



Oriental
UniversityCity
東方大學城

INTERIM REPORT
2020
中期報告



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

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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 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*)

Independent Non-executive Directors

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

COMPANY SECRETARY

Sir Kwok Siu Man KR, *FCIS, FCS*

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. Guo Shaozeng

REMUNERATION COMMITTEE

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

NOMINATION COMMITTEE

Mr. Guo Shaozeng (*Chairman*)
Mr. Chew Hua Seng
Mr. Lam Bing Lun, Philip
Mr. Wilson Teh Boon Piaw

RISK MANAGEMENT COMMITTEE

Mr. Tan Yeow Hiang, Kenneth (*Chairman*)
Mr. Liu Ying Chun
Mr. Wilson Teh Boon Piaw

LISTING INFORMATION

Place

GEM of The Stock Exchange of Hong Kong Limited

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

CORPORATE INFORMATION

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 & Technological Development Zone
Hebei Province 065001
The PRC

SHARE REGISTRAR AND TRANSFER OFFICE

Boardroom Share Registrars (HK) Limited
Room 2103B, 21/F
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)

LEGAL ADVISOR

As to PRC law
Hebei Ruoshi Law Firm

FINANCIAL HIGHLIGHTS

- The Group recorded a revenue of approximately RMB39.0 million for the six months ended December 31, 2019, representing an increase of 3.3% as compared with the corresponding period in 2018.
- Profit attributable to owners of the Company for the six months ended December 31, 2019 amounted to approximately RMB16.4 million, representing a decrease of 3.1% as compared with the corresponding period in 2018.
- Basic earnings per share for the six months ended December 31, 2019 amounted to RMB9.0 cents (six months ended December 31, 2018: RMB9.0 cents).

The board of Directors (the “Board”) presents the unaudited condensed consolidated results of the Company and its subsidiaries (together, the “Group”) for the three months and six months ended December 31, 2019, together with the relevant unaudited/audited comparative figures, as follows:

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED DECEMBER 31, 2019

	<i>Notes</i>	For the three months ended		For the six months ended	
		December 31, 2019 <i>Unaudited</i> RMB' 000	December 31, 2018 <i>Unaudited</i> RMB' 000	December 31, 2019 <i>Unaudited</i> RMB' 000	December 31, 2018 <i>Unaudited</i> RMB' 000
Revenue	3	19,266	19,555	39,006	37,754
Government grants		–	–	–	200
Employee costs		(1,584)	(504)	(2,532)	(1,339)
Depreciation of property, plant and equipment		(87)	(82)	(172)	(163)
Business taxes and surcharges		(98)	(96)	(199)	(187)
Property taxes and land use taxes		(2,956)	(3,350)	(5,419)	(6,551)
Property management fee		(1,721)	(1,620)	(3,480)	(3,188)
Repairs and maintenance fees		(207)	(906)	(2,316)	(1,432)
Legal and consulting fees		(2,297)	(836)	(3,337)	(2,185)
Other gains/(losses), net	4	(746)	(1,668)	22	(1,092)
Other expenses	5	(1,327)	(1,484)	(2,462)	(1,091)
Share of results of associates		1,692	(308)	1,371	(903)
Operating profit		9,935	8,701	20,482	19,823
Interest income	6	169	654	334	673
Interest expenses	6	(1,187)	(252)	(1,618)	(477)
Profit before income tax		8,917	9,103	19,198	20,019
Income tax	7	(1,619)	(1,442)	(2,651)	(2,921)
Profit for the period		7,298	7,661	16,547	17,098
Profit attributable to					
– Owners of the Company		7,215	7,562	16,374	16,901
– Non-controlling interests		83	99	173	197
		7,298	7,661	16,547	17,098

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

FOR THE SIX MONTHS ENDED DECEMBER 31, 2019

	<i>Note</i>	For the three months ended		For the six months ended	
		December 31, 2019 <i>Unaudited</i> RMB'000	December 31, 2018 <i>Unaudited</i> RMB'000	December 31, 2019 <i>Unaudited</i> RMB'000	December 31, 2018 <i>Unaudited</i> RMB'000
Total comprehensive income attributable to					
– Owners of the Company		7,215	7,562	16,374	16,901
– Non-controlling interests		83	99	173	197
		<u>7,298</u>	<u>7,661</u>	<u>16,547</u>	<u>17,098</u>
Earnings per share for profit attributable to the owners of the Company during the period					
	10				
– Basic (RMB per share)		<u>0.04</u>	<u>0.04</u>	<u>0.09</u>	<u>0.09</u>
– Diluted (RMB per share)		<u>0.04</u>	<u>0.04</u>	<u>0.09</u>	<u>0.09</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2019

