

Cool Link (Holdings) Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 8491

2019

THIRD QUARTERLY REPORT

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

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given 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.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this report, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this report.

This report, for which the directors (the “Directors”) of Cool Link (Holdings) Limited (the “Company” and together with its subsidiaries, the “Group”) 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 (the “Board”) of Directors of the Company is pleased to announce the unaudited condensed consolidated results of the Group for the three months and nine months ended 30 September 2019, together with the unaudited comparative figures for the corresponding period in 2018 as set out below:

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months and nine months ended 30 September 2019

	Notes	For the three months ended 30 September		For the nine months ended 30 September	
		2019	2018	2019	2018
		S\$'000 (unaudited)	S\$'000 (unaudited)	S\$'000 (unaudited)	S\$'000 (unaudited)
Revenue	4	5,916	6,249	17,194	18,879
Cost of sales		(4,422)	(4,492)	(12,805)	(13,858)
Gross profit		1,494	1,757	4,389	5,021
Other income and gains	5	395	117	467	544
Selling and distribution costs		(519)	(394)	(1,450)	(1,945)
Administrative and other operating expenses		(1,086)	(1,240)	(3,330)	(3,019)
Finance costs	6	(102)	(73)	(310)	(198)
Profit/(loss) before income tax		182	167	(234)	403
Income tax expense	7	(49)	(61)	(83)	(157)
Profit/(loss) and total comprehensive income for the period		133	106	(317)	246
Profit/(loss) and total comprehensive income for the period attributable to:					
Owners of the Company		134	107	(323)	245
Non-controlling interests		(1)	(1)	6	1
		133	106	(317)	246
Earnings/(loss) per share					
Basic and diluted earnings/(loss) (Singapore cents)	8	0.02	0.02	(0.05)	0.04

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine months ended 30 September 2019

	Attributable to the owners of the Company					Non-controlling interests	Total
	Share capital	Share premium	Other reserve	Retained profits	Subtotal		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2018 (audited)	1,038	8,752	2,490	5,734	18,014	(11)	18,003
Initial application of HKFRS 9	-	-	-	(41)	(41)	(1)	(42)
At 1 January 2018 (restated)	1,038	8,752	2,490	5,693	17,973	(12)	17,961
Profit and total comprehensive income for the period	-	-	-	245	245	1	246
At 30 September 2018 (unaudited)	1,038	8,752	2,490	5,938	18,218	(11)	18,207
At 1 January 2019 (audited)	1,038	8,752	2,490	5,327	17,607	(38)	17,569
(Loss)/profit and total comprehensive income for the period	-	-	-	(323)	(323)	6	(317)
At 30 September 2019 (unaudited)	1,038	8,752	2,490	5,004	17,284	(32)	17,252

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended 30 September 2019

1. CORPORATE INFORMATION

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 27 January 2017 under the Companies Law, Cap. 22 (Law 3 of 1961, as revised and consolidated) of the Cayman Islands. The address of the Company's registered office is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business of the Company is located at 33 Chin Bee Crescent Singapore 619901.

The principal activity of the Company is investment holding while the Group is principally engaged in food supplies business.

2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements of the Group for the nine months ended 30 September 2019 have been prepared in accordance with all the applicable Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards ("HKASs") and interpretations (hereinafter collectively referred to as the "HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the disclosure requirements of the Companies Ordinance. In addition, the unaudited condensed consolidated financial statements also comply with the applicable disclosure requirements under the GEM Listing Rules.

The accounting policies and the method of computation used in the preparation of the unaudited condensed consolidated financial statements are consistent with those used in the preparation of the Group's annual financial statements for the year ended 31 December 2018 except for the adoption of the standards, amendments and interpretations issued by the HKICPA mandatory for the annual periods beginning on 1 January 2019.

During the nine months ended 30 September 2019, the Group has adopted all the new and amended HKFRSs which are first effective for the reporting period and relevant to the Group. The adoption of these new and amended HKFRSs did not result in material changes to the Group's accounting policies and unaudited condensed consolidated financial information except as described in the below paragraph headed "Changes in Accounting Policies and Disclosures".

The unaudited condensed consolidated financial statements are presented in Singapore dollars ("S\$") which is also the functional currency of the Company. All values are rounded to the nearest thousands except when otherwise indicated.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The impact of the adoption of HKFRS 16 Leases have been summarised in below. The other new or amended HKFRSs that are effective from 1 January 2019 did not have any significant impact on the Group's accounting policies.

