



OOH Holdings Limited 奧傳思維控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 8091

2018 / 19
Third Quarterly Report

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

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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.

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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 and nine months period ended 31 December 2018, together with the unaudited comparative figures for the corresponding periods in 2017 (the “**Financial Information**”), as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months and nine months period ended 31 December 2018

	Notes	For the three months period ended 31 December		For the nine months period ended 31 December	
		2018 HK\$'000 (Unaudited)	2017 HK\$'000 (Unaudited)	2018 HK\$'000 (Unaudited)	2017 HK\$'000 (Unaudited)
Revenue	3	18,582	15,477	46,385	41,907
Cost of sales		(12,761)	(9,657)	(31,507)	(25,804)
Gross profit		5,821	5,820	14,878	16,103
Other income and gains, net	4	1,050	24	888	229
Selling expenses		(1,895)	(1,476)	(6,501)	(4,909)
Administrative expenses		(3,452)	(2,598)	(8,951)	(7,723)
Share of loss of an associate		—	(1)*	—	(1)*
Profit before income tax expense		1,524	1,769	314	3,699
Income tax expense	5	(256)	(373)	(256)	(830)
Profit and total comprehensive income for the period		1,268	1,396	58	2,869
Profit/(Loss) and total comprehensive income/(loss) for the period attributable to:					
Owners of the Company		1,147	1,396	(77)	2,869
Non-controlling interests		121	—	135	—
		1,268	1,396	58	2,869
Earnings/(Loss) per share attributable to owners of the Company		HK cents	HK cents	HK cents	HK cents
Basic and diluted	6	0.16	0.19	(0.01)	0.40

* Represents amount less than HK\$1,000.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine months period ended 31 December 2018

	Attributable to owners of the Company					Attributable to non-controlling interests	
	Share capital	Share premium	Other reserve	Retained earnings	Sub-total	interests	Total
	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)
At 1 April 2017 (Audited)	7,200	35,371	(90)	16,866	59,347	—	59,347
Profit and total comprehensive income for the period	—	—	—	2,869	2,869	—	2,869
At 31 December 2017 (Unaudited)	7,200	35,371	(90)	19,735	62,216	—	62,216
At 1 April 2018 (Audited)	7,200	35,371	(90)	20,305	62,786	—	62,786
(Loss)/Profit and total comprehensive (loss)/income for the period	—	—	—	(77)	(77)	135	58
Capital contribution from non-controlling interests	—	—	—	—	—	(17)	(17)
At 31 December 2018 (Unaudited)	7,200	35,371	(90)	20,228	62,709	118	62,827



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 (the “**Listing**”). 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 in Hong Kong.

2. Basis of Preparation and Changes in Accounting Policies

2.1 Basic of Preparation

The unaudited condensed consolidated financial statements of the Group for the nine months period ended 31 December 2018 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.

2.2 Changes in Accounting Policies

(a) Adoption of new or revised HKFRSs — effective 1 January 2018

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 2018 for the preparation of the Group's condensed consolidated financial statements. The adoption of the standards have no material effect on the Group's results and financial position:

HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers
Amendments to HKFRS 15	Revenue from Contracts with Customers (Clarifications to HKFRS 15)
HK(IFRIC)-Int 22	Foreign Currency Transactions and Advance Consideration

(b) New or revised HKFRSs that have been issued but are not yet effective

The following new or amended 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 HKFRS 9	Prepayment Features with Negative Compensation ¹
HKFRS 16	Leases ¹
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments ¹

¹ Effective for annual periods beginning on or after 1 January 2019.



3. Revenue

An analysis of revenue is as follows:

	For the three months period ended 31 December		For the nine months period ended 31 December	
	2018	2017	2018	2017
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Transportation business				
Minibus	12,366	10,577	34,789	29,420
Taxi	98	310	503	390
Others	714	764	1,261	914
Healthcare business				
Hospitals and clinics	108	3,048	1,034	8,915
Health and beauty retail stores	—	778	672	2,268
Digital media business	2,420	—	4,138	—
Digital event management business	2,749	—	3,710	—
Logistic advertising business	127	—	278	—
Total	18,582	15,477	46,385	41,907

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 esports event management services ("**Digital Event Management Business**"); and
- Provision of advertising display services over the self-pickup lockers platforms ("**Logistic Advertising 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, net 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:

	Minibus HK\$'000	Taxi HK\$'000	Others HK\$'000	Total Transportation Business HK\$'000	Hospitals and clinics HK\$'000	Health and beauty retail stores HK\$'000	Total Healthcare Business HK\$'000	Total Digital Media Business HK\$'000	Total Digital Event Management Business HK\$'000	Total Logistic Advertising Business HK\$'000	Total HK\$'000
For the nine months period ended 31 December 2018											
Revenue											
– From external customers	34,789	503	1,261	36,553	1,034	672	1,706	4,138	3,710	278	46,385
Cost of sales				(23,477)			(1,747)	(3,043)	(3,060)	(180)	(31,507)
Gross profit				13,076			(41)	1,095	650	98	14,878
Unallocated other income and gains, net											888
Corporate and other unallocated expenses											(15,452)
Profit before income tax expense											314
For the nine months period ended 31 December 2017											
Revenue											
– From external customers	29,420	390	914	30,724	8,915	2,268	11,183	–	–	–	41,907
Cost of sales				(20,682)			(5,122)	–	–	–	(25,804)
Gross profit				10,042			6,061	–	–	–	16,103
Unallocated other income and gains, net											229
Corporate and other unallocated expenses											(12,633)
Profit before income tax expense											3,699



4. Other Income and Gains, Net

	For the three months period ended 31 December		For the nine months period ended 31 December	
	2018 HK\$'000 (Unaudited)	2017 HK\$'000 (Unaudited)	2018 HK\$'000 (Unaudited)	2017 HK\$'000 (Unaudited)
Bank interest income	37	19	69	49
Exchange gain/(loss), net	4	4	(195)	109
Others	1,009	1	1,014	71
Total	1,050	24	888	229

5. Income Tax Expense

	For the three months period ended 31 December		For the nine months period ended 31 December	
	2018 HK\$'000 (Unaudited)	2017 HK\$'000 (Unaudited)	2018 HK\$'000 (Unaudited)	2017 HK\$'000 (Unaudited)
Current tax — Hong Kong Profits Tax — Tax for the period	256	373	256	830

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 of subsidiaries operating in Hong Kong for the three months and the nine months period ended 31 December 2018 and 2017, respectively.

No deferred tax has been recognized as there were no material temporary differences for the three months and the nine months period ended 31 December 2018 and 2017, respectively.

6. Earnings/(Loss) Per Share Attributable to Owners of the Company

The calculation of basic and diluted earnings/(loss) per share attributable to the ordinary equity holders of the Company is based on the following data:

	For the three months period ended 31 December		For the nine months period ended 31 December	
	2018 HK\$'000 (Unaudited)	2017 HK\$'000 (Unaudited)	2018 HK\$'000 (Unaudited)	2017 HK\$'000 (Unaudited)
Earnings/(Loss) Earnings/(Loss) for the period attributable to owners of the Company for the purposes of basic and diluted earnings per share	1,147	1,396	(77)	2,869
Number of shares Weighted average number of ordinary shares for the purposes of basic and diluted earnings/(loss) per share	'000 720,000	'000 720,000	'000 720,000	'000 720,000

The calculation of basic earnings/(loss) per share for the three months and the nine months period ended 31 December 2018 and 2017 is based on the profit/(loss) and total comprehensive income/(loss) for the period attributable to owners of the Company and the weighted average number of ordinary shares for the relevant period.

The weighted average of 720,000,000 ordinary shares for the nine months period ended 31 December 2018 and 2017 were same as the number of ordinary shares of the Company in issue throughout the period.

Diluted earnings per share was the same as the basic earnings per share as the Group had no potential dilutive ordinary shares during the nine months period ended 31 December 2018 and 2017.

7. Dividend

The Board resolved not to declare an interim dividend for the nine months period ended 31 December 2018 (for the nine months period ended 31 December 2017: Nil).



MANAGEMENT DISCUSSION AND ANALYSIS

The Group is a leading out-of-home (“OOH”) advertising space and service provider in Hong Kong. During the nine months period ended 31 December 2018, 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 has further developed Transportation Business by acquiring printing machines for the production of advertising stickers for the minibus and taxi advertising spaces. When those printing machines reach its full operation capacity, the Group will have full and flexible control on the delivery time of the production of advertising stickers which gains efficiencies and varieties on the Group’s services. Our first in-house printing machines for printing advertising stickers were installed in October 2018 and the Group is eager to expand the productivity by recruiting two shifts of employees in order to operate the printing machines 24 hours per day and to reduce the Group’s reliance on outsourced printers.