	<i>Notes</i>	December 31, 2019 <i>Unaudited</i> <i>RMB' 000</i>	June 30, 2019 <i>Audited</i> <i>RMB' 000</i>
Assets			
Non-current assets			
Property, plant and equipment	11	5,052	5,125
Investment properties	11	1,440,456	1,174,532
Investments in associates		79,987	77,908
Deposit paid for acquisition of investment properties		–	54,833
Total non-current assets		<u>1,525,495</u>	<u>1,312,398</u>
Current assets			
Trade and other receivables	12	15,878	9,497
Cash and cash equivalents	13	31,132	5,236
Total current assets		<u>47,010</u>	<u>14,733</u>
Total assets		<u><u>1,572,505</u></u>	<u><u>1,327,131</u></u>
Current liabilities			
Trade and other payables and accruals	14	9,578	6,980
Rental received in advance		35,983	3,141
Bank borrowings		–	2,296
Current tax liabilities		1,053	1,785
Total current liabilities		<u>46,614</u>	<u>14,202</u>
Net current assets		<u>396</u>	<u>531</u>
Total assets less current liabilities		<u><u>1,525,891</u></u>	<u><u>1,312,929</u></u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT DECEMBER 31, 2019

	<i>Notes</i>	December 31, 2019 <i>Unaudited</i> <i>RMB'000</i>	June 30, 2019 <i>Audited</i> <i>RMB'000</i>
Non-current liabilities			
Trade and other payables and accruals	14	641	14,373
Bank borrowings		44,632	12,572
Convertible notes	15	121,791	–
Deferred tax liabilities	16	121,060	121,060
Total non-current liabilities		<u>288,124</u>	<u>148,005</u>
NET ASSETS		<u>1,237,767</u>	<u>1,164,924</u>
Capital and reserves attributable to owners of the Company			
Share capital	17	290,136	290,136
Reserves		937,577	864,907
		<u>1,227,713</u>	<u>1,155,043</u>
Non-controlling interests		<u>10,054</u>	<u>9,881</u>
TOTAL EQUITY		<u>1,237,767</u>	<u>1,164,924</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED DECEMBER 31, 2019

	Reserves						Equity attributable to owners of the Company	Non-controlling interests	Total
	Share capital	Other reserves	Convertible notes reserve	Retained profits	Exchange reserve	Proposed dividend			
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at July 1, 2018 <i>(Audited)</i>	290,136	(71,025)	-	910,138	230	10,620	1,140,099	9,547	1,149,646
Profit for the period	-	-	-	16,901	-	-	16,901	197	17,098
Exchange differences from translation of foreign operations	-	-	-	-	52	-	52	-	52
Share of other comprehensive income of an associate	-	-	-	-	3,456	-	3,456	-	3,456
Total comprehensive income	-	-	-	16,901	3,508	-	20,409	197	20,606
2018 proposed final dividend paid	-	-	-	-	-	(10,620)	(10,620)	-	(10,620)
2018 proposed interim dividend (Note 19)	-	-	-	(7,860)	-	7,860	-	-	-
Balance at December 31, 2018 <i>(Unaudited)</i>	<u>290,136</u>	<u>(71,025)</u>	<u>-</u>	<u>919,179</u>	<u>3,738</u>	<u>7,860</u>	<u>1,149,888</u>	<u>9,744</u>	<u>1,159,632</u>
Balance at June 30, 2018 and July 1, 2018 <i>(Audited)</i>	290,136	(71,025)	-	933,610	2,322	-	1,155,043	9,881	1,164,924
Profit for the period	-	-	-	16,374	-	-	16,374	173	16,547
Convertible notes equity component	-	-	58,583	-	(3,190)	-	55,393	-	55,393
Exchange differences from translation of foreign operations	-	-	-	-	1,558	-	1,558	-	1,558
Share of other comprehensive income of an associate	-	-	-	-	(655)	-	(655)	-	(655)
Total comprehensive income	-	-	58,583	16,374	(2,287)	-	72,670	173	72,843
2019 proposed interim dividend (Note 19)	-	-	-	-	-	-	-	-	-
Balance at December 31, 2019 <i>(Unaudited)</i>	<u>290,136</u>	<u>(71,025)</u>	<u>58,583</u>	<u>949,984</u>	<u>35</u>	<u>-</u>	<u>1,227,713</u>	<u>10,054</u>	<u>1,237,767</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED DECEMBER 31, 2019

	For the six months ended	
	December 31, 2019 <i>Unaudited</i> <i>RMB'000</i>	December 31, 2018 <i>Unaudited</i> <i>RMB'000</i>
Operating activities		
Profit before income tax	19,198	20,019
Adjustments for:		
Interest income	(334)	(673)
Depreciation of property, plant and equipment	172	163
Gain on disposal of property, plant and equipment	(2)	(1)
Unrealised gain on foreign exchange	(893)	–
Share of results of associates	(1,371)	–
Operating cash flows before working capital	16,770	19,508
Increase in prepayments	–	(237)
Increase in trade and other receivables	(6,382)	(15,395)
Increase in trade and other payables	22,196	31,591
Cash generated from operations	32,584	35,467
Profits tax paid	(3,386)	(2,612)
Net cash generated from operating activities	29,198	32,855
Investing activities		
Interest received	334	673
Payments to acquire property and equipment	(99)	(77)
Payments to acquire investment properties	(33,032)	(1,589)
Proceeds from sale of property and equipment	2	1
Net cash used in investing activities	(32,795)	(992)
Financing activities		
Dividends paid	–	(17,869)
Proceeds from bank borrowings	30,382	–
Repayment of bank borrowings	(889)	(1,096)
Net cash generated from/(used in) financing activities	29,493	(18,965)
Increase in cash and cash equivalents	25,896	12,898
Cash and cash equivalents at beginning of the period	5,236	26,562
Cash and cash equivalents at end of the period	31,132	39,460

