million and approximately HK$0.2 million respectively.

Cost of Sales and Gross Profit Margin

Cost of sales increased by 50.0% from approximately HK$8.6 million for the three months period ended 30 June 2018 to approximately HK$12.9 million for that of 2019. The increase was mainly due to (i) an increase of depreciation of right-of-use asset (which has become effective in the period due to the adoption of HKFRS 16 "Leases") as compared to the license fees paid for the exclusive minibus advertising spaces for the corresponding period in 2018; (ii) the new license fees paid for the advertising spaces of the self-pickup lockers advertising and digital media advertising; and (iii) the operating expenses of the new Digital Event Management Business.

The gross profit margin decreased by 1.6 percentage points from approximately 29.8% for the three months period ended 30 June 2018 to approximately 28.2% for that of 2019, mainly because of the lower gross profit margin of the new segments.

In the minibus sub-segment, the Group has maintained a consistent gross profit margin of approximately 32.8% for the three months period ended 30 June 2019 of that approximately 31.4% for the three months period ended 30 June 2018.

The Group recorded a gross profit margin of approximately 15.5%, approximately 12.9% and approximately 33.5% for the three months period ended 30 June 2019 for new segments of Digital Media Business, Digital Event Management Business and Logistic Advertising Business respectively.

Selling Expenses

Selling expenses increased from approximately HK$1.5 million for the three months period ended 30 June 2018 to approximately HK$2.9 million for that of 2019 due to the new commission incentive scheme paid the commission to our sales representatives specializing in the Digital Media Business.

Administrative Expenses

Administrative expenses increased from approximately HK$2.7 million for the three months period ended 30 June 2018 to approximately HK$3.5 million for that of 2019. The increase was mainly attributable to (i) increase of directors' remuneration of approximately HK$0.3 million; and (ii) increase in staff welfare and salaries of approximately HK$0.3 million.

Finance Costs

Finance costs represented interest on lease liabilities for the leases of which the Group is lessees accounted for under HKFRS 16 "Leases" which was adopted by the Group since 1 April 2019 of approximately HK$0.6 million for the three months period ended 30 June 2019.

Loss Attributable to Owners of the Company

As a result, we recorded loss attributable to owners of the Company of approximately HK$1.0 million for the three months period ended 30 June 2019 as compared to approximately HK$0.6 million for that of 2018.

Outlook

Since June 2019, public reaction to the controversial legislation has sparked several rounds of protests in Hong Kong. The demonstration then turned into a social movement in mid-June and in the past months, it has extended to Causeway Bay, Admiralty, Wan Chai and other core districts.

Hong Kong's ongoing political unrest has soured shoppers' appetite for spending, damaging retail sales and adding to the city's economic woes. And any further escalation could potentially drive tourists away and reduce local shoppers' desire to spend. As the city is still licking its wounds from the US-China trade war, which saw retail sales decline for the fourth straight month in May this year, if the political tensions continue or escalate, they could take a bigger toll on retail sales, by straining consumer sentiment of local households, as well as pushing tourists towards other destinations. This is despite the fact tourist arrivals bucked the downward trend, jumping 19.5 per cent in May or 14.9 per cent in the first five months of this year, compared with the same period in 2018.

The Group will pay extra attention to the change of the political environment in Hong Kong but it is undisputed that the economy of Hong Kong would be suffering from all these factors arised from the social movement to the ongoing US-China trade war.

The Group expects that the social movement, if continue, will have a negative impact on the Group's operations and financial performance. The Group will continue to strengthen its competitive advantage by increasing the exclusive advertising spaces and explore varieties of business opportunities to diversify our business exposures.

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and Its Associated Corporation

As at 30 June 2019, 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 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 to be notified to the Company and the Stock Exchange under Divisions 7 and 8 of Part XV of the SFO (including any interests or short positions which they are taken or deemed to have under such provisions of the SFO), or as recorded in the register maintained by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuers as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

Name of Director	Capacity/ Nature of interest	Number and class of securities[1]	Approximate percentage of shareholding interest
Ms. CHAU Wai Chu Irene ("**Ms. Chau**")	Beneficial owner	278,640,000 ordinary shares (L)	38.70%
Ms. Chau[2]	Interest in a controlled corporation	278,640,000 ordinary shares (L)	38.70%
Mr. DA SILVA Antonio Marcus ("**Mr. Da Silva**")	Beneficial owner	93,960,000 ordinary shares (L)	13.05%
Mr. Da Silva[3]	Interest in a controlled corporation	93,960,000 ordinary shares (L)	13.05%

Notes:

(1) The letter "L" denotes the entity/person's long position in ordinary shares of the Company (the "**Shares**").