The three new advertising regimes, (i) provision of advertising display services over the self-pickup lockers platforms (“**Logistic Advertising Business**”); (ii) provision of advertising display services over the digital and online media platforms (“**Digital Media Business**”); and (iii) provision of esports event management services (“**Digital Event Management Business**”) have gradually replaced the hospital media and health and beauty retail stores platforms which our contracts with the respective parties were ended on 30 April 2018 and 30 June 2018 respectively.

Our new advertising platform for Logistic Advertising Business maintained a respectable margin of 35.3%. Digital Media Business maintained a reasonable margin at 26.5%. The Group will continue to expand Logistic Advertising Business and Digital Media Business by adopting a more dynamic and flexible sales strategies and packages tailor-made for our advertising agency clients to leverage our client base in Transportation Business.

During the period under review, the Group has teamed up with a Hong Kong based company specializes in esports event management services to support the production of esports broadcasts and live events at the stadium located in Taiwan, which is invested by an American video game developer, and other related services in connection with the daily operation of the stadium. Digital Event Management Business maintained a reasonable margin at 17.5%.

Financial Review

Revenue

Total revenue of the Group increased by 10.7% from approximately HK\$41.9 million for the nine months period ended 31 December 2017 to approximately HK\$46.4 million for that of 2018. Such increase of revenue was mainly contributed by (i) the increase of revenue generated from minibus advertising from approximately HK\$29.4 million for the nine months period ended 31 December 2017 to approximately HK\$34.8 million for the nine months period ended 31 December 2018; and (ii) the realization of the new business development into the three advertising regimes, namely Logistic Advertising Business, Digital Media Business and Digital Event Management Business, revenue generated from these regimes were approximately HK\$0.3 million, approximately HK\$4.1 million and approximately HK\$3.7 million respectively.

Revenue generated from minibus advertising increased by 18.4% from approximately HK\$29.4 million for the nine months period ended 31 December 2017 to approximately HK\$34.8 million for that of 2018. Such increase was mainly due to the fact that the Group has expanded the coverage of exclusive advertising spaces from 1,103 minibuses as at 31 December 2017 to 1,347 minibuses as at 31 December 2018 in accordance with the expansion plan and the use of net proceeds stated in the prospectus of the Company dated 23 December 2016 (the “**Prospectus**”). Revenue generated from taxi advertising increased by approximately HK\$0.1 million for the nine months period ended 31 December 2018 as compared to that of 2017. Such increase was attributed by the Group’s sales strategy to promote our exclusive advertising spaces on taxis. Revenue generated from the provision of other types of advertising services (for example advertising spaces in other OOH media formats) increased by approximately HK\$0.3 million for the nine months period ended 31 December 2018 as compared to that of 2017.

Revenue generated from hospital advertising decreased from approximately HK\$8.3 million for the nine months period ended 31 December 2017 to approximately HK\$0.7 million for that of 2018. Revenue generated from the health and beauty retail stores advertising decreased from approximately HK\$2.3 million for the nine months period ended 31 December 2017 to approximately HK\$0.7 million for that of 2018. Such decrease was due to 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.

Revenue generated from (i) Digital Media Business; (ii) Digital Event Management Business; and (iii) Logistic Advertising Business were approximately HK\$4.1 million, approximately HK\$3.7 million and approximately HK\$0.3 million respectively.



Cost of Sales and Gross Profit Margin

In general, cost of sales increased by 22.1% from approximately HK\$25.8 million for the nine months period ended 31 December 2017 to approximately HK\$31.5 million for that of 2018. The increase was mainly due to (i) the increase of license fees paid for the exclusive minibus advertising spaces; (ii) the new license fees paid for the advertising spaces of the self-pickup lockers advertising and digital media advertising; and (iii) the operational expenses of the new Digital Event Management Business.

The gross profit margin decreased by 6.3 percentage points from approximately 38.4% for the nine months period ended 31 December 2017 to approximately 32.1% for that of 2018.