NOTES TO THE INTERIM CONDENSED CONSOLIDATED RESULTS

1 GENERAL INFORMATION

The Company is a limited liability company incorporated in Hong Kong on June 11, 2012. Its ordinary shares (the “Shares”) in issue have been listed on GEM since January 16, 2015. The address of the Company’s registered office is 31st Floor, 148 Electric Road, North Point, Hong Kong. The Company acts as an investment holding company and its subsidiaries are engaged in the provision of education facilities leasing services in the People’s Republic of China (the “PRC”) and Malaysia.

The Directors consider that the Company’s ultimate parent is Raffles Education Corporation Limited (“REC”), a company incorporated in the Republic of Singapore (“Singapore”), whose issued shares are listed on Singapore Exchange Securities Trading Limited (the “SGX-ST”).

These unaudited condensed consolidated results of the Group for the six months ended December 31, 2019 (the “Period” and the “Interim Results”) are presented in Renminbi (“RMB”), unless otherwise stated.

2 BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The Group’s Interim Results have been prepared in accordance with Chapter 18 of the GEM Listing Rules, and in accordance with the Hong Kong Financial Reporting Standards (“HKFRSs”) which collective term includes all applicable individual HKFRSs, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants, and accounting principles generally accepted in Hong Kong. Except as described below, the accounting policies and methods of computation used in preparing these Interim Results are the same as those followed in the preparation of the Group’s audited financial statements for the year ended June 30, 2019 (the “Year 2019”).

These Interim Results are unaudited but have been reviewed by the audit committee of the Board (the “Audit Committee”).

The financial information relating to the Year 2019 that is included in these Interim Results 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 Companies Ordinance, Chapter 622 of the laws of Hong Kong (the “Companies Ordinance”) is as follows:

The Company has delivered the consolidated financial statements for the Year 2019 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance.

The Company’s independent auditor has reported on those consolidated financial statements. The independent auditor’s report was unqualified; did not include a reference to any matters to which the independent 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 Companies Ordinance.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED RESULTS

3 SEGMENT INFORMATION

The executive Directors who are the chief operating decision makers of the Group review the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on reports reviewed by the executive Directors that are used to make strategy decisions.

Management regularly reviews the operating results from a service category perspective. The reportable operating segments derive their revenue primarily from education facilities leasing. As the revenue from the commercial leasing for supporting facilities was less than 10% of the total revenue during the six months ended December 31, 2019 and 2018, business segment information is not considered necessary.

As (a) the executive Directors consider that the Group's revenue and results are all derived from education facilities leasing and commercial leasing for supporting facilities in the PRC and Malaysia; and (b) the leasing revenue from Malaysia is not significant compared to that of the PRC, geographical segment information is not considered necessary.

An analysis of revenue by category for the three months and six months ended December 31, 2019 and 2018 is as follows:

	Three months ended December 31, 2019 <i>Unaudited</i> <i>RMB'000</i>	Three months ended December 31, 2018 <i>Unaudited</i> <i>RMB'000</i>	Six months ended December 31, 2019 <i>Unaudited</i> <i>RMB'000</i>	Six months ended December 31, 2018 <i>Unaudited</i> <i>RMB'000</i>
Revenue				
– Education facilities leasing	17,343	18,661	35,232	35,887
– Commercial leasing for supporting facilities	1,923	894	3,774	1,867
	<u>19,266</u>	<u>19,555</u>	<u>39,006</u>	<u>37,754</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED RESULTS

3 SEGMENT INFORMATION *(Continued)*

Information about major customers

The Group's revenues were derived from the following external customers that individually contributed more than 10% of the Group's revenues for the three months and six months ended December 31, 2019 and 2018:

	Three months ended December 31, 2019 <i>Unaudited</i> <i>RMB'000</i>	Three months ended December 31, 2018 <i>Unaudited</i> <i>RMB'000</i>	Six months ended December 31, 2019 <i>Unaudited</i> <i>RMB'000</i>	Six months ended December 31, 2018 <i>Unaudited</i> <i>RMB'000</i>
College A	11,799	11,737	23,599	23,473
College B	2,676	2,032	5,352	4,002
	<u>14,475</u>	<u>13,769</u>	<u>28,951</u>	<u>27,475</u>

4 OTHER GAINS/(LOSSES) – NET

	Three months ended December 31, 2019 <i>Unaudited</i> <i>RMB'000</i>	Three months ended December 31, 2018 <i>Unaudited</i> <i>RMB'000</i>	Six months ended December 31, 2019 <i>Unaudited</i> <i>RMB'000</i>	Six months ended December 31, 2018 <i>Unaudited</i> <i>RMB'000</i>
Gain on disposal of property, plant and equipment	2	1	2	1
Exchange (loss)	(818)	(1,669)	(116)	(1,093)
Other gain	70	–	136	–
	<u>(746)</u>	<u>(1,668)</u>	<u>22</u>	<u>(1,092)</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED RESULTS

