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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)

(Stock Code: 8067)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED DECEMBER 31, 2022

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE (THE “GEM”)

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 announcement, 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 announcement 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 announcement misleading.

FINANCIAL HIGHLIGHTS

- The Group recorded revenue of RMB22.97 million for the six months ended December 31, 2022, representing a decrease of 12.3% as compared to RMB26.18 million for the six months ended December 31, 2021.
- Profit attributable to the owners of the Company for the six months ended December 31, 2022 amounted to RMB1.57 million, representing an increase of 36.7% as compared to RMB1.15 million for the six months ended December 31, 2021.
- Basic earnings per share for the six months ended December 31, 2022 amounted to RMB0.01, similar to that for the six months period ended December 31, 2021.

The board of Directors (the “**Board**”) presents the unaudited condensed consolidated results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the three months and six months ended December 31, 2022, together with the relevant comparative figures for the corresponding periods in 2021, as follows:

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

FOR THE THREE MONTHS AND SIX MONTHS ENDED DECEMBER 31, 2022

| | Notes | For the 3 months ended | | For the 6 months ended | | Change +/(-)% |
|---|------------|--|--|--|--|------------------|
| | | December 31, 2022 Unaudited RMB'000 | December 31, 2021 Unaudited RMB'000 | December 31, 2022 Unaudited RMB'000 | December 31, 2021 Unaudited RMB'000 | |
| Revenue | 5.4 & 6.1 | 11,690 | 15,426 | 22,966 | 26,180 | (12.3) |
| Government grants | 6.2 | — | — | 200 | — | NM |
| Employee costs | 6.3 | (1,265) | (1,525) | (2,532) | (3,159) | (19.8) |
| Depreciation of property, plant and equipment | | (85) | (94) | (172) | (190) | (9.5) |
| Business taxes and surcharges | 6.4 | (217) | (71) | (434) | (121) | 258.7 |
| Property taxes and land use taxes | | (2,828) | (2,933) | (5,493) | (5,784) | (5.0) |
| Property management fee | | (927) | (1,128) | (2,077) | (2,287) | (9.2) |
| Repairs and maintenance fees | 6.5 | (322) | (494) | (448) | (535) | (16.3) |
| Legal and consulting fees | 6.6 | (786) | (2,041) | (1,348) | (3,082) | (56.3) |
| Other gains/(losses), net | 5.5 & 6.7 | (261) | (1,241) | 1,643 | (1,115) | NM |
| Other expenses | 6.8 | (1,022) | (2,294) | (1,651) | (2,980) | (44.6) |
| Share of results of associates | 6.9 | (1,061) | 4,171 | (1,363) | 4,696 | NM |
| Operating profit | 6.10 | 2,916 | 7,776 | 9,291 | 11,623 | (20.1) |
| Interest income | | 10 | 17 | 16 | 40 | (60.0) |
| Interest expenses | 6.11 | (3,804) | (5,202) | (7,628) | (10,433) | (26.9) |
| Profit/(loss) before income tax | | (878) | 2,591 | 1,679 | 1,230 | 36.5 |
| Income tax | 5.6 & 6.12 | (46) | (37) | (85) | (76) | 11.8 |
| Profit/(loss) for the period | 6.13 | (924) | 2,554 | 1,594 | 1,154 | 38.1 |
| <i>Earnings before interest expenses, tax, depreciation & amortization (“EBITDA”)</i> | 6.14 | 3,011 | 7,887 | 9,479 | 11,853 | (20.0) |

NM — Not meaningful

| | Note | For the 3 months ended | | For the 6 months ended | | Change +/(-)% |
|---|------|--|--|--|--|------------------|
| | | December 31, 2022 Unaudited RMB'000 | December 31, 2021 Unaudited RMB'000 | December 31, 2022 Unaudited RMB'000 | December 31, 2021 Unaudited RMB'000 | |
| Other comprehensive income | | | | | | |
| Items that may be subsequently reclassified to profit or loss: | | | | | | |
| <i>Exchange differences from translation of foreign operations</i> | | | | | | |
| | | (2,340) | (1,513) | (1,638) | (1,359) | 20.5 |
| <i>Share of other comprehensive income of associates</i> | | | | | | |
| | | 4,080 | (1,056) | 3,802 | (1,404) | NM |
| Other comprehensive income for the period | | | | | | |
| | | 1,740 | (2,569) | 2,164 | (2,763) | NM |
| Total comprehensive income for the period | | | | | | |
| | | 816 | (15) | 3,758 | (1,609) | NM |
| Profit/(loss) attributable to | | | | | | |
| — Owners of the Company | | | | | | |
| | | (936) | 2,536 | 1,573 | 1,151 | 36.7 |
| — Non-controlling interests | | | | | | |
| | | 12 | 18 | 21 | 3 | 600.0 |
| | | (924) | 2,554 | 1,594 | 1,154 | 38.1 |
| Total comprehensive income attributable to | | | | | | |
| — Owners of the Company | | | | | | |
| | | 804 | (33) | 3,737 | (1,612) | NM |
| — Non-controlling interests | | | | | | |
| | | 12 | 18 | 21 | 3 | 600.0 |
| | | 816 | (15) | 3,758 | (1,609) | NM |
| Earnings/(loss) per share for profit attributable to the owners of the Company during the period | | | | | | |
| | 5.7 | | | | | |
| — Basic (RMB per share) | | | | | | |
| | | (0.01) | 0.01 | 0.01 | 0.01 | — |
| — Diluted (RMB per share) | | | | | | |
| | | (0.01) | 0.01 | 0.01 | 0.01 | — |