(i) Impact of the adoption of HKFRS 16

HKFRS 16 brings significant changes in accounting treatment for lease accounting, primarily for accounting for lessees. It replaces HKAS 17 Leases ("HKAS 17"), HK(IFRIC)-Int 4 Determining whether an Arrangement contains a Lease, HK(SIC)-Int 15 Operating Leases-Incentives and HK(SIC)-Int 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. From a lessee's perspective, almost all leases are recognised in the statement of financial position as right-of-use assets and lease liabilities, with the narrow exception to this principle for leases which the underlying assets are of low-value or are determined as short-term leases. From a lessor's perspective, the accounting treatment is substantially unchanged from HKAS 17. For details of HKFRS 16 regarding its new definition of a lease, its impact on the Group's accounting policies and the transition method adopted as allowed under HKFRS 16, please refer to section (ii) to (iv) of this note.

The Group has applied HKFRS 16 using the cumulative effect approach and recognised the right-of-use asset at the amount equal to the lease liability, adjusted by the amount of any prepayments or accrued lease payments relating to that lease recognised in the consolidated statement of financial position as at 31 December 2018. The comparative information presented in 2018 has not been restated and continues to be reported under HKAS 17 and related interpretations as allowed by the transition provision in HKFRS 16.

The following tables summarised the impact of transition to HKFRS 16 on statement of financial position as of 31 December 2018 to that of 1 January 2019 as follows (increase/(decrease)):

Consolidated statement of financial position as at 1 January 2019	SS\$'000 (unaudited)
Right-of-use assets	729
Lease liabilities (current)	162
Lease liabilities (non-current)	567

The following reconciliation explains how the operating lease commitments disclosed applying HKAS 17 at the end of 31 December 2018 could be reconciled to the lease liabilities at the date of initial application recognised in the statement of financial position as at 1 January 2019:

Reconciliation of operating lease commitments to lease liabilities	SS\$'000 (unaudited)
Operating lease commitments as at 31 December 2018	714
Add: additional lease payments during the period	160
Less: commitments relating to short-term leases	(29)
Less: future interest expenses	(116)
<hr/>	
Total lease liabilities as at 1 January 2019	729

The weighted average lessee's incremental borrowing rate applied to lease liabilities recognised in the statement of financial position as at 1 January 2019 is 6.33%.

(ii) **The new definition of a lease**

Under HKFRS 16, a lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. A contract conveys the right to control the use of an identified assets for a period of time when the customer, throughout the period of use, has both: (a) the right to obtain substantially all of the economic benefits from use of the identified assets and (b) the right to direct the use of the identified asset.

For a contract that contains a lease component and one or more additional lease or non-lease components, a lessee shall allocate the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component and the aggregate stand-alone price of the non-lease components, unless the lessee apply the practical expedient which allows the lessee to elect, by class of underlying asset, not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

The Group has elected not to separate non-lease components and account for all each lease component and any associated non-lease components as a single lease component for all leases in which the Group is a lessee.

(iii) **Accounting as a lessee**

Under HKAS 17, a lessee has to classify a lease as an operating lease or a finance lease based on the extent to which risks and rewards incidental to ownership of a lease asset lie with the lessor or the lessee. If a lease is determined as an operating lease, the lessee would recognise the lease payments under the operating lease as an expense over the lease term. The asset under the lease would not be recognised in the statement of financial position of the lessee.

Under HKFRS 16, all leases (irrespective of they are operating leases or finance leases) are required to be capitalised in the statement of financial position as right-of-use assets and lease liabilities, but HKFRS 16 provides accounting policy choices for an entity to choose not to capitalise (i) leases which are short-term leases and/or (ii) leases for which the underlying asset is of low value. The Group has elected not to recognise right-of-use assets and lease liabilities for low-value assets and leases for which at the commencement date have a lease term less than 12 months. The lease payments associated with those leases have been expensed on straight-line basis over the lease term.

The Group recognised a right-of-use asset and a lease liability at the date of adoption of HKFRS 16, i.e. 1 January 2019.

Right-of-use asset

The right-of-use asset should be recognised at cost and would comprise: (i) the amount of the initial measurement of the lease liability (see below for the accounting policy to account for lease liability); (ii) any lease payments made at or before the commencement date, less any lease incentives received; (iii) any initial direct costs incurred by the lessee; and (iv) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The Group measures the right-of-use assets applying a cost model. Under the cost model, the Group measures the right-of-use asset at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liability.

Lease liability

The lease liability should be recognised at the present value of the lease payments that are not paid at the date of commencement of the lease. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group shall use the Group's incremental borrowing rate.

