REF Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1631)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2017

ANNUAL RESULTS

The board (the "**Board**") of directors (the "**Directors**") of REF Holdings Limited (the "**Company**") is pleased to announce the audited consolidated financial results of the Company and its subsidiaries (the "**Group**") for the year ended 31 December 2017 together with the comparative audited figures for the year ended 31 December 2016. The financial information has been approved by the Board.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2017

	Notes	**2017** *HK$'000*	2016 *HK$'000*
Revenue	*4*	**236,284**	178,095
Cost of services		**(103,921)**	(82,564)
Gross profit		**132,363**	95,531
Other income		**1,147**	103
Selling and distribution expenses		**(19,345)**	(14,233)
Administrative expenses		**(36,194)**	(26,403)
Finance costs		**(14)**	(10)
Profit before taxation		**77,957**	54,988
Taxation	*6*	**(13,574)**	(9,369)
Profit for the year	*7*	**64,383**	45,619
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Other comprehensive income for the year, net of tax		**–**	–
Total comprehensive income for the year		**64,383**	45,619
Profit and total comprehensive income for the year attributable to owners of the Company		**64,383**	45,619
Earnings per share			
— Basic and diluted (HK cents)	*9*	**25.15**	17.82

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2017

	Notes	**2017** *HK$'000*	2016 *HK$'000*
Assets			
Non-current assets			
Plant and equipment		**2,363**	468
Deferred tax assets		**429**	237
		2,792	705
Current assets			
Work in progress		**1,500**	2,397
Trade receivables	*10*	**35,875**	30,992
Prepayments, deposits and other receivables		**7,867**	6,663
Fixed deposits		**130,000**	–
Bank balances and cash		**57,039**	111,311
		232,281	151,363
Current liabilities			
Trade payables	*11*	**10,890**	7,560
Accruals and other payables		**24,726**	13,173
Deposits received		**24,719**	23,197
Tax payables		**4,448**	2,231
		64,783	46,161
Net current assets		**167,498**	105,202
Total assets less current liabilities		**170,290**	105,907
Net assets		**170,290**	105,907
Capital and reserves			
Share capital		**2,560**	2,560
Reserves		**167,730**	103,347
Total equity attributable to owners of the Company		**170,290**	105,907

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2017

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 5 February 2014 as an exempted company with limited liability under the Companies Law (2011 Revision) (as consolidated and revised) of the Cayman Islands. Its immediate holding company is Jumbo Ace Enterprises Limited ("**Jumbo Ace**"), a company incorporated in the British Virgin Islands and its ultimate holding company is Rising Luck Management Limited, a company incorporated in the British Virgin Islands. Its ultimate controlling party is Mr. Lau Man Tak ("**Mr. Lau**"), who is also the chairman and non-executive director of the Company. The Company has been registered as a non-Hong Kong company under Part 16 of the Hong Kong Companies Ordinance (Cap. 622) since 12 March 2014. On 20 June 2017, the Company transferred the listing of its issued shares from the GEM of the Stock Exchange to the Main Board of the Stock Exchange.

The address of the Company's registered office is Clifton House, 75 Fort Street, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands and the address of its headquarters, head office and principal place of business in Hong Kong is 3/F., Nexxus Building, 77 Des Voeux Road Central, Hong Kong.

The Company is an investment holding company and its subsidiaries are principally engaged in the provision of financial printing services. The consolidated financial statements are presented in Hong Kong dollars ("**HK$**") which is also the functional currency of the Company. All values are rounded to the nearest thousand ("**HK$'000**") except otherwise indicated.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

In the current year, the Group has applied, for the first time, the following amendments (the "**amendments to HKFRSs**") issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**"), which are effective for the Group's financial year beginning on or after 1 January 2017.

HKAS 7 (Amendments)	Disclosure Initiative
HKAS 12 (Amendments)	Recognition of Deferred Tax Assets for Unrealised Losses
HKFRS 12 (Amendments)	As part of the Annual Improvements to HKFRSs 2014–2016 Cycle

Except as described below, the application of the amendments to HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Amendments to HKAS 7 *Disclosure Initiative*

The Group has applied these amendments for the first time in the current year. The amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both cash and non-cash changes. In addition, the amendments also require disclosures on changes in financial assets if cash flows from those financial assets were, or future cash flows will be, included in cash flows from financing activities.