NM — Not meaningful

2. INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022

| | | December 31, 2022 Unaudited RMB'000 | June 30, 2022 Audited RMB'000 |
|---|--------------|--|--|
| | <i>Notes</i> | | |
| Non-current assets | | | |
| Property, plant and equipment | 5.9 | 4,921 | 4,805 |
| Investment properties | 5.9 | 1,571,357 | 1,563,593 |
| Interests in associates | 5.10 | 72,344 | 69,906 |
| Prepayment for acquisition of investment properties | 5.11 | 23,009 | 18,009 |
| | | <hr/> | <hr/> |
| Total non-current assets | | 1,671,631 | 1,656,313 |
| | | <hr/> | <hr/> |
| Current assets | | | |
| Trade and other receivables | 5.12 | 11,098 | 18,623 |
| Tax recoverable | | — | 76 |
| Restricted cash | | 2,702 | 2,678 |
| Cash and cash equivalents | | 9,120 | 4,713 |
| | | <hr/> | <hr/> |
| Total current assets | | 22,920 | 26,090 |
| | | <hr/> | <hr/> |
| Current liabilities | | | |
| Trade and other payables and accruals | 5.13 | 10,474 | 14,919 |
| Advances from customers | 5.14 | 11,314 | 5,728 |
| Bank borrowings, secured | 5.15 | 53,720 | 40,552 |
| Current tax liabilities | | 8 | 76 |
| | | <hr/> | <hr/> |
| Total current liabilities | | 75,516 | 61,275 |
| | | <hr/> | <hr/> |
| Net current liabilities | 6.15 | (52,596) | (35,185) |
| | | <hr/> | <hr/> |
| Total assets less current liabilities | | 1,619,035 | 1,621,128 |
| | | <hr/> | <hr/> |

| | | December 31, 2022 Unaudited RMB'000 | June 30, 2022 Audited RMB'000 |
|---|--------------|--|--|
| | <i>Notes</i> | | |
| Non-current liabilities | | | |
| Trade and other payables and accruals | 5.13 | 21,267 | 4,551 |
| Bank borrowings, secured | 5.15 | 167,299 | 189,866 |
| Deferred tax liabilities | | 178,966 | 178,966 |
| | | <hr/> | <hr/> |
| Total non-current liabilities | | 367,532 | 373,383 |
| | | <hr/> | <hr/> |
| NET ASSETS | | 1,251,503 | 1,247,745 |
| | | <hr/> <hr/> | <hr/> <hr/> |
| Capital and reserves attributable to owners of the Company | | | |
| Share capital | 5.16 | 290,136 | 290,136 |
| Reserves | | 950,370 | 946,633 |
| | | <hr/> | <hr/> |
| | | 1,240,506 | 1,236,769 |
| Non-controlling interests | | 10,997 | 10,976 |
| | | <hr/> | <hr/> |
| TOTAL EQUITY | | 1,251,503 | 1,247,745 |
| | | <hr/> <hr/> | <hr/> <hr/> |

3. INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED DECEMBER 31, 2022

| | Reserves | | | | Exchange reserves RMB'000 | Equity attributable to owners of the Company RMB'000 | Non-controlling Interests RMB'000 | Total RMB'000 |
|---|--------------------------|---------------------------|---------------------------------------|-----------------------------|------------------------------|---|--------------------------------------|------------------|
| | Share capital RMB'000 | Other reserves RMB'000 | Statutory surplus reserves RMB'000 | Retained profits RMB'000 | | | | |
| Balance at June 30, 2021 and July 1, 2021 (Audited) | 290,136 | (71,025) | 1,418 | 1,011,847 | (897) | 1,231,479 | 10,836 | 1,242,315 |
| Profit for the period | — | — | — | 1,151 | — | 1,151 | 3 | 1,154 |
| Exchange differences from translation of foreign operations | — | — | — | — | (1,359) | (1,359) | — | (1,359) |
| Share of other comprehensive income of associates | — | — | — | — | (1,404) | (1,404) | — | (1,404) |
| Total comprehensive income | — | — | — | 1,151 | (2,763) | (1,612) | 3 | (1,609) |
| Balance at December 31, 2021 (Unaudited) | 290,136 | (71,025) | 1,418 | 1,012,998 | (3,660) | 1,229,867 | 10,839 | 1,240,706 |
| Balance at June 30, 2022 and July 1, 2022 (Audited) | 290,136 | (71,025) | 1,418 | 1,017,658 | (1,418) | 1,236,769 | 10,976 | 1,247,745 |
| Profit for the period | — | — | — | 1,573 | — | 1,573 | 21 | 1,594 |
| Exchange differences from translation of foreign operations | — | — | — | — | (1,638) | (1,638) | — | (1,638) |
| Share of other comprehensive income of associates | — | — | — | — | 3,802 | 3,802 | — | 3,802 |
| Total comprehensive income | — | — | — | 1,573 | 2,164 | 3,737 | 21 | 3,758 |
| Balance at December 31, 2022 (Unaudited) | 290,136 | (71,025) | 1,418 | 1,019,231 | 746 | 1,240,506 | 10,997 | 1,251,503 |

4. INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED DECEMBER 31, 2022

| | December 31, 2022 Unaudited <i>RMB'000</i> | December 31, 2021 Unaudited <i>RMB'000</i> |
|--|--|---|
| Operating activities | | |
| Profit before income tax | 1,679 | 1,231 |
| Adjustments for: | | |
| Interest income | (16) | (40) |
| Depreciation of property, plant and equipment | 172 | 190 |
| Interest paid | 7,629 | 10,487 |
| Unrealised net foreign exchange gain | (1,232) | (1,251) |
| Share of results of associates | 1,363 | (4,696) |
| | <hr/> | <hr/> |
| Operating cash flows before working capital changes | 9,595 | 5,921 |
| Change in trade and other receivables | 7,051 | 4,584 |
| Change in trade and other payables and accruals | (805) | 1,435 |
| Change in advance from customers | 5,586 | 9,820 |
| | <hr/> | <hr/> |
| Cash generated from operations | 21,427 | 21,760 |
| Income tax paid | (72) | (73) |
| | <hr/> | <hr/> |
| Net cash generated from operating activities | 21,355 | 21,687 |
| | <hr/> | <hr/> |

| | December 31, 2022 Unaudited RMB'000 | December 31, 2021 Unaudited RMB'000 |
|---|--|--|
| Cash flow from investing activities | | |
| Interest received | 16 | 40 |
| (Increase)/decrease in restricted cash | (24) | 1,268 |
| Payments to acquire property, plant and equipment | (413) | (660) |
| Payments to increase investment properties | (5,501) | (2,815) |
| Increase in prepayment for investment properties | (5,000) | (3,271) |
| Return of capital from an associate | — | 14,891 |
| | <hr/> | <hr/> |
| Net cash (used in)/generated from investing activities | (10,922) | 9,453 |
| | <hr/> | <hr/> |
| Cash flow from financing activities | | |
| Repayment of bank borrowings | (11,432) | (16,673) |
| Interest payment on bank borrowings | (7,629) | (10,487) |
| Advances from related companies | 13,076 | — |
| | <hr/> | <hr/> |
| Net cash used in financing activities | (5,985) | (27,160) |
| | <hr/> | <hr/> |
| Net increase in cash and cash equivalents | 4,448 | 3,980 |
| Cash and cash equivalents at beginning of period | 4,713 | 28,095 |
| Effect of foreign exchange rate changes, net | (41) | (14) |
| | <hr/> | <hr/> |
| Cash and cash equivalents at end of the period | 9,120 | 32,061 |
| | <hr/> <hr/> | <hr/> <hr/> |

5 NOTES TO THE INTERIM CONDENSED CONSOLIDATED RESULTS

5.1 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, and principal place of business is Levels 1 and 2, No. 100 Zhangheng Road, Oriental University City, Langfang Economic and Technological Development Zone, Hebei Province, the People’s Republic of China (the “**PRC**”). The Company acts as an investment holding company and its subsidiaries are engaged in the provision of education facilities leasing services in the PRC, Malaysia and the Republic of Indonesia (“**Indonesia**”).

The Directors consider that the Company’s ultimate parent is Raffles Education Limited (formerly known as Raffles Education Corporation Limited and hereinafter known as “**RE**”, together with its subsidiaries excluding the Group, the “**RE Group**”), a company incorporated in the Republic of Singapore (“**Singapore**”), whose issued shares are listed on Singapore Exchange Securities Trading Limited (the “**SGX-ST**”).

The Group’s unaudited condensed consolidated results for the six months ended December 31, 2022 (the “**Period**”) are presented in Renminbi (“**RMB**”) unless otherwise stated.

5.2 BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated results for the Period (the “**Interim Results**”) have been prepared in accordance with Chapter 18 of the GEM Listing Rules, and the Hong Kong Financial Reporting Standards (the “**HKFRSs**”) which collective term includes all applicable individual HKFRSs, Hong Kong Accounting Standards and Interpretations (“**HKAS**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”), and accounting principles generally accepted in Hong Kong.

Except as described below, the accounting policies and methods of computation used in preparing the Interim Results are consistent as those followed in the preparation of the Group’s audited consolidated financial statements for the year ended June 30, 2022 (the “**2022 Financial Statements**”).

The Group has applied the following amendments to HKFRSs issued by the HKICPA to this interim financial information for the current accounting period:

| | |
|------------------------------|---|
| <i>Amendments to HKAS 16</i> | <i>Property, plant and equipment — Proceeds before intended use</i> |
| <i>Amendments to HKAS 37</i> | <i>Onerous contracts — Cost of fulfilling a contract</i> |

None of these amendments have had a material effect on the Group’s results for the current or prior periods that have been prepared or presented in the Interim Results.

The Group has not applied any new standards or interpretation that is not yet effective for the current accounting period.

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

The financial information relating to the 2022 Financial Statements 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 2022 Financial Statements to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance.

The independent auditor’s report on the 2022 Financial Statements 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.

5.3 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, 2022 and 2021, business segment information is not considered necessary.

Further, as the executive Directors consider that most of the Group’s revenue are derived from leasing of education facilities and commercial supporting facilities in the PRC, and no significant assets of the Group are located outside the PRC, geographical segment information is not considered necessary.