In the minibus sub-segment, the Group has recorded the increase of gross profit margin from approximately 34.1% for the nine months period ended 31 December 2017 to approximately 36.7% for that of 2018. Such increase was mainly due to the maturity of the sales cycle in the newly acquired exclusive advertising spaces. Our total number of exclusive advertising spaces in minibus network increased significantly from 1,103 as at 31 December 2017 to 1,347 as at 31 December 2018 with reference to the Group's expansion plan stated in the Prospectus. The Group has introduced an in-house advertising material printing facilities and also managed to control the production cost despite the increase in revenue of the minibus sub-segment of approximately 18.4% from approximately HK\$29.4 million for the nine months period ended 31 December 2017 to approximately HK\$34.8 million for that of 2018. The Group expects the production cost will be further lowered once the said in-house advertising material printing facilities reach its full operation capacity.

In the hospitals and clinics sub-segment, gross profit margin decreased from approximately 75.7% for the nine months period ended 31 December 2017 to approximately 27.4% for that of 2018 due to the completion of the said hospitals sub-segment.

In the health and beauty retail stores sub-segment, gross loss margin increased by 17.7 percentage points for the nine months period ended 31 December 2018 as compared with that of 2017 due to the completion of the said sub-segment.

The Group recorded a gross profit margin of approximately 26.5%, approximately 17.5% and approximately 35.3% for the nine months period ended 31 December 2018 for new segments of Digital Media Business, Digital Event Management Business and Logistic Advertising Business respectively.

Selling Expenses

Selling expenses increased by 32.7% from approximately HK\$4.9 million for the nine months period ended 31 December 2017 to approximately HK\$6.5 million for that of 2018. It was mainly due to the increase of commission paid for the development of the new media platforms and the increase of the rebate paid to the advertising agency clients subject to the annual volume rebate scheme executed between the Group and the advertising agency clients.

Administrative Expenses

Administrative expenses increased from approximately HK\$7.7 million for the nine months period ended 31 December 2017 to approximately HK\$9.0 million for that of 2018. The increase was mainly attributable to (i) increase of directors' remuneration and staff welfare of approximately HK\$0.4 million and approximately HK\$0.2 million respectively; and (ii) increase in depreciation and motor car expenses of approximately HK\$0.4 million.

Loss/Profit Attributable to Owners of the Company for the Period

As a result, we recorded a net loss of approximately HK\$77,000 for the nine months period ended 31 December 2018 as compared to a net profit of approximately HK\$2,869,000 for that of 2017.

Outlook

During the period under review, the Group continues its expansion in Digital Media Business and Digital Event Management Business. Both of them have maintained a steady growth in terms of revenue and profit margin. Apart from business expansion, the Group also focused on cost effectiveness strategy on our media platforms. In 2018, the Group has resolved to develop in-house advertising material printing facilities which the advertising stickers will be printed by the Group's in-house printing machines and trimmed for the size of the respective advertising space. For instance, the Group has commenced the operation of the in-house advertising material printing facilities in October 2018 and our first in-house printed advertising stickers for Transportation Business were installed on our exclusive minibus advertising space in the same month. The Group believes that the in-house advertising material printing facilities shall definitely enhance the flexibility and efficiency of our service, in which our client can take longer time to decide the layout of their advertisement before the commencement of the advertising period. Clients can also adjust the colour of their designs easily and our production unit can deliver test-print on the same day. Such advancement to our service can provide a better experience to our clients and strengthen the Group's overall competitiveness. The Group will further explore to maximize the productivity of our in-house advertising material printing facilities so as to minimize the Group's reliance on outsourced printers.



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

As at 31 December 2018, the interests and short positions of the Directors and chief executives 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:

Long Positions in Ordinary Shares

Name of Director	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	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 31 December 2018, none of the Directors and chief executives 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 31 December 2018, 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:

Long Positions in Ordinary Shares

Name of shareholder	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 31 December 2018, 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 nine months period ended 31 December 2018.

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 31 December 2018, 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 business 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 nine months period ended 31 December 2018.

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 nine months period ended 31 December 2018.

Interests of the Compliance Adviser and its Directors, Employees and Associates

Neither the compliance adviser of the Group nor its directors, employees or associates had any interests in relation to the Company as at 31 December 2018 which is required to be notified to the Company pursuant to Rule 6A.32 of the GEM Listing Rules.

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 nine months period ended 31 December 2018, 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 the 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 nine months period ended 31 December 2018 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, 11 February 2019