5 OTHER EXPENSES

	Three months ended December 31, 2019 <i>Unaudited</i> <i>RMB'000</i>	Three months ended December 31, 2018 <i>Unaudited</i> <i>RMB'000</i>	Six months ended December 31, 2019 <i>Unaudited</i> <i>RMB'000</i>	Six months ended December 31, 2018 <i>Unaudited</i> <i>RMB'000</i>
Utilities	358	260	463	268
Stamp duties	14	34	28	52
Insurance fee	16	6	29	27
Others	939	1,184	1,942	744
	<u>1,327</u>	<u>1,484</u>	<u>2,462</u>	<u>1,091</u>

6 INTEREST INCOME/(EXPENSES)

	Three months ended December 31, 2019 <i>Unaudited</i> <i>RMB'000</i>	Three months ended December 31, 2018 <i>Unaudited</i> <i>RMB'000</i>	Six months ended December 31, 2019 <i>Unaudited</i> <i>RMB'000</i>	Six months ended December 31, 2018 <i>Unaudited</i> <i>RMB'000</i>
Interest income				
– Interest income on bank deposits	8	20	11	39
– Interest income from loan advance to an independent third party	161	634	323	634
	<u>169</u>	<u>654</u>	<u>334</u>	<u>673</u>
Interest expenses				
– Interest expense on bank borrowings	(662)	(252)	(1,093)	(477)
– Interest expense on convertible notes	(525)	–	(525)	–
	<u>(1,187)</u>	<u>(252)</u>	<u>(1,618)</u>	<u>(477)</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED RESULTS

7 INCOME TAX

	Three months ended December 31, 2019 <i>Unaudited</i> <i>RMB'000</i>	Three months ended December 31, 2018 <i>Unaudited</i> <i>RMB'000</i>	Six months ended December 31, 2019 <i>Unaudited</i> <i>RMB'000</i>	Six months ended December 31, 2018 <i>Unaudited</i> <i>RMB'000</i>
Current income tax				
– PRC corporate income tax	1,591	1,298	2,539	2,625
– Malaysian corporate income tax	28	144	112	296
	<u>1,619</u>	<u>1,442</u>	<u>2,651</u>	<u>2,921</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 has been levied according to accounting book under the PRC CIT Law (2007).

PRC withholding income tax

According to the PRC CIT Law (2007), 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 the 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 unaudited condensed consolidated interim financial information as the Company and the Group did not have assessable profit in Hong Kong during the six months ended December 31, 2019 and 2018.

Malaysian corporate income tax

The Malaysian income tax rate applicable to the Group entity located in Malaysia is 24%.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED RESULTS

8 CONTINGENT LIABILITIES

The Group did not have any material contingent liabilities as at December 31, 2019 (June 30, 2019: Nil).

9 CONNECTED TRANSACTION AND CONTINUING CONNECTED TRANSACTION

Major and connected transaction in relation to the acquisition of properties

On August 29, 2018, the Company, as the purchaser, 廊坊開發區東方大學城教育諮詢有限公司 (Langfang Development Zone Oriental University City Education Consultancy Co., Ltd.*) (the “**Langfang Development Zone Company**”) (a subsidiary of the Company), 廊坊通慧教育諮詢有限公司 (Langfang Tonghui Education Consultancy Co., Ltd.*) (“**TongHui**”) (a subsidiary of REC) and REC (the holding company of the Company) (the “**Seller**”) entered into a sale and purchase agreement (the “**Original SPA**”), pursuant to which the Seller had conditionally agreed to sell and the Company had conditionally agreed to acquire the properties (being part of Zhuyun Education Land, situated at Oriental University City, Langfang Economic and Technology Development Zone, Langfang City, Hebei Province, the PRC) (the “**Zhuyun Properties**”) at a consideration of RMB252,370,000 (the “**Acquisition of Zhuyun Properties**”). A general meeting of the Company had been held on December 20, 2018 to approve the Acquisition of Zhuyun Properties. Please refer to the Company’s announcements dated August 29, September 3, September 13, October 31, and December 20, 2018 and the circular dated November 29, 2018 for more details.

The Company had on December 31, 2018 and January 21, 2019 respectively executed (i) an addendum to the Original SPA and agreed to extend the long stop date to June 30, 2019; and (ii) an addendum to revise certain terms of the Original SPA. Please refer to the Company’s announcements dated December 31, 2018 and January 21, 2019 for more details.

On June 13, 2019, the Company, the Langfang Development Zone Company, TongHui and the Seller entered into a supplemental agreement to further amend certain terms of the Original SPA (the “**Supplemental Agreement**”). A general meeting of the Company was held on October 25, 2019 and the resolutions for approving the transaction contemplated under the Supplemental Agreement and the issue of the conversion shares were passed by the independent shareholders of the Company. Please refer to the announcements of the Company dated June 13, June 28, July 23, October 25, and November 19, 2019 respectively and its circular dated September 20, 2019 for more details.