5.4 REVENUE

An analysis of revenue by category for the 3 months and 6 months ended December 31, 2022 and 2021 is as follows:

| Revenue | For the 3 months ended | | For the 6 months ended | | Change +/(-) % |
|---|------------------------|----------------------|------------------------|----------------------|-------------------|
| | December 31, 2022 | December 31, 2021 | December 31, 2022 | December 31, 2021 | |
| | Unaudited RMB'000 | Unaudited RMB'000 | Unaudited RMB'000 | Unaudited RMB'000 | |
| Education facilities leasing | 10,713 | 14,499 | 21,160 | 24,203 | (12.6) |
| Commercial supporting facilities leasing | 977 | 927 | 1,806 | 1,977 | (8.6) |
| | <u>11,690</u> | <u>15,426</u> | <u>22,966</u> | <u>26,180</u> | <u>(12.3)</u> |

As the revenue from non-PRC was more than 10% of the total revenue, analysis of revenue by countries for the 3 months and 6 months ended December 31, 2022 and 2021 is as follows:

| Revenue | For the 3 months ended | | For the 6 months ended | | Change +/(-) % |
|----------------------------------|------------------------|----------------------|------------------------|----------------------|-------------------|
| | December 31, 2022 | December 31, 2021 | December 31, 2022 | December 31, 2021 | |
| | Unaudited RMB'000 | Unaudited RMB'000 | Unaudited RMB'000 | Unaudited RMB'000 | |
| PRC | 10,093 | 13,909 | 19,779 | 23,133 | (14.5) |
| Non-PRC (Malaysia and Indonesia) | 1,597 | 1,517 | 3,187 | 3,047 | 4.6 |
| | <u>11,690</u> | <u>15,426</u> | <u>22,966</u> | <u>26,180</u> | <u>(12.3)</u> |

Information on major customers

The Group's revenue was derived from the following external customers that individually contributed more than 10% of the Group's revenues for the 3 months and 6 months ended December 31, 2022 and 2021:

| Customers | For the 3 months ended | | For the 6 months ended | | Change +/(-) % |
|------------|------------------------|----------------------|------------------------|----------------------|-------------------|
| | December 31, 2022 | December 31, 2021 | December 31, 2022 | December 31, 2021 | |
| | Unaudited RMB'000 | Unaudited RMB'000 | Unaudited RMB'000 | Unaudited RMB'000 | |
| Customer A | 3,140 | 3,927 | 6,256 | 7,854 | (20.4) |
| Customer B | 1,694 | 3,864 | 3,388 | 3,864 | (12.3) |
| Customer C | 1,597 | 1,323 | 3,187 | 2,647 | 20.4 |
| | <u>6,431</u> | <u>9,114</u> | <u>12,831</u> | <u>14,365</u> | <u>(10.7)</u> |

5.5 OTHER (LOSSES)/GAINS, NET

Details of the other (losses)/gains, net, for the 3 months and 6 months ended December 31, 2022 and 2021 are as follows:

| | For the 3 months ended | | For the 6 months ended | | Change +/(-) % |
|--|------------------------|----------------------|------------------------|----------------------|-------------------|
| | December 31, 2022 | December 31, 2021 | December 31, 2022 | December 31, 2021 | |
| | Unaudited RMB'000 | Unaudited RMB'000 | Unaudited RMB'000 | Unaudited RMB'000 | |
| Gain on disposal of plant and equipment | — | 5 | — | 5 | NM |
| Net foreign exchange losses/(gain) | (566) | (1,312) | 1,232 | (1,251) | NM |
| Others | 305 | 66 | 411 | 131 | 213.7 |
| | <u>(261)</u> | <u>(1,241)</u> | <u>1,643</u> | <u>(1,115)</u> | <u>NM</u> |

NM — Not meaningful

5.6 INCOME TAX

Details of the income tax for the 3 months and 6 months ended December 31, 2022 and 2021 are as follows:

| | For the 3 months ended | | For the 6 months ended | | Change + / (-) % |
|------------|--|--|--|--|---------------------|
| | December 31, 2022 Unaudited RMB'000 | December 31, 2021 Unaudited RMB'000 | December 31, 2022 Unaudited RMB'000 | December 31, 2021 Unaudited RMB'000 | |
| Income tax | | | | | |
| — Malaysia | (46) | (37) | (85) | (76) | 11.8 |

Malaysian income tax

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

Hong Kong profits tax

No provision for Hong Kong profits tax has been made in the Interim Results as the Company and the Group did not have assessable profit in Hong Kong during the six months ended December 31, 2022 and 2021.

PRC corporate income tax

No provision for PRC corporate income tax as the Group's entity in the PRC did not have assessable profit during the six months ended December 31, 2022 and 2021.

Indonesian income tax

No provision for Indonesian corporate income tax as the Group's entity in Indonesia did not have assessable profit during the six months ended December 31, 2022 and 2021.

5.7 EARNINGS PER SHARE

The calculation of basic and diluted earnings/(loss) per share is calculated based on the profit attributable to the owners of the Company and the weighted average number of ordinary shares in issue during the relevant periods.

| | For the 3 months ended | | For the 6 months ended | | |
|---|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-------------------|
| | December 31, 2022 Unaudited | December 31, 2021 Unaudited | December 31, 2022 Unaudited | December 31, 2021 Unaudited | Change +/(-) % |
| Earnings: | | | | | |
| Earnings/(loss) for the purposes of basic earnings/(loss) per share (RMB'000) | <u>(936)</u> | <u>2,536</u> | <u>1,573</u> | <u>1,151</u> | <u>36.7</u> |
| Number of shares: | | | | | |
| Weighted average number of ordinary shares for the purposes of basic earnings/(loss) per share | <u>180,000,000</u> | <u>180,000,000</u> | <u>180,000,000</u> | <u>180,000,000</u> | <u>—</u> |
| Basic earnings/(loss) per share (RMB per share) | <u>(0.01)</u> | <u>0.01</u> | <u>0.01</u> | <u>0.01</u> | <u>—</u> |
| Diluted earnings/(loss) per share (RMB per share) | <u>(0.01)</u> | <u>0.01</u> | <u>0.01</u> | <u>0.01</u> | <u>—</u> |

5.8 DIVIDEND

The Board has resolved not to declare the payment of any dividend for the Period (December 31, 2021: HK\$ nil).