(2) The Company was directly owned as to 38.70% (being 278,640,000 Shares) by Goldcore Global Investments Limited ("**Goldcore**"). By virtue of her 100% shareholding of Goldcore, Ms. Chau is deemed to be interested in the same number of Shares held by Goldcore.

(3) The Company was directly owned as to 13.05% (being 93,960,000 Shares) by Silver Pro Investments Limited ("**Silver Pro**"). By virtue of his 100% shareholding of Silver Pro, Mr. Da Silva is deemed to be interested in the same number of Shares held by Silver Pro.

Long Positions in Shares of Associated Corporation

Name of Director	Name of associated corporation	Capacity/ Nature of interest	Percentage of interest
Ms. Chau	Goldcore	Beneficial owner	100%
Mr. Da Silva	Silver Pro	Beneficial owner	100%

All issued shares in Goldcore are solely owned by Ms. Chau. Accordingly, Ms. Chau is deemed to be interested in all the Shares held by Goldcore by virtue of the SFO.

All issued shares in Silver Pro are solely owned by Mr. Da Silva. The spouse of Mr. Da Silva is Ms. CHU Sau Kuen Jeanny. Accordingly, Mr. Da Silva and Ms. CHU Sau Kuen Jeanny are both deemed to be interested in all the Shares held by Silver Pro by virtue of the SFO.

Save as disclosed above, as at 30 June 2019, none of the Directors and chief executive of the Company had any interests or short positions in any shares, underlying shares and 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 or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

Substantial Shareholders' and Other Persons' Interests and Short Positions in the Shares and Underlying Shares of the Company

So far as is known to the Directors, as at 30 June 2019, the following persons/entities had the interests or short positions in the shares or the underlying shares which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO or as recorded in the register of the Company required to be kept under Section 336 of the SFO as follows:

Name of shareholder	Capacity/ Nature of interest	Number and class of securities[1]	Approximate percentage of shareholding interest
Goldcore[2]	Beneficial owner	278,640,000 ordinary shares (L)	38.70%
Ms. Chau[2]	Interest in a controlled corporation	278,640,000 ordinary shares (L)	38.70%
AL Capital Limited[3] ("**AL Capital**")	Beneficial owner	139,968,000 ordinary shares (L)	19.44%
Mr. LAU Anthony Chi Sing[3] ("**Mr. Lau**")	Interest in a controlled corporation	139,968,000 ordinary shares (L)	19.44%
Silver Pro[4]	Beneficial owner	93,960,000 ordinary shares (L)	13.05%
Mr. Da Silva[4]	Interest in a controlled corporation	93,960,000 ordinary shares (L)	13.05%
Ms. CHU Sau Kuen Jeanny[4]	Interest of spouse (spouse of Mr. Da Silva)	93,960,000 ordinary shares (L)	13.05%

Notes:

(1) The letter "L" denotes the entity/person's long position in the Shares.

(2) All issued shares in Goldcore are solely owned by Ms. Chau. Accordingly, Ms. Chau is deemed to be interested in all the Shares held by Goldcore by virtue of the SFO.

(3) All issued shares in AL Capital are solely owned by Mr. Lau. Accordingly, Mr. Lau is deemed to be interested in all the Shares held by AL Capital by virtue of the SFO.

(4) All issued shares in Silver Pro are solely owned by Mr. Da Silva. The spouse of Mr. Da Silva is Ms. CHU Sau Kuen Jeanny. Accordingly, Mr. Da Silva and Ms. CHU Sau Kuen Jeanny are both deemed to be interested in all the Shares held by Silver Pro by virtue of the SFO.