Specifically, the amendments require the following to be disclosed: (i) changes from financing cash flows; (ii) changes arising from obtaining or losing control of subsidiaries or other businesses; (iii) the effect of changes in foreign exchange rates; (iv) changes in fair values; and (v) other changes.

The application of these amendments has had no impact on the Group's consolidated financial statements.

New and revised HKFRSs in issue but not yet effective

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

HKFRSs (Amendments)	Annual Improvements to HKFRSs 2015–2017 Cycle[2]
HKFRS 2 (Amendments)	Classification and Measurement of Share-based Payment Transactions[1]
HKFRS 4 (Amendments)	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts[1]
HKFRS 9	Financial Instruments[1]
HKFRS 9 (Amendments)	Prepayment Features with Negative Compensation[2]
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3]
HKFRS 15	Revenue from Contracts with Customers[1]
HKFRS 15 (Amendments)	Clarifications to HKFRS 15 Revenue from Contracts with Customers[1]
HKFRS 16	Leases[2]
HKFRS 17	Insurance Contracts[4]
HKAS 28 (Amendments)	Long-term Interests in Associates and Joint Ventures[2]
HKAS 28 (Amendments)	As part of the Annual Improvements to HKFRSs 2014–2016 Cycle[1]
HKAS 40 (Amendments)	Transfers of Investment Property[1]
HK (IFRIC)-Int 22	Foreign Currency Transactions and Advance Consideration[1]
HK (IFRIC)-Int 23	Uncertainty over Income Tax Treatment[2]

1 Effective for annual periods beginning on or after 1 January 2018, with earlier application permitted.
2 Effective for annual periods beginning on or after 1 January 2019, with earlier application permitted.
3 Effective for annual periods beginning on or after a date to be determined. Early adoption is permitted.
4 Effective for annual periods beginning on or after 1 January 2021.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The consolidated financial statements have been prepared in accordance with HKFRSs, which is a collective term that includes all applicable individual HKFRSs, HKASs and Interpretations issued by the HKICPA, and accounting principles generally accepted in Hong Kong. In addition, the consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange and the Hong Kong Companies Ordinance.

4. REVENUE

	2017	2016
	HK$'000	*HK$'000*
Financial printing services:		
Printing	**172,538**	120,192
Translation	**48,641**	44,626
Media placement	**15,105**	13,277
	236,284	178,095

5. SEGMENT INFORMATION

During the years ended 31 December 2017 and 2016, the Group operates in one operating segment which is the provision of financial printing services. A single management team reports to the directors of the Company (being the chief operating decision-maker) who comprehensively manage the entire business. Accordingly, the Group does not present separately segment information. In addition, all of the Group's revenue is generated in Hong Kong and all of the Group's assets and liabilities are located in Hong Kong. Accordingly, no business or geographical segment information is presented.

Information about major customers

No individual customer contributed over 10% of the total revenue of the Group during the years ended 31 December 2017 and 2016.

6. TAXATION

	2017	2016
	HK$'000	*HK$'000*
Current tax		
— Hong Kong	**13,786**	9,337
Over provision in prior year		
— Hong Kong	**(20)**	(19)
Deferred tax:		
Current year	**(192)**	51
	13,574	9,369

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for the years ended 31 December 2017 and 2016.

As at 31 December 2017, the Group has unused tax losses of approximately HK$6,076,000 (2016: HK$1,881,000) available for offset against the assessable profit for each particular year.

7. PROFIT FOR THE YEAR

	2017	2016
	HK$'000	*HK$'000*
Profit for the year has been arrived at after charging:		
Directors' emoluments	**9,193**	6,709
Other staff costs:		
— Salaries and other benefits	**33,589**	26,511
— Discretionary bonuses	**15,623**	11,360
— Retirement scheme contributions	**1,284**	1,100
Total employee benefit expense	**50,496**	38,971
Auditors' remuneration		
— Audit services	**840**	600
— Non-audit services	**118**	–
Depreciation of plant and equipment	**544**	149
Operating lease rental expenses in respect of rented premises	**10,486**	9,118

8. DIVIDENDS

The directors of the Company do not recommend the payment of any final dividend for the year ended 31 December 2017 (2016: Nil).

9. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to owners of the Company is based on the following data:

	2017	2016
	HK$'000	*HK$'000*
Earnings:		
Profit attributable to owners of the Company for the purpose of calculating basic earnings per share	**64,383**	45,619
	'000	*'000*
Number of shares:		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share *(Note)*	**256,000**	256,000
Basic earnings per share (HK cents)	**25.15**	17.82

Note:

The calculation of basic earnings per share for the years ended 31 December 2017 and 2016 is based on the profit attributable to owners of the Company for the years and the weighted average number of shares for the relevant period.

Diluted earnings per share is the same as the basic earnings per share for the years ended 31 December 2017 and 2016 as there was no potential dilutive ordinary shares in issue.

10. TRADE RECEIVABLES

	2017	2016
	HK$'000	*HK$'000*
Trade receivables	**35,875**	30,992

The following is an aged analysis of trade receivables, presented based on the invoice date at the end of the reporting period:

	2017	2016
	HK$'000	*HK$'000*
Current — neither past due nor impaired	**20,518**	15,554
Under 31 days past due	**10,551**	8,662
31–60 days past due	**1,533**	1,805
61–120 days past due	**2,285**	4,879
121–150 days past due	**152**	90
Over 150 days past due	**836**	2
	35,875	30,992

The Group generally allows a credit period of 30 days to its customers. Receivables that were neither past due nor impaired related to customers for whom there was no default. Receivables that were past due but not impaired related to customers that have good creditworthiness. Based on past experience, the management considered that no impairment is necessary as there has not been a significant change in the credit quality of these balances, which are still considered fully recoverable.

The Group does not hold any collateral over the balances.

11. TRADE PAYABLES

	2017	2016
	HK$'000	*HK$'000*
Trade payables	**10,890**	7,560

The credit period from suppliers is up to 60 days. The following is an aged analysis of trade payables, presented based on the invoice date at the end of the reporting period:

	2017	2016
	HK$'000	*HK$'000*
Current — up to 60 days	**10,890**	7,136
Under 31 days past due	**–**	424
	10,890	7,560

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

During 2017, our business grew steadily based on the continued increase in the number of listed companies and the growth of the Hong Kong stock market in general, which have brought an increase in the demand for, among others, prospectuses, company announcements, shareholder circulars, results announcements and financial reports.

Being one of the quality financial printers serving the financial sector in Hong Kong, we, with the rich industry experience and expertise of our Directors and management, managed the Group's operations in a proficient and effective manner in 2017.

For the year ended 31 December 2017 (the "**Year**"), the Group's turnover increased by approximately 32.7% as compared to that of the year ended 31 December 2016 (the "**Year 2016**"). The profit attributable to owners of the Company for the Year was approximately HK$64.4 million (2016: approximately HK$45.6 million), representing an increase of about 41.2% as compared to that of Year 2016. Basic earnings per share for the Year was approximately HK cents 25.15 (2016: approximately HK cents 17.82).

Financial Review

Revenue

The Group's revenue increased by approximately HK$58.2 million, or 32.7%, from approximately HK$178.1 million for the Year 2016 to approximately HK$236.3 million for the Year. The increase was primarily attributable to the increases in revenue from (i) printing services, amounting to approximately HK$52.4 million, (ii) translation services, amounting to approximately HK$4.0 million, and (iii) media placement services, amounting to approximately HK$1.8 million.

Gross Profit and Gross Profit Margin

The Group's gross profit increased by approximately HK$36.9 million, or 38.6%, from approximately HK$95.5 million for the Year 2016 to approximately HK$132.4 million for the Year, which was due to the increase in revenue. Our gross profit margins for the Year and the Year 2016 were approximately 56.0% and 53.6%, respectively which had been maintained at a stable level.

Selling and Distribution Expenses

The Group's selling and distribution expenses increased by approximately HK$5.1 million, or 35.9%, from approximately HK$14.2 million for the Year 2016 to approximately HK$19.3 million for the Year. The increase was mainly due to (i) an increase in staff costs, which amounted to approximately HK$4.3 million in total caused by (a) an increase in the number of staff; (b) the annual/regular salary revision for staff; and (c) an increase in bonus provision and commission payment, which was in line with the increase in profit for the Year; and (ii) an increase in entertainment for sales amounting to approximately HK$0.7 million, which was in line with the increase in revenue.