On November 19, 2019 (the “**Issue Date**”), the Notes (as defined in note 15 to the interim condensed consolidated results) were issued by the Company to the Seller pursuant to the Supplemental Agreement, which will mature on August 29, 2028 (the “**Maturity Date**”). The holders of the Notes will be able to convert the outstanding principal amount of the Notes in whole or in part into conversion shares at any time following the Issue Date until the Maturity Date.

* *The English translation of the Chinese names is for information purpose only and shall not be regarded as the official English translation of such Chinese names.*

NOTES TO THE INTERIM CONDENSED CONSOLIDATED RESULTS

9 CONNECTED TRANSACTION AND CONTINUING CONNECTED TRANSACTION *(Continued)*

Continuing connected transaction

On December 18, 2018, OUC Malaysia Sdn. Bhd. which is a direct wholly owned subsidiary of the Company, as landlord, entered into a tenancy agreement with Raffles College of Higher Education Sdn. Bhd. which is owned 70% by REC, as tenant, for the lease of the properties in Kuala Lumpur, Malaysia for a term of three years commencing on January 1, 2019 and expiring on December 31, 2021 at a monthly rent of MYR179,400. Please refer to the Company's announcements dated December 18 and December 19, 2018 for more details.

10 EARNINGS PER SHARE

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

	Three months ended December 31, 2019 <i>Unaudited</i>	Three months ended December 31, 2018 <i>Unaudited</i>	Six months ended December 31, 2019 <i>Unaudited</i>	Six months ended December 31, 2018 <i>Unaudited</i>
Profit attributable to the owners of the Company (RMB' 000)	<u>7,215</u>	<u>7,562</u>	<u>16,374</u>	<u>16,901</u>
Weighted average number of ordinary shares in issue	<u>180,000,000</u>	<u>180,000,000</u>	<u>180,000,000</u>	<u>180,000,000</u>
Basic earnings per share for profit attributable to the owners of the Company during the period (expressed in RMB per share)	<u>0.04</u>	<u>0.04</u>	<u>0.09</u>	<u>0.09</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.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED RESULTS

11 PROPERTY AND EQUIPMENT AND INVESTMENT PROPERTIES

	Property and equipment <i>Unaudited</i> <i>RMB'000</i>	Investment properties <i>Unaudited</i> <i>RMB'000</i>
Six months ended December 31, 2019		
Opening amount as at July 1, 2019	5,125	1,174,532
Additions	99	264,562
Depreciation charge	(172)	–
Exchange difference	–	1,362
Closing amount as at December 31, 2019	5,052	1,440,456
Six months ended December 31, 2018		
Opening amount as at July 1, 2018	5,371	1,155,987
Additions	77	1,589
Depreciation charge	(163)	–
Exchange difference	–	425
Closing amount as at December 31, 2018	5,285	1,158,001

Valuation techniques of investment properties

Fair value measurements used significant unobservable inputs Level 3 (Level 3: inputs for assets or liability that are not based on observable market data (unobservable inputs)).

Fair value of completed investment properties are generally derived using the income capitalization approach. Income capitalization approach (term and reversionary method) largely uses inputs (such as unit market rent, yield, etc.) and takes into account the significant adjustment on term yield to account for the risk upon reversionary and the estimation in vacancy rate after the expiry of current lease.

The main Level 3 inputs used by the Group are as follows:

- Unit monthly rents and reversionary yield.

For completed investment properties, an increase in unit monthly rent may result in an increase of fair value, and an increase in reversionary yield may result in a decrease of fair value.

There were no changes in the valuation techniques during the Period.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED RESULTS

12 TRADE AND OTHER RECEIVABLES

	As at December 31, 2019 <i>Unaudited</i> <i>RMB'000</i>	As at June 30, 2019 <i>Audited</i> <i>RMB'000</i>
Trade receivables	105	515
Other receivables		
– Due from third parties	15,773	8,982
	<u>15,878</u>	<u>9,497</u>

Trade receivables

Revenue from education facilities leasing and commercial leasing for supporting facilities is paid by instalments in accordance with the payment schedules specified in the agreements. The aging analysis of the trade receivables is as follows:

	As at December 31, 2019 <i>Unaudited</i> <i>RMB'000</i>	As at June 30, 2019 <i>Audited</i> <i>RMB'000</i>
Less than 3 months	–	330
3 to 6 months	105	185
	<u>105</u>	<u>515</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED RESULTS

13 CASH AND CASH EQUIVALENTS

	As at December 31, 2019 <i>Unaudited</i> <i>RMB'000</i>	As at June 30, 2019 <i>Audited</i> <i>RMB'000</i>
Cash at bank and in hand	29,665	3,018
Restricted cash	1,467	2,218
	<u>31,132</u>	<u>5,236</u>

Cash and cash equivalents of the Group are denominated in the following currencies:

	As at December 31, 2019 <i>Unaudited</i> <i>RMB'000</i>	As at June 30, 2019 <i>Audited</i> <i>RMB'000</i>
RMB	30,596	5,199
Singapore Dollars ("SGD")	31	2
Hong Kong Dollars ("HKD")	465	10
Malaysian Ringgit ("MYR")	40	25
Cash at bank and in hand	<u>31,132</u>	<u>5,236</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED RESULTS