The following payments for the right-to-use the underlying asset during the lease term that are not paid at the commencement date of the lease are considered to be lease payments: (i) fixed payments less any lease incentives receivable; (ii) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at commencement date; (iii) amounts expected to be payable by the lessee under residual value guarantees; (iv) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and (v) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Subsequent to the commencement date, a lessee shall measure the lease liability by: (i) increasing the carrying amount to reflect interest on the lease liability; (ii) reducing the carrying amount to reflect the lease payments made; and (iii) remeasuring the carrying amount to reflect any reassessment or lease modifications, e.g., a change in future lease payments arising from change in an index or rate, a change in the lease term, a change in the in substance fixed lease payments or a change in assessment to purchase the underlying asset.

(iv) Transition

As mentioned above, the Group has applied HKFRS 16 using the cumulative effect approach and recognised the right-of-use asset at the amount equal to the lease liability, adjusted by the amount of any prepayments or accrued lease payments relating to that lease recognised in the consolidated statement of financial position as at 31 December 2018. The comparative information presented in 2018 has not been restated and continues to be reported under HKAS 17 and related interpretations as allowed by the transition provision in HKFRS 16.

The Group has recognised the lease liabilities at the date of 1 January 2019 for leases previously classified as operating leases applying HKAS 17 and measured those lease liabilities at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at 1 January 2019.

The Group has elected to recognise all the right-of-use assets at 1 January 2019 for leases previously classified operating leases under HKAS 17 as if HKFRS 16 had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate at the date of initial application. For all these right-of-use assets, the Group has applied HKAS 36 Impairment of Assets at 1 January 2019 to assess if there was any impairment as on that date.

The Group has also applied the follow practical expedients: (i) applied a single discount rate to a portfolio of leases with reasonably similar characteristics; (ii) exclude the initial direct costs from the measurement of the right-of-use asset at 1 January 2019; and (iii) used hindsight in determining the lease terms if the contracts contain options to extend or terminate the leases.

In addition, the Group has also applied the practical expedients such that: (i) HKFRS 16 is applied to all of the Group's lease contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 Determining whether an Arrangement contains a Lease; and (ii) not to apply HKFRS 16 to contracts that were not previously identified as containing a lease under HKAS 17 and HK(IFRIC)-Int 4.

4. REVENUE

Revenue represents the net invoiced value of goods sold, net of returns, rebates, discounts and sales related tax, where applicable. Revenue recognised during the respective periods are as follows:

	For the three months ended 30 September		For the nine months ended 30 September	
	2019 S\$'000 (unaudited)	2018 S\$'000 (unaudited)	2019 S\$'000 (unaudited)	2018 S\$'000 (unaudited)
Sales of goods	5,916	6,249	17,194	18,879

5. OTHER INCOME AND GAINS

	For the three months ended 30 September		For the nine months ended 30 September	
	2019 S\$'000 (unaudited)	2018 S\$'000 (unaudited)	2019 S\$'000 (unaudited)	2018 S\$'000 (unaudited)
Bank interest income	22	–	60	–
Rental income from investment properties	44	43	132	128
One-off slotting and marketing fee received	225	68	361	372
Fair value loss on financial assets at fair value through profit or loss	(1)	–	(389)	–
Government grants	6	4	28	39
Gain on disposal of financial assets at fair value through profit or loss	–	–	159	–
Gain on disposal of property, plant and equipment	–	–	7	–
Others	99	2	109	5
	395	117	467	544

6. FINANCE COSTS

	For the three months ended 30 September		For the nine months ended 30 September	
	2019	2018	2019	2018
	S\$'000	S\$'000	S\$'000	S\$'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Interest on borrowings	80	72	241	196
Interest on finance leases	–	1	2	2
Interest on lease liabilities	10	–	30	–
Interest on promissory note	12	–	37	–
	102	73	310	198

7. INCOME TAX EXPENSE

	For the three months ended 30 September		For the nine months ended 30 September	
	2019	2018	2019	2018
	S\$'000	S\$'000	S\$'000	S\$'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Current tax – Singapore income tax:				
Tax for the period	49	61	83	157

8. EARNINGS/(LOSS) PER SHARE

	For the three months ended 30 September		For the nine months ended 30 September	
	2019	2018	2019	2018
	S\$'000	S\$'000	S\$'000	S\$'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Profit/(loss)				
Profit/(loss) attributable to the owners of the Company	134	107	(323)	245

	For the three months ended 30 September		For the nine months ended 30 September	
	2019	2018	2019	2018
	'000	'000	'000	'000
Number of shares				
Weighted average number of ordinary shares	600,000	600,000	600,000	600,000

The calculation of basic earnings/(loss) per share for the nine months ended 30 September 2019 is based on the loss attributable to owners of the Company of approximately S\$323,000 (2018: profit of S\$245,000) and on the weighted average number of 600,000,000 (2018: 600,000,000) ordinary shares in issue during the period.