Administrative Expenses

The Group's administrative expenses increased by approximately HK$9.8 million, or 37.1%, from approximately HK$26.4 million for the Year 2016 to approximately HK$36.2 million for the Year. The increase was mainly due to (i) the incurrence of the one-off payment of the substantial expenses in connection with the transfer of listing of the Company's issued shares from the GEM to Main Board of the Stock Exchange on 20 June 2017 during the Year; (ii) an increase of rental expenses for the new office premises leased by the translation team and an increment of monthly rental effective from November 2016 for the Company's head office and principal place of business in Hong Kong; and (iii) an increase in staff costs resulting from additional staff recruited for the translation team and increased remuneration of the Directors for the Year.

Taxation

Profits tax expense increased by approximately HK$4.5 million, or 48.4%, from approximately HK$9.3 million for the Year 2016 to approximately HK$13.8 million for the Year. The increase was primarily attributable to the increase in profit before taxation.

Deferred tax increased by approximately HK$0.2 million, or one time, from deferred tax asset of approximately HK$0.2 million for the Year 2016 to approximately HK$0.4 million for the Year. The increase was primarily attributable to an increase in accelerated depreciation allowance.

Profit for the Year and Net Profit Margin

Profit for the Year increased by approximately HK$18.8 million, or 41.2%, from approximately HK$45.6 million for the Year 2016 to approximately HK$64.4 million for the Year. The increase was primarily attributable to an increase in revenue. The net profit margins for the Year and the Year 2016 were approximately 27.2% and 25.6%, respectively.

FINANCIAL RESOURCES, LIQUIDITY AND GEARING

As at 31 December 2017,

(a) the Group's total assets increased to approximately HK$235.1 million (2016: approximately HK$152.1 million) while the total equity increased to approximately HK$170.3 million (2016: approximately HK$105.9 million);

(b) the Group's current assets increased to approximately HK$232.3 million (2016: approximately HK$151.4 million) while the current liabilities increased to approximately HK$64.8 million (2016: approximately HK$46.2 million);

(c) the Group had approximately HK$187.0 million in fixed deposits, bank balances and cash available (2016: approximately HK$111.3 million) and the current ratio of the Group was approximately 3.6 (2016: approximately 3.3);

(d) the Group did not have any bank borrowings, bank overdrafts, tax loans and finance lease liabilities (2016: Nil); and

(e) the gearing ratio (being the total of finance lease, tax loans and interest-bearing borrowings divided by total equity attributable to owners of the Company) was not applicable to the Group (2016: not applicable).

PROSPECT

Looking ahead to 2018, the Group remains cautiously optimistic about its business prospects. Based on the data published by the HKEx for year 2016, the global ranking of the HKEx re fundraising, in terms of value, was number one in the global market and from year 2013 to year 2017 the number of newly listed companies in Hong Kong was more than 100 per calendar year. Therefore, we anticipate more revenue/business opportunities to the financial printing services in Hong Kong such as the increase of demand for the printing of prospectuses, financial reports and compliance documents and the production of announcements/compliance disclosure of information etc. However, certain unfavourable factors such as fluctuation of the global financial market and intensifying competition in the industry may exert pressure on the Group's business. In addition, the changes to the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "**GEM Listing Rules**") and the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") regarding the qualifications for listing effective from 15 February 2018 may cause impact on (i) the timing of the initial public offering vetting process; (ii) the number of applications for new listing activities on the Stock Exchange; and (iii) the number of applications for transfer of listing from GEM to Main Board of the Stock Exchange. This would, in turn, affect the business of the Group in the coming years. During the Year, the Group completed renovation works for setting up more conference rooms so as to suit the needs of the growing number of our customers.

Nevertheless, we continue to provide a wide range of financial printing services to meet our customers' demands and requirements. In addition, we shall further enhance our multiple points of quality control and inspection throughout our production process to ensure the quality of our financial printing services. We believe that our one-stop service model will provide a comprehensive range of convenient and quality services to our customers, attract potential customers and enable us to react to the changing needs of our customers efficiently.

To further enhance our competitive edge, we have been incurring additional cost for improving and acquiring office facilities, equipment and software for our existing working environment and strengthening our design capabilities regularly. The Group proceeded to establish a translation team during the Year to enhance our service. With these measures in place, we are able to react to the changing needs of our customers more efficiently and effectively.

We are optimistic about our core business and shall continue to capture market opportunities so as to achieve a sustainable business growth and long-term benefits of our shareholders.