14 TRADE AND OTHER PAYABLES AND ACCRUALS

	As at December 31, 2019 <i>Unaudited</i> <i>RMB'000</i>	As at June 30, 2019 <i>Audited</i> <i>RMB'000</i>
Trade payables	1,223	3,201
Other payables and accruals	8,996	18,152
	<u>10,219</u>	<u>21,353</u>

Reconciliation of trade payables and other payables and accruals:

	As at December 31, 2019 <i>Unaudited</i> <i>RMB'000</i>	As at June 30, 2019 <i>Audited</i> <i>RMB'000</i>
Current	9,578	6,980
Non-current	641	14,373
	<u>10,219</u>	<u>21,353</u>

Trade payables are generated by the daily maintenance cost for the education facilities. The aging analysis of the trade payables based on invoice date is as follows:

	As at December 31, 2019 <i>Unaudited</i> <i>RMB'000</i>	As at June 30, 2019 <i>Audited</i> <i>RMB'000</i>
Less than 3 months	1,223	1,685
3 to 6 months	-	1,474
Over 6 months to 12 months	-	8
Over 12 months	-	34
	<u>1,223</u>	<u>3,201</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED RESULTS

15. CONVERTIBLE NOTES

On the Issue Date, the Group issued convertible notes (the “Notes”) in the value of HKD200,379,982 with a conversion price of HKD2.30 per ordinary share of the Company and the Notes will be matured on the Maturity Date. The Notes carry an interest of 2.48% per annum payable every six calendar months in arrears after the Issue Date up to the Maturity Date or if earlier, the date of prepayment. The Company has the option to prepay wholly or a portion of the principal amount of the Notes at any time after the Issue Date and prior to the Maturity Date, and any outstanding amount of the Notes which has not been converted will be automatically converted on the Maturity Date.

The issuance of the Notes of HKD200,379,982 have been used as partial payment of the consideration amounting to RMB252,370,000 for the acquisition of the Zhuyun Properties.

	<i>HKD'000</i>	<i>RMB'000</i>
Face value of convertible notes at the Issue Date	200,380	179,849
Equity component	<u>(65,271)</u>	<u>(58,583)</u>
Liability component on initial recognition at the Issue Date	135,109	121,266
Interest expense (<i>Note 6</i>)	<u>585</u>	<u>525</u>
Liability component as at December 31, 2019	<u><u>135,694</u></u>	<u><u>121,791</u></u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED RESULTS

16 DEFERRED TAX LIABILITIES

Details of the deferred tax liabilities recognized and movements during the current and prior periods are as follows:

	Temporary differences on recognition of fair value gains on investment properties <i>RMB'000</i>
At July 1, 2018	112,071
Charged to profit or loss	8,972
Exchange alignment	17
At July 1, 2019	121,060
Charged to profit or loss	-
At December 31, 2019	121,060

17 SHARE CAPITAL

	Number of ordinary shares <i>(Shares)</i>	Share capital <i>HKD</i>	Share capital <i>RMB</i>
At June 30, 2019 and at December 31, 2019	180,000,000	366,320,500	290,136,000

NOTES TO THE INTERIM CONDENSED CONSOLIDATED RESULTS

18 CAPITAL COMMITMENTS

The Group did not have any significant capital commitment as at December 31, 2019.

During the Period, the Company has completed the acquisition of the Zhuyun Properties as disclosed in note 9. The Group has settled the consideration of the acquisition totaling RMB252,370,000 in cash of RMB75,711,000 and by issuance of convertible notes in the value of HKD200,379,982 as disclosed in note 15.

During the same period in 2018, the Company had entered into the Original SPA and an addendum to the Original SPA to acquire the Zhuyun Properties at a consideration of RMB252,370,000.

19 DIVIDEND

	Six months ended December 31,	
	2019	2018
	<i>Unaudited</i>	<i>Unaudited</i>
	<i>RMB'000</i>	<i>RMB'000</i>
Dividend declared after the end of the reporting periods:		
2019 proposed interim dividend – HK5.0 cents (equivalent to approximately RMB4.4 cents) per ordinary share	–	7,860
2018 proposed final dividend paid – HK7.0 cents (equivalent to approximately RMB5.9 cents) per ordinary share	–	10,620
	<u>–</u>	<u>10,620</u>

The Board resolved not to declare the payment of any final dividend in respect of the Year 2019 (Year ended June 30, 2018: HK7.0 cents).

The Board has resolved not to declare the payment of any interim dividend for the Period (six months ended December 31, 2018: HK5.0 cents).

20 COMPARATIVE FIGURES

Certain comparative figures have been reclassified where necessary to conform with current period's presentation.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue

Our leasing revenue increased by 3.3% to approximately RMB39.0 million for the Period compared to approximately RMB37.8 million for the same period in 2018.

Operating profit

We recorded an operating profit for the Period of approximately RMB20.5 million compared to that of approximately RMB19.8 million for the same period in 2018, mainly due to the increase in revenue above-mentioned and the following reasons:

1) *Property taxes and land use taxes*

Property taxes and land use taxes decreased to RMB5.4 million for the Period from RMB6.6 million for the same period in 2018. This was due to the fact that the Company was no longer required to pay the property tax for student dormitories according to the PRC tax authority.