Save as disclosed above and so far as is known to the Directors, as at 30 June 2019, no other interests or short positions in the shares or underlying shares of the Company which were required to be notified to the Company under Divisions 2 and 3 of Part XV of the SFO or were recorded in the register required to be kept by the Company under Section 336 of the SFO.

Purchase, Sale or Redemption of the Company's Listed Securities

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the three months period ended 30 June 2019.

Share Option Scheme

The Company has adopted the share option scheme (the "**Scheme**") on 19 December 2016. The purpose of the Scheme is to enable the Company to grant options to selected participants as incentives or rewards for their contribution to it. The Directors consider the Scheme, with its broadened basis of participation, will enable the Group to reward the employees, the Directors and other selected participants for their contributions to the Group. The principal terms of the Scheme are summarized in the section headed "Share Option Scheme" in Appendix IV to the Prospectus.

As at 30 June 2019, no share option was outstanding under the Scheme. No share option has been granted, exercised, cancelled or lapsed under the Scheme since its adoption.

Competition and Conflict of Interests

None of the Directors, the directors of the Company's subsidiaries or controlling shareholders of the Company, or any of its respective close associates, as defined in the GEM Listing Rules, had interest in any business that competes or may compete, either directly or indirectly, with the businesses of the Group, or has any other conflict of interests with the Group (other than being a Director and/or a director of its subsidiaries and their respective associates) during the three months period ended 30 June 2019.

Directors' Securities Transactions

The Company adopted the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding directors' securities transactions in securities of the Company. Based on specific enquiry made with the Directors, all Directors confirmed that they had fully complied with the required standard of dealings and there was no event of non-compliance during the three months period ended 30 June 2019.

Compliance with the Corporate Governance Code

The Company is committed to achieving high standards of corporate governance to safeguard the interests of the shareholders and enhance its corporate value. The Company's corporate governance practices are based on the principles and code provisions as set out in the Corporate Governance Code in Appendix 15 to the GEM Listing Rules (the "**CG Code**").

Throughout the three months period ended 30 June 2019, to the best knowledge of the Board, the Company had complied with the code provisions in the CG Code, save for the deviation from the code provision A.2.1, as explained below:

Pursuant to the code provision A.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing.

Ms. CHAU Wai Chu Irene currently holds both positions. In view of her experience and familiarity with the business operations of our Group, the Board considers that the roles of the Chairlady and Chief Executive Officer being performed by Ms. Chau would be appropriate to maintain the efficiency in the overall strategic planning, management and business development of the Group. The Board with the corporate governance committee of the Board will review the Group's corporate governance policies and compliance with the CG Code each financial year.

Audit Committee

The Company established an audit committee with written terms of reference in compliance with Rules 5.28 and 5.29 of the GEM Listing Rules and the code provisions C.3.3 and C.3.7 of the CG Code. The audit committee consists of all the three independent non-executive Directors being Ms. AU Shui Ming Anna, Mr. LIANG Man Kit Jerry and Mr. HO Alfred Chak Wai. Ms. AU Shui Ming Anna serves as the chairlady of the audit committee who has appropriate professional qualifications and experience as required by the GEM Listing Rules. The primary responsibilities of the audit committee include but without limitation the following: (i) assisting the Board in providing an independent view of the effectiveness of our Group's financial reporting system, internal control and risk management systems; (ii) overseeing the audit process; and (iii) performing other duties and responsibilities as assigned by the Board.

The audit committee has discussed and reviewed the unaudited condensed consolidated financial statements of the Group for the three months period ended 30 June 2019 and this report.

Board of Directors

As at the date of this report, the Directors are:

Executive Directors:

Ms. CHAU Wai Chu Irene *(Chairlady and Chief Executive Officer)*
Ms. CHEUNG Kit Yi
Mr. LEAN Chun Wai

Non-Executive Director:

Mr. DA SILVA Antonio Marcus

Independent Non-Executive Directors:

Ms. AU Shui Ming Anna
Mr. LIANG Man Kit Jerry
Mr. HO Alfred Chak Wai

On behalf of the Board of
OOH Holdings Limited
CHAU Wai Chu Irene
Chairlady and Chief Executive Officer

Hong Kong, 8 August 2019