CAPITAL EXPENDITURE

The capital expenditure during the Year was primarily related to expenditures on additions of leasehold improvements, office equipment, and furniture and fixtures, amounting to approximately HK$1.1 million, HK$0.6 million and HK$0.8 million respectively, to cope with our operation needs and the newly set-up of the translation team in April 2017 (2016: approximately in a total of HK$0.3 million). As at 31 December 2017, the Group did not have any significant capital commitments (2016: approximately HK$1.2 million).

SIGNIFICANT INVESTMENTS

As at 31 December 2017, the Group did not hold any significant investments (2016: Nil).

CONTINGENT LIABILITIES

As at 31 December 2017, the Group did not have any significant contingent liabilities (2016: Nil).

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2017, the Group had 110 (2016: 90) full-time employees in Hong Kong. We believe that hiring, motivating and retaining qualified employees are crucial to our success as a reliable financial printer. Total staff costs (including Directors' emoluments) were approximately HK$59.7 million (2016: approximately HK$45.7 million). The remuneration packages of the Group's employees include basic salary, allowances, insurance, medical schemes, mandatory provident fund scheme, commission and bonuses. The remuneration policies of the Group, including promotion, bonus, salary increment and other benefits, are formulated based on the Group's operating results, employees' individual performance, working experience, respective responsibilities, merit, qualifications and competence, as well as comparable to the prevailing market practice, standards and statistics. The remuneration policies of the Group are reviewed by the management of the Group regularly. The dedication and hard work of the Group's staff during the Year are generally appreciated and recognised.

In addition, the Group adopted a share option scheme (the "**Scheme**"). Since its adoption, no options have been granted or agreed to be granted pursuant to the Scheme and, therefore, there were no outstanding options as at 31 December 2017 (2016: Nil). The Group also provides and arranges on-the-job trainings for the employees.

INDEBTEDNESS AND CHARGES ON GROUP'S ASSETS

As at 31 December 2017, the Group had no borrowings or charges on the Group's assets (2016: Nil).

MATERIAL ACQUISITION OR DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the Year, there was no material acquisition or disposal of subsidiaries, associates and joint ventures by the Group.

FOREIGN CURRENCY EXPOSURE

The Group's businesses are solely operated in Hong Kong. The sales and purchases are mainly denominated in HK$ and customers rarely request settling our billing by other foreign currencies such as United States dollars ("**USD**").

The Group's assets, liabilities and transactions are mainly denominated in HK$. Only a little portion of the Group's deposits with licensed banks are denominated in USD which is freely convertible into HK$. The Directors are of the view that the Group's operating cash flow and liquidity are not subject to significant foreign exchange rate risks and, therefore, no hedging arrangements were made during the Year. However, the Group will review and monitor the relevant foreign exchange risk from time to time based on its business development requirements and may enter into foreign exchange hedging arrangements when applicable.

CORPORATE GOVERNANCE PRACTICES

The issued shares of the Company (the "**Shares**") were initially listed on the GEM of the Stock Exchange on 25 September 2015 and were subsequently transferred from listing on GEM to the Main Board of the Stock Exchange (the "**Transfer of Listing**") on 20 June 2017. Prior to the Transfer of Listing, the Company had adopted the code provisions of the Corporate Governance Code (the "**GEM CG Code**") contained in Appendix 15 to the GEM Listing Rules as its own code of corporate governance. It adopted all the requirements of the code provisions of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules (the "**Main Board CG Code**") as its code provisions, which took effect immediately after the Transfer of Listing.

The Board is satisfied that the Company has complied with the code provisions of:

(i) the GEM CG Code to the extent applicable to the Company during the period from 1 January 2017 to 19 June 2017 (being the date immediately before the Transfer of Listing taking place) (the "**January to June 2017 Period**"); and

(ii) the Main Board CG Code to the extent applicable to the Company during the period from 20 June 2017 (being the date on which the Transfer of Listing took place) to 31 December 2017 (the "**June to December 2017 Period**").

COMPLIANCE WITH LAWS AND REGULATIONS

During the Year, the Group was in compliance with all the laws and regulations applicable to the business operations of the Group.

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

During the Year, the Company did not redeem its listed securities, nor did the Company or any of its subsidiaries purchase or sell any of such listed securities.