2) *Other gain/(losses), net*

We recorded other gain of approximately RMB0.02 million for the Period primarily caused by fluctuations of exchange rate whereas there was other loss of RMB1.1 million for the same period in 2018 caused by fluctuation of exchange rate.

3) *Government grant*

There was no government grant during the Period whereas we recorded government grants of RMB0.2 million for the same period in 2018.

The above were, however, offset by:

a) *Employee costs*

Employee costs increased by 89.1% to RMB2.5 million for the Period, compared to RMB1.3 million for the same period in 2018 due to an increase in the number of employees.

MANAGEMENT DISCUSSION AND ANALYSIS

b) Property management fee

Property management fee increased by 9.2% to RMB3.5 million for the Period, compared to RMB3.2 million for the same period in 2018 owing to increase in space of leasing.

c) Repairs and maintenance fees

Repairs and maintenance fees increased to RMB2.3 million for the Period compared to RMB1.4 million for the same period in 2018, mainly due to repainting of building exteriors and repairs of water piping of our investment properties.

d) Legal and consulting fees

Legal and consulting fees increased by 52.7% to RMB3.3 million for the Period compared to RMB2.2 million for the same Period in 2018, mainly due to such fees arising from the Acquisition of Zhuyun Properties.

e) Other expenses

Other expenses increased to RMB2.5 million for the Period from RMB1.1 for the same period in 2018 due to increase in travelling expenses for business trips to explore new business opportunities.

Income tax

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 (2007). We incurred corporate income tax expenses of approximately RMB2.7 million for the Period.

Net profit

Due to the foregoing factors, our net profit for the Period was approximately RMB16.5 million compared with approximately RMB17.1 million for the same period in 2018.

MANAGEMENT DISCUSSION AND ANALYSIS

Liquidity and Financial Resources

On July 24, 2019, Affin Bank Berhad granted a banking facility of MYR18.0 million to OUC Malaysia for working capital purposes. The facility is denominated in MYR.

As at December 31, 2019, the Group had total assets of approximately RMB1,572.5 million, which were financed by total liabilities, equity attributable to owners of the Company and non-controlling interest of approximately RMB334.7 million, RMB1,227.7 million and RMB10.1 million respectively.

Gearing Ratio

The Group's gearing ratio as at December 31, 2019 was 13.4% (June 30, 2019: about 1.3%), which is calculated based on the total bank borrowings and convertibles notes (amounting to RMB166.4 million) divided by total equity.

Cash and Cash Equivalents

The Group places a high emphasis on risk management, safety and liquidity. Cash in excess of daily operational requirements is placed in fixed deposits. The Group currently does not invest in bonds, bills, structured products or any other financial instruments. As at December 31, 2019, the Group had a cash and cash equivalents balance of approximately RMB31.1 million (June 30, 2019: RMB5.2 million). The cash and cash equivalents were denominated in RMB, SGD, HKD and MYR.

Foreign Exchange Hedging

The Group has limited foreign currency risk as most of the transactions are denominated in RMB which is the functional currency of the operations. Thus, the Group presently does not conduct any foreign exchange hedging. However, the Directors monitor the Group's foreign exchange exposure closely and may, depending on the circumstances and trend of foreign currency, consider adopting a significant foreign currency hedging policy in the future, if necessary.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

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

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

In general, we expect the resident student population of our colleges, universities, schools, education training centres and corporate entities that lease education facilities from the Group (the “Contract Colleges”) and the revenue to be generated from them to remain relatively stable in the current financial year.

SIGNIFICANT INVESTMENTS AND FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL COMMITMENT

Save for the Acquisition of Zhuyun Properties as disclosed in note 9 to the notes of the interim condensed consolidated results, as at December 31, 2019, the Group did not hold any significant investment, and had no material capital commitments and no future plans for material investments or purchase of capital assets.

MATERIAL ACQUISITION OR DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Group did not have any material acquisition and disposal of subsidiaries, associates or joint ventures during the Period.

CHARGE ON GROUP ASSETS

As at December 31, 2019, investment properties of RMB76.6 million (2018: RMB74.5 million) were pledged to secure banking facilities granted to the Group.

CAPITAL STRUCTURE

There was no change in the capital structure of the Group as at December 31, 2019 as compared with that as at June 30, 2019.

MANAGEMENT DISCUSSION AND ANALYSIS

EMPLOYEES AND REMUNERATION POLICIES

As at December 31, 2019, the Group had a total of 53 full-time employees in the PRC, all of which were located in Langfang city, Hebei Province, the PRC (June 30, 2019: 23). The Group's total employee costs were approximately RMB2.5 million for the Period (six month ended December 31, 2018: RMB1.3 million). The employees' remuneration is determined by reference to the market salary of their respective experience and performance. The Company provides training to its employees to improve and upgrade their management and professional skills. As required by the PRC social security regulations, the Company makes contributions to mandatory social security funds for its employees to provide for their retirement and provides medical, unemployment, work-related injury and maternity benefits. The Company adopted a share option scheme on December 17, 2014 as an incentive to the Directors and other eligible participants.