5.9 PROPERTY, PLANT & EQUIPMENT AND INVESTMENT PROPERTIES

A reconciliation of the opening and closing balances during the Period and prior year is as follows:

| | Property, Plant & Equipment <i>RMB'000</i> | Investment Properties <i>RMB'000</i> |
|--|--|--|
| At June 30, 2021 and July 1, 2021 (audited) | 4,826 | 1,547,773 |
| Additions | 347 | 5,510 |
| Disposal | (61) | (9,559) |
| Depreciation charges | (348) | — |
| Exchange realignment | 41 | (2,911) |
| Change in fair value | — | 22,780 |
| | <hr/> | <hr/> |
| At June 30, 2022 and July 1, 2022 (audited) | 4,805 | 1,563,593 |
| Additions | 151 | 5,763 |
| Depreciation charges | (172) | — |
| Exchange realignment | 137 | 2,001 |
| | <hr/> | <hr/> |
| At December 31, 2022 (unaudited) | 4,921 | 1,571,357 |
| | <hr/> <hr/> | <hr/> <hr/> |

5.10 INTERESTS IN ASSOCIATES

| | As at December 31, 2022 Unaudited <i>RMB'000</i> | As at June 30, 2022 Audited <i>RMB'000</i> |
|---------------------|--|--|
| Share of net assets | 72,344 | 69,906 |
| | <hr/> <hr/> | <hr/> <hr/> |

5.11 PREPAYMENT FOR ACQUISITION OF INVESTMENT PROPERTIES

As at December 31, 2022, the Company has prepaid RMB23,009,000 (June 30, 2022: RMB18,009,000) for the acquisition of investment properties in Mongolia at a total purchase consideration of RMB32,712,000.

5.12 TRADE AND OTHER RECEIVABLES

| | As at December 31, 2022 Unaudited RMB'000 | As at June 30, 2022 Audited RMB'000 |
|---------------------------------|---|---|
| Trade receivables | 2,194 | 6,559 |
| Other receivables <i>(Note)</i> | 8,904 | 12,064 |
| | <u>11,098</u> | <u>18,623</u> |

Note: Included in the balance as at December 31, 2022 was an amount due from an associate of RMB64,000 (June 30, 2022: RMB63,000), which was unsecured, interest-free, payable on demand and non-trade in nature.

The carrying amounts of the Group's trade and other receivables approximated their fair values.

The majority of the Group's revenue is required to be paid in advance. Revenue from education facilities leasing and commercial leasing for supporting facilities is settled by instalments in accordance with the payment schedules specified in the agreements. The aging analysis of trade receivables by revenue recognition date is as follows:

| | As at December 31, 2022 Unaudited RMB'000 | As at June 30, 2022 Audited RMB'000 |
|----------------------------|---|---|
| Within 3 months | 115 | 47 |
| Over 3 months to 6 months | 629 | 5,138 |
| Over 6 months to 12 months | 76 | 1,232 |
| Over 1 year | 1,374 | 142 |
| | <u>2,194</u> | <u>6,559</u> |

5.13 TRADE AND OTHER PAYABLES AND ACCRUALS

| | As at December 31, 2022 Unaudited RMB'000 | As at June 30, 2022 Audited RMB'000 |
|---|---|---|
| Trade payables | 2,704 | 4,284 |
| Other payables and accruals <i>(Note)</i> | 29,037 | 15,186 |
| | <u>31,741</u> | <u>19,470</u> |
| | <u>31,741</u> | <u>19,470</u> |

Note: Included in the other payables as at December 31, 2022 were amounts due to RE Group of RMB21,267,000 (June 30, 2022: RMB6,051,000), which were unsecured, interest-free, not payable before December 31, 2023 and non-trade in nature.

Reconciliation of trade payables and other payables and accruals:

| | As at December 31, 2022 Unaudited RMB'000 | As at June 30, 2022 Audited RMB'000 |
|-------------|---|---|
| Current | 10,474 | 14,919 |
| Non-current | 21,267 | 4,551 |
| | <u>31,741</u> | <u>19,470</u> |
| | <u>31,741</u> | <u>19,470</u> |

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

| | As at December 31, 2022 Unaudited RMB'000 | As at June 30, 2022 Audited RMB'000 |
|----------------------------|---|---|
| Within 3 months | 959 | 1,210 |
| Over 3 months to 6 months | 806 | 977 |
| Over 6 months to 12 months | 8 | 1,829 |
| Over 1 year | 931 | 268 |
| | <u>2,704</u> | <u>4,284</u> |

5.14 ADVANCES FROM CUSTOMERS

As at December 31, 2022, rental advances from customers were RMB11,314,000 (June 30, 2022: RMB5,728,000). The advances from customers will be recognised as revenue on a straight-line basis over the term of lease.

5.15 BANK BORROWINGS, SECURED

| | As at December 31, 2022 Unaudited RMB'000 | As at June 30, 2022 Audited RMB'000 |
|---|---|---|
| Bank borrowings due for repayment: | | |
| — Within one year ^(Note) | 53,720 | 40,552 |
| — After one year but within two years | 53,858 | 47,997 |
| — After two years but within five years | 100,291 | 125,569 |
| — After five years | 13,150 | 16,300 |
| | <u>167,299</u> | <u>189,866</u> |
| Total | <u>221,019</u> | <u>230,418</u> |

Note: Included in the balance as at December 31, 2022 were bank overdraft (non-revolving) and term loans amounting to RMB11,293,000 (June 30, 2022: RMB20,226,000) and RMB42,427,000 (June 30, 2022: RMB20,326,000) respectively.