SECURITIES TRANSACTIONS BY DIRECTORS

Prior to the Transfer of Listing, the Company had adopted the required standard of dealings in the securities as contained in Rules 5.46 to 5.67 of the GEM Listing Rules as its own code of conduct governing the securities transactions by the Directors. Immediately after the Transfer of Listing, the Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "**Model Code**") as its own code of conduct regarding Directors' securities transactions. Following a specific enquiry made by the Company on each of the Directors, all of them confirmed that they had complied with the required standard set out in Chapter 5 of the GEM Listing Rules for the January to June 2017 Period and the Model Code for the June to December 2017 Period.

USE OF PROCEEDS

The net proceeds from the placing of new Shares completed on 25 September 2015 (the "**Placing**") were approximately HK$31.4 million, after deducting the expenses relating to the listing of the Shares on the GEM of the Stock Exchange. As at 31 December 2017, all of the unused proceeds were deposited in licensed banks in Hong Kong. During the Year, a large portion of the net proceeds from the Placing was utilised and the corresponding explanations are set out in the table below:

Proposed use of proceeds	Proposed amount to be used and time frame	Amount used as of 31 December 2017	Amount committed/ estimated to be used for the next 6 to 12 months	Changes and explanations
Enhance competitiveness through expansion of workforce as well as improving and acquiring office facilities, equipment and software	HK$9.1 million (extend from before 30 June 2017 to 30 June 2018)	HK$2.8 million has been used to purchase office facilities, equipment and software; and HK$5.7 million has been used to expand workforce	HK$0.6 million will be used to expand workforce	Will be fully utilised as intended on or before 30 June 2018
Strengthen design capabilities	HK$2.1 million (extend from before 30 June 2017 to 30 June 2018)	HK$1.0 million has been used to employ additional design personnel; and HK$0.6 million has been used to purchase various equipment and software to improve the design efficiency	HK$0.3 million will be used to employ additional design personnel; and HK$0.2 million will be used to purchase various equipment and software to improve the design efficiency	Will be fully utilised as intended on or before 30 June 2018
Set up an in-house translation team	HK$18.5 million (extend from before 30 June 2017 to 31 March 2019)	HK$1.8 million has been used to set up a new office for the in-house translation team; and HK$2.4 million has been used as operating expenses for the new office and the newly recruited translation personnel	HK$12.1 million will be used as operating expenses for the new office and the newly recruited translation personnel	Will be fully utilised as intended on or before 31 March 2019

EVENTS AFTER THE BALANCE SHEET DATE

On 8 January 2018, REF Financial Press Limited, a wholly-owned subsidiary of the Company, entered into a tenancy agreement with Mutual Capital Limited, the landlord, for the lease of Unit 502, 5/F., Nexxus Building, No. 77 Des Voeux Road Central, Hong Kong for a term of 2 months from 21 February 2018 to 20 April 2018. Save as disclosed, no other significant events have occurred after the balance sheet date and up to the date of this announcement.

DIVIDENDS

The Board does not recommend the payment of a final dividend for the Year (2016: Nil).

ANNUAL GENERAL MEETING ("AGM")

The forthcoming AGM will be held on Tuesday, 15 May 2018. A notice convening the AGM will be published in due course.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Thursday, 10 May 2018 to Tuesday, 15 May 2018, both days inclusive, during which period no transfer of Shares will be registered. For determining the entitlement of members of the Company to attend and vote at the AGM, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, no later than 4:00 p.m. on Wednesday, 9 May 2018 for registration.

AUDIT COMMITTEE

The Company had established the Audit Committee on 12 August 2015. The primary duties of the Audit Committee are to review and supervise the financial reporting process, risk management and internal control systems of the Company, make recommendations to the Board on the appointment, reappointment and removal of the independent auditors, and review the Company's financial information.

The Audit Committee comprises three members, all being independent non-executive Directors, namely Mr. Leung Chi Hung (chairman of the Audit Committee), Mr. Wong Kun Kau and Mr. Lum Chor Wah Richard. It has reviewed with the management the accounting principles and practices adopted by the Group and discussed the auditing, risk management, internal control and financial reporting matters, including review of the audited consolidated financial statements of the Group for the Year.

By order of the Board
REF Holdings Limited
Lau Man Tak
Chairman

Hong Kong, 7 March 2018

As at the date of this announcement, the executive Directors are Ms. Chiu Hok Yu and Ms. Kwok Kam Lai; the non-executive Director is Mr. Lau Man Tak (Chairman); and the independent non-executive Directors are Mr. Leung Chi Hung, Mr. Wong Kun Kau and Mr. Lum Chor Wah Richard.