USE OF PROCEEDS FROM THE COMPANY'S PLACING

The net proceeds received by the Company from the listing by way of a placing of 45,000,000 ordinary Shares at a price of HKD2.64 each on January 16, 2015 (the "Placing"), after deducting the amounts due to REC 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 HKD75.3 million ("Net Proceeds"). REC is the controlling shareholder (as defined in the GEM Listing Rules) of the Company and a company owned as to 33.58% by Mr. Chew, the Chairman and an executive Director.

The Directors intend to apply all the Net Proceeds for constructing new dormitories on the campus site owned by the Group, housing the Contract Colleges located in Oriental University City in Langfang Economic and Technological Development Zone in Langfang City, Hebei Province, the PRC (the "Campus Site").

As at December 31, 2019, the construction of new dormitories on the Campus Site is still on-going. The Group has spent approximately HKD26.5 million in the construction of new dormitories.

An analysis of the use of the Net Proceeds from the Placing is set out below:

	Planned use of Net Proceeds (as stated in the Prospectus) (HKD million)	Actual use of Net Proceeds up to 31 December 2019 (HKD million)	Actual use of Net Proceeds during the Period (HKD million)	Unused Net Proceeds as at 31 December 2019 (HKD million)
Proposed use of Net Proceeds				
Constructing new dormitories on the Campus Site	75.3	26.5	14.1	48.8

CORPORATE GOVERNANCE AND OTHER INFORMATION

COMPETING INTERESTS

REC, the controlling shareholder (as defined in the GEM Listing Rules) of the Company, 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 save as disclosed above, as at December 31, 2019, none of the Directors, controlling shareholders (as defined in the GEM Listing Rules) or substantial shareholders (as defined in the GEM Listing Rules) 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) had interest in any business (other than our Group) which, directly or indirectly, competed or might compete with the Group's business.

DIVIDEND

The Board has resolved not to declare the payment of any dividend for the Period (six months ended December 31, 2018: HK5.0 cents).

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.

CORPORATE GOVERNANCE AND OTHER INFORMATION

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 enquiries with all Directors and each of them has confirmed his compliance with the Required Standard of Dealing during the Period.

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

As at December 31, 2019, 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 to be: (a) 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) entered in the register as referred to therein pursuant to section 352 of the SFO; or (c) notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

Long positions

(a) Shares in the Company

Name of Director	Capacity/Nature of interest	Number of issued Shares held	Percentage of shareholding <i>(Note 2)</i>
Mr. Chew <i>(Note 1)</i>	Interest of a controlled corporation/Corporate interest	135,000,000	75%

Notes:

- (1) Details of the interest in the Company held by Mr. Chew, the Chairman and an executive Director, through 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 December 31, 2019 (i.e. 180,000,000 Shares).

CORPORATE GOVERNANCE AND OTHER INFORMATION

(b) Shares in associated corporation of the Company

Name of Director	Number of associated corporation	Capacity/ Nature of interests	Number of issued shares held	Approximate percentage of shareholding
Mr. Chew	REC ^(Note 1)	Beneficial owner and interest of spouse/ personal interest and family interest	462,907,764	33.58% ^(Note 2)

Notes:

- (1) REC, a company incorporated in Singapore with its issued shares listed on SGX-ST, is the immediate holding company of the Company.
- (2) It includes (a) the 2.47% interest of Ms. Chung, the wife of Mr. Chew in REC; and (b) the 9.93% joint interest of Mr. Chew and Ms. Chung.

Save as disclosed above, as at December 31, 2019, 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: (a) 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) entered in the register referred to therein pursuant to section 352 of the SFO; or (c) notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of 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 December 31, 2019, 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 which or persons (other than a Director or the chief executive of the Company) 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 Shareholders	Capacity/Nature of interest	Number of issued Shares held	Percentage of shareholding ^(Note 2)
REC ^(Note 1)	Beneficial owner/ Personal interest	135,000,000	75%
Ms. Chung ^(Note 1)	Interest of spouse/ Family interest	135,000,000	75%

Notes:

- (1) REC is owned as to (a) 21.17% by Mr. Chew, the Chairman and an executive Director; (b) 9.93% jointly by Mr. Chew and Ms. Chung, the wife of Mr. Chew; and (c) 2.47% 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 in which Mr. Chew is interested and is deemed to be interested. In addition, Mr. Chew is a director of REC.
- (2) The percentage of shareholding was calculated based on the Company's total number of issued Shares as at December 31, 2019 (i.e. 180,000,000 Shares).

Save as disclosed above, as at December 31, 2019, so far as it was known by or otherwise notified to the Directors or the chief executive of the Company, there were no other corporations which or persons (other than a Director or the chief executive of the Company) who had 5% or more 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.

CORPORATE GOVERNANCE AND OTHER INFORMATION

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

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

REVIEW BY AUDIT COMMITTEE

The Audit Committee currently comprises three independent non-executive Directors, namely Mr. Lam Bing Lun, Philip, Mr. Tan Yeow Hiang, Kenneth and Mr. Guo Shaozeng 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 interim 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, January 17, 2020

INTERIM REPORT

2020



Oriental
UniversityCity
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