Bank borrowings are interest-bearing at fixed and floating rates. The interest rates of the Group’s bank borrowings as at December 31, 2022 granted under banking facilities ranged from 5.50% to 7.95% (June 30, 2022: 4.63% to 8.16%) per annum. As at December 31, 2022, the bank facilities were secured by certain investment properties of the Group amounted to RMB354,047,000 (June 30, 2022: RMB352,046,000) and corporate guarantee of the Company.

5.16 SHARE CAPITAL

The share capital as at June 30, 2022 and December 31, 2022 represented the issued share capital of the Company as follows:

| | Number of Shares | Share capital <i>HK\$</i> | Share capital <i>RMB</i> |
|--------------------------------|---------------------|---------------------------------|--------------------------------|
| Issued and fully paid | | | |
| As at June 30, 2022 and | | | |
| at December 31, 2022 | 180,000,000 | 366,320,500 | 290,136,000 |

6. FINANCIAL REVIEW

6.1 Revenue

Revenue decreased by 12.3% to RMB22.97 million for the Period, compared to RMB26.18 million for the six months period ended December 31, 2021 (“H1FY2022”), mainly due to the reduced leasing space for education facilities leased out to colleges, education institutions, training centres and educational corporate entities (the “**Education Institutions**”) in the Oriental University City campus (the “**OUC Campus**”) in Langfang City, the PRC.

6.2 Government Grant

A government grant of RMB0.20 million was received for the Period given by the local authority in Langfang City in recognition of good performance as a corporate citizen (H1FY2022: nil).

6.3 Employee Costs

Employee costs decreased by 19.8% to RMB2.53 million for the Period, compared to RMB3.16 million in H1FY2022, due to the lower number of employees employed subsequent to rationalization of staff force in January 2022.

6.4 Business Taxes and Surcharges

Business taxes and surcharges increased by 258.7% to RMB0.43 million for the Period, compared to RMB0.12 million in H1FY2022, due to higher receipts of rental advance for the Period.

6.5 Repairs and maintenance fees

Repairs and maintenance fees decreased by 16.3% to RMB0.45 million for the Period, compared to RMB0.54 million in H1FY2022, as less properties maintenance works were carried out in the OUC Campus in Langfang City.

6.6 Legal and consulting fees

Legal and consulting fees decreased by 56.3% to RMB1.35 million for the Period, compared to RMB3.08 million in H1FY2022, as less professional fees were incurred compared to H1FY2022 when consultants were engaged to undertake corporate exercise.

6.7 Other gains/(losses), net

Other gains of RMB1.65 million were recorded for the Period, compared to other losses RMB1.12 million in H1FY2022, mainly due to net foreign exchange gains that resulted from the translation of stronger foreign currency balances against RMB.

6.8 Other expenses

Other expenses decreased by 44.6% to RMB1.65 million for the Period, compared to RMB2.98 million in H1FY2022, due to lower utilities usage, less office supplies purchase and curtailment of other discretionary expenses for the Period.

6.9 Share of results of associates

Loss on share of results of associates of RMB1.36 million was recorded for the Period, compared to gain on share of results of associates of RMB4.70 million recorded in H1FY2022, mainly due to net loss incurred by Axiom Properties Limited, an associate of the Company.

6.10 Operating profit

Operating profit for the Period decreased by 20.1% to RMB9.29 million for the Period, compared to RMB11.62 million in H1FY2022, mainly due to decrease in revenue.

6.11 Interest expenses

Interest expenses decreased by 26.9% to RMB7.63 million for the Period, compared to RMB10.43 million in H1FY2022, as loan principal had been progressively reduced.

6.12 Income tax

Income tax increased by 11.8% to RMB0.09 million for the Period, compared to RMB0.08 million in H1FY2022, mainly due to the Group's subsidiary having recorded higher corporate income tax, in line with its higher taxable income.

6.13 Profit for the Period

Profit for the Period increased by 38.1% to RMB1.59 million, compared to RMB1.16 million in H1FY2022, due to the foregoing factors set out in Notes 6.1 to 6.12 above.

6.14 EBITDA

EBITDA decreased by 20.0% to RMB9.48 million for the Period, compared to RMB11.85 million in H1FY2022, in line with the overall decline in revenue for the Period.

6.15 Liquidity and Financial Resources

As at December 31, 2022, the Group has net current liabilities of RMB52.60 million (June 30, 2022: RMB35.19 million). The current liabilities is mitigated by the following factors:-

- (i) advance from customers of RMB11.31 million (June 30, 2022: RMB5.73 million), which will be recognised as revenue with the passage of time in accordance with the terms of the rental agreements.

- (ii) Current bank borrowings of RMB53.72 million (June 30, 2022: RMB40.55 million), comprising term loans of RMB42.43 million (June 30, 2022: RMB20.33 million) and overdraft loan of RMB11.29 million (June 30, 2022: RMB20.23 million), all of which were secured by certain investment properties of the Group amounted to RMB354.05 million (June 30, 2022: RMB352.05 million).
- (iii) Current asset would increase by approximately RMB31.76 million following the capital reduction undertaken by an associate of the Company, 4 Vallees Pte. Ltd (“4 Vallees”) on 10 January, 2023. Details of the capital reduction are set out in “Section 7 — Event After the Reporting Period”.
- (iv) the Group had an unutilised loan revolving facility amounting of RMB35.00 million from RE for a term of three years effective from June 30, 2020. Any loans to be borrowed shall be repaid within 36 months from the date of the disbursement. The interest rate is 2.5% per annum, calculated from the date of loan drawdown. As at December 31, 2022, the Group had not utilised this facility.
- (v) The Group would consider disposing of certain investment properties to provide further funding when the liquidity needs arise.