Diluted earnings/(loss) per share is the same as basic earnings/(loss) per share as there was no dilutive potential shares during the respective periods.

9. DIVIDENDS

The Board does not recommend a payment of any dividend for the nine months ended 30 September 2019 (2018: Nil).

10. CONTINGENT LIABILITIES

As at 30 September 2019, the Group had contingent liabilities in respect of performance bonds issued in favour of certain suppliers in its ordinary course of business amounting to S\$550,000.

11. SIGNIFICANT INVESTMENT, MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES AND AFFILIATED COMPANIES

During the nine months ended 30 September 2019, the Group did not have any significant investment, material acquisition nor disposal of subsidiaries and affiliated companies.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is principally engaged in food supplies business in Singapore. During the nine months ended 30 September 2019, the Group continued to supply food products to ship chandlers, retailers and customers who are in the food service industry.

For the nine months ended 30 September 2019, the Group recorded a loss of approximately S\$0.3 million as compared to a profit of approximately S\$0.2 million for the same period in 2018. The loss for the nine months ended 30 September 2019 was mainly attributable to the decrease in gross profit by approximately S\$0.6 million driven by the decrease in sales as a result of the intense competition in the market. Despite the decrease in revenue for the nine months ended 30 September 2019, in view of the latest negotiations with existing and potential new customers, there has been no fundamental deterioration in the commercial and operational viability in the Group's business.

OUTLOOK

Due to fierce market competition in the industry and the international trading market, the Group anticipates a forthcoming challenging year. However, the Group will continue its effort to promote its brand as well as to provide quality products and seize business opportunities in various regions.

Furthermore, with the expansion of the warehouse and manufacturing facilities of the Group through the acquisition of a new property in Singapore in March 2018 and subsequently moved into the new property in June 2019, the Group believes it assists in sourcing new business opportunities for launching new product lines and minimising the rental cost of third-party warehouses, which can improve the Group's financial performance and increasing its shareholders' value in long term.

FINANCIAL REVIEW

Revenue

The Group's revenue decreased by approximately S\$1.7 million or approximately 8.9% from approximately S\$18.9 million for the nine months ended 30 September 2018 to approximately S\$17.2 million for the nine months ended 30 September 2019. Such decrease was mainly driven by the decrease of revenue from the ship chandlers due to the intense competition in the market.

Cost of sales

The Group's cost of sales decreased by approximately S\$1.1 million or approximately 7.6% from approximately S\$13.9 million for nine months ended 30 September 2018 to approximately S\$12.8 million for nine months ended 30 September 2019. Such decrease

was primarily due to the decrease in the cost of inventories recognised as expenses for the nine months ended 30 September 2019 as compared to the same period in 2018 and was in line with the decrease in revenue.

Gross profit and gross profit margin

The Group's overall gross profit decreased by approximately S\$0.6 million or approximately 12.6% from approximately S\$5.0 million for the nine months ended 30 September 2018 to approximately S\$4.4 million for the nine months ended 30 September 2019. The Group's overall gross profit margin decreased from approximately 26.6% for the nine months ended 30 September 2018 to approximately 25.5% for the nine months ended 30 September 2019, which was mainly due to the change in customers' demand that resulted in lower sales of products with higher gross profit margins.

Selling and distribution costs

The Group's selling and distribution costs decreased by approximately S\$0.5 million or approximately 25.4% from approximately S\$1.9 million for the nine months ended 30 September 2018 to approximately S\$1.4 million for the nine months ended 30 September 2019. The decrease was primarily due to the decrease of rental costs for warehouse.

Administrative and other operating expenses

The Group's administrative and other operating expenses increased by approximately S\$0.3 million or approximately 10.3% from approximately S\$3.0 million for the nine months ended 30 September 2018 to approximately S\$3.3 million for the nine months ended 30 September 2019. The increase was primarily due to the increase of depreciation of property, plant and equipment.

Finance costs

The Group's finance costs increased by approximately S\$0.1 million or approximately 56.6% from approximately S\$0.2 million for the nine months ended 30 September 2018 to approximately S\$0.3 million for the nine months ended 30 September 2019. The increase was mainly due to the increase of interest rate on bank borrowings and accrued interest for promissory note issued in January 2019.

Profit/(loss) and total comprehensive income for the period

As a result of the foregoing, the Group recorded a loss of approximately S\$0.3 million for the nine months ended 30 September 2019 as compared to a profit of approximately S\$0.2 million for nine months ended 30 September 2018. The loss for the nine months ended 30 September 2019 was mainly attributable to the decrease in gross profit by approximately S\$0.6 million driven by the decrease in sales as a result of the intense competition in the market.

OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 September 2019, 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 any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Law of Hong Kong) (the "SFO")) which were required to be 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 which were required pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required to be 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 in shares of the Company

Name	Capacity/ Nature of interest	Number of shares held/interested	Percentage of shareholding
Mr. Tan Seow Gee ("Mr. D Tan")	Interest in controlled corporation/ Interest held jointly with another persons (Note 1)	302,000,000 shares	50.33%
Mr. Gay Teo Siong ("Mr. R Gay")	Interest in controlled corporation/ Interest held jointly with another persons (Note 1)	302,000,000 shares	50.33%

Notes:

1. The entire issued share capital of Packman Global Holdings Limited ("Packman Global") is legally and beneficially owned as to approximately 33.3% by Mr. D Tan, Mr. R Gay and Mr. Tan Chih Keong ("Mr. M Tan") respectively. Accordingly, Mr. D Tan, Mr. R Gay and Mr. M Tan are deemed to be interested in 302,000,000 Shares held by Packman Global by virtue of the SFO. Mr. D Tan and Mr. R Gay are executive Directors while Mr. M Tan is one of the senior management. Mr. D Tan, Mr. R Gay and Mr. M Tan are persons acting in concert and accordingly each of them is deemed to be interested in the shares held by the others.

Save as disclosed above, as at 30 September 2019, none of the Directors or chief executives of the Company had any interests or short positions in any shares, underlying shares or 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 and short positions which they were taken or deemed to have under such provisions of the SFO) or which was required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or 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 SHARES, UNDERLYING SHARES AND DEBENTURES

So far is known to the Directors, as at 30 September 2019, the following persons/entities (other than the Directors or chief executives of the Company) had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under Division 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 were as follows:

Long positions in shares of the Company

Name	Capacity/ Nature of interest	Number of shares held/interested	Percentage of shareholding
Packman Global	Beneficial owner	302,000,000 shares	50.33%
Mr. M Tan	Interest in controlled corporation/ Interest held jointly with another persons (Note 1)	302,000,000 shares	50.33%
Ms. Fang Yunru Wanda	Interest of spouse (Note 2)	302,000,000 shares	50.33%
Ms. Yeo Poh Choo	Interest of spouse (Note 3)	302,000,000 shares	50.33%
Ms. Chen Feiping	Interest of spouse (Note 4)	302,000,000 shares	50.33%
Kingston Finance Limited	Having a security interest	302,000,000 shares	50.33%
Ample Cheer Limited	Interest in controlled corporation	302,000,000 shares	50.33%
Best Forth Limited	Interest in controlled corporation	302,000,000 shares	50.33%
Mrs. Chu Yuet Wah	Interest in controlled corporation	302,000,000 shares	50.33%
Mr. Zhang Yan	Beneficial owner	42,570,000 shares	7.10%
Mr. Meng Jintao	Beneficial owner	34,665,000 shares	5.78%

Notes:

1. The entire issued share capital of Packman Global is legally and beneficially owned as to approximately 33.3% by Mr. D Tan, Mr. R Gay and Mr. M Tan respectively. Accordingly, Mr. D Tan, Mr. R Gay and Mr. M Tan are deemed to be interested in 302,000,000 Shares held by Packman Global by virtue of the SFO. Mr. D Tan and Mr. R Gay are executive Directors while Mr. M Tan is one of the senior management. Mr. D Tan, Mr. R Gay and Mr. M Tan are persons acting in concert and accordingly each of them is deemed to be interested in the shares held by the others.
2. Ms. Fang Yunru Wanda is the spouse of Mr. D Tan and is therefore deemed to be interested in all the shares that Mr. D Tan is interested in by virtue of SFO.
3. Ms. Yeo Poh Choo is the spouse of Mr. R Gay and is therefore deemed to be interested in all the shares that Mr. R Gay is interested in by virtue of SFO.
4. Ms. Chen Feiping is the spouse of Mr. M Tan and is therefore deemed to be interested in all the shares that Mr. M Tan is interested in by virtue of SFO.

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

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the nine months ended 30 September 2019.

SHARE OPTION SCHEME

The Company has adopted the share option scheme (the "Scheme") on 30 August 2017. The purpose of the Scheme is to advance the interests of the Company and the shareholders by enabling the Company to grant options to attract, retain and reward the eligible persons and to provide the eligible persons an incentive or reward for their contribution to the Group and by enabling such persons' contribution to further