As at December 31, 2022, the Group had total assets of approximately RMB1,694.55 million (June 30, 2022: RMB1,682.40 million), which were financed by total liabilities and equity of RMB443.05 million (June 30, 2022: RMB434.66 million) and RMB1,251.50 million (June 30, 2022: RMB1,247.75 million), respectively.

6.16 Gearing Ratio

The Group’s gearing ratio as at December 31, 2022 was 17.7% (June 30, 2022: 18.5%), which was calculated based on the total borrowings of RMB221.02 million (June 30, 2022: RMB230.42 million) divided by total equity of RMB1,251.50 million (June 30, 2022: RMB1,247.75 million) and then multiplied by 100%.

In view of its low gearing, the Group has explored and is confident of financing availability in the PRC that could be deployed, where appropriate, to rebalance its loans portfolio, and/or to provide buffer fund for working capital requirements.

7. EVENT AFTER THE REPORTING PERIOD

An associate of the Company, 4 Vallees, for which the Company held a 24.61% in equity, had carried out a capital reduction on January 10, 2023 to optimise its capital structure. Upon the capital reduction, the number of shares of 4 Vallees held by the Company was reduced from 8,172,151 shares to 2,834,139 shares, resulting in an amount due to the Company as other receivable of Singapore Dollar 6.25 million (approximately RMB31.76 million).

The Company's shareholding percentage in 4 Vallees remains at 24.61% after the capital reduction.

8. BUSINESS REVIEW AND OUTLOOK

The Group owns and leases education facilities, comprising primarily teaching buildings and dormitories to Education Institutions in the PRC, Malaysia and Indonesia. The Group's education facilities are located in the OUC Campus in Langfang City of Hebei Province of the PRC; Kuala Lumpur, Malaysia; and Jakarta, Indonesia. In addition, the Group also leases commercial properties in the OUC Campus to commercial tenants operating a range of supporting facilities, including a shopping mall, supermarket, cafe and cafeterias, bank, telecommunication companies, dental and polyclinic, amongst others, to serve the needs of students in the campus and the residents of adjacent housing estates.

Business environment was challenging during the Period. The strict zero novel coronavirus disease 2019 (“COVID-19”) policy measures that was enhanced in October 2022, entailed students of Education Institutions vacating hostels to switch to online classes for almost the whole winter semester. Commercial tenants experienced loss of business due to absence of student populations. Subsequently, following lifting of the strict zero COVID-19 policy measures by the PRC government in December 2022, Langfang City experienced widespread infections of the COVID-19, which further disrupted business activities. The Group experienced revenue decline as affected Education Institutions and commercial tenants reduced their leasing space requirements or elected to prematurely terminate their tenancies. In addition, construction of new theatre and canteen was further delayed due to the business disruption impact of COVID-19.

The Group expects business environment continues to be challenging in the short term. To mitigate the COVID-19 impact on the Group's finances, the Group had successfully negotiated with the bank in the PRC to extend the repayment of loan principal due in January 2023 by a further 6 months. With the low gearing of 17.7%, the Group is confident of securing financing availability with competitive interest rate, in the PRC, to cater for future needs. The financing options would be deployed, where appropriate, to refinance the Group's loan portfolio, and/or to ease working capital requirements. Further, the Group had obtained a loan revolving facility amounting to RMB35.00 million from RE for a period of three years from June 30, 2020, and may drawdown, if necessary.

Moving forward, to mitigate the revenue pressures, operational costs will be prudently managed and discretionary expenditures would be appropriately deferred to ensure sufficient funds for working capital. Marketing and business development efforts have been stepped up to canvass for prospective customers. Construction of new theatre and canteen will be expedited for completion and handover by middle of year 2023 in order to generate additional revenue.

With the lifting of strict zero COVID-19 policy measure, the Board views that the education industry in the PRC would continue to enjoy moderate growth in line with student population growth. Meanwhile, the education industry in Malaysia and Indonesia is expected to grow. As provider of education facilities in these countries, the Group is well-poised to benefit from this growth trend.

9. SIGNIFICANT INVESTMENTS AND FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL COMMITMENTS

Save as disclosed below, as at December 31, 2022, the Group did not have any other significant investment and future plan for material investments and capital commitments.

9.1 Purchase of investment properties in Mongolia

On March 6, 2020, the Company entered into a sale and purchase agreement with an independent vendor for the purchase of investment properties in Ulaanbaatar, Mongolia, for a purchase consideration of RMB32.71 million. As at December 31, 2022, the Company has paid RMB23.01 million of the purchase consideration and the remaining balance of RMB9.70 million will be paid in instalments according to the various stages of completion as set out in the sale and purchase agreement. Please refer to the announcement dated March 8, 2020 for details of the acquisition of investment properties in Mongolia.

9.2 Renovation/refurbishment of two blocks of dormitories in the OUC Campus

On June 16, 2022, the Company entered into a construction project contract with an independent contractor for the renovation/refurbishment of two blocks of dormitories, No. 23 and No. 24, located at the OUC Campus for a contract sum of RMB10.18 million. As at December 31, 2022, the Company has paid RMB2.01 million of the contract sum and the remaining balance of RMB8.17 million will be paid in instalments in accordance with the agreed terms. The renovation/refurbishment work had been completed.

9.3 Renovation/refurbishment of other investment properties in the OUC Campus

The Group also undertakes renovation/refurbishment of investment properties in the OUC Campus, estimated at approximately RMB174 million, on progressive basis based on its funding capability.

10. 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.

11. CONTINUING CONNECTED TRANSACTIONS

Save as disclosed below, The Group does not have other continuing connected transaction, as at December 31, 2022.

11.1 Tenancy Agreement of Properties in Malaysia

OUC Malaysia Sdn Bhd, a direct wholly-owned subsidiary of the Company, as landlord, had entered into a tenancy agreement with Raffles College of Higher Education Sdn Bhd, of which 70% of its equity interest is owned by RE, as tenant for the lease of the properties for a term of three years commencing on January 1, 2022 and expiring on December 31, 2024. The tenancy agreement was executed on arm's length terms and the annual rental payable under the new tenancy agreement amounts to MYR2.01 million (approximately RMB3.15 million). Please refer to the announcement dated December 10, 2021, for further details of the tenancy agreement.

11.2 Tenancy Agreement of Properties in Indonesia

PT OUC Thamrin Indo, a direct wholly-owned subsidiary of the Company, as landlord, has entered into a tenancy agreement with PT. Raffles Institute of Higher Education, a wholly-owned subsidiary of RE, as tenant, for the tenancy of two floors of Lippo Thamrin office in Jakarta, Indonesia, for a term of three years commencing on July 1, 2020 and expiring on June 30, 2023. The tenancy was executed on arm's length terms and the annual rental payable under the tenancy agreement amounts to Indonesian Rupiah 7,154.64 million (approximately RMB3.18 million). For details, please refer to the Company's announcement dated June 17, 2020.

12. CONTINGENT LIABILITIES

The Group did not have any contingent liabilities as at December 31, 2022. (December 31, 2021: nil)

13. DIVIDEND

The Board has resolved not to recommend payment of any dividend for the Period (December 31, 2021: Nil).

14. COMPETING INTERESTS

RE, 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 of the Company dated December 31, 2014 (the "**Prospectus**")).

On December 22, 2014, RE 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, 2022, none of the Directors, controlling shareholder 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.

15. 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.

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

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

17. SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard of dealings regarding securities transaction 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 Dealings during the Period.

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

As at December 31, 2022, 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 ^(Note 2) |
|---|---|---------------------------------|---|
| Mr. Chew Hua Seng (“Mr. Chew”) ^(Note 1) | 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 of the Board (the “Chairman”) and an executive Director, through RE 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, 2022 (i.e. 180,000,000 Shares).

(b) Shares in associated corporation of the Company

| Name of Director | Name of associated corporation | Capacity/ Nature of interests | Number of issued shares held | Approximate percentage of shareholding |
|---------------------|--------------------------------------|---|------------------------------------|--|
| Mr. Chew | RE ^(Note 1) | Beneficial owner and interest of spouse/personal interest and family interest | 476,562,764 | 34.57% ^(Note 2) |

Notes:

- (1) RE, a company incorporated in Singapore with its issued shares listed on the SGX-ST, is the immediate holding company of the Company.
- (2) Comprised of (a) the 22.17% direct interest of Mr. Chew; (b) the 2.47% interest of Ms. Doris Chung Gim Lian (“Ms. Chung”, the spouse of Mr. Chew in REC); and (c) the 9.93% joint interest of Mr. Chew and Ms. Chung.

Save as disclosed above, as at December 31, 2022, 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.

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

As at December 31, 2022, 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 or short position in the Shares and the underlying Shares as recorded in the register to be kept under section 336 of the SFO were as follows:

Long positions in the Shares

| Name of Shareholders | Capacity/ Nature of interest | Number of issued Shares held | Percentage of shareholding ^(Note 2) |
|-------------------------------|--|---------------------------------|---|
| RE ^(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) RE is owned as to (a) 22.17% by Mr. Chew, the Chairman and an executive Director; (b) 9.93% jointly by Mr. Chew and Ms. Chung, the spouse 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 RE is interested, and Ms. Chung is deemed to be interested in the Shares in which Mr. Chew is interested and deemed to be interested. In addition, Mr. Chew is a director of RE.
- (2) The percentage of shareholding was calculated based on the Company's total number of issued Shares as at December 31, 2022 (i.e. 180,000,000 Shares).

Save as disclosed above, as at December 31, 2022, so far as it was known by or otherwise notified to the Directors or the chief executive of the Company, no other corporations which or persons (other than a Director or the chief executive of the Company) who had 5% or more interests or short positions in the Shares and the underlying Shares as recorded in the register required to be kept under section 336 of the SFO.

20. 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.

21. REVIEW BY AUDIT COMMITTEE

The Audit Committee currently comprises three independent non-executive Directors, namely Mr. Tan Yeow Hiang, Kenneth (“**Mr. Tan**”), Mr. Guo Shaozeng and Mr. Wilson Teh Boon Piaw with Mr. Tan serving as the chairman.

The Audit Committee has reviewed the accounting principles and practices adopted by the Group and the Interim Results, 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 20, 2023

As at the date of this announcement, the executive Directors are Mr. Chew Hua Seng (Chairman) and Mr. Liu Ying Chun (Chief Executive Officer); and the independent non-executive Directors are Mr. Tan Yeow Hiang, Kenneth, Mr. Wilson Teh Boon Piaw and Mr. Guo Shaozeng.

This announcement will remain on the “Latest Listed Company Information” page of the GEM website at www.hkgem.com for at least 7 days from the date of its publication. This announcement will also be published and will remain on the website of the Company at www.oriental-university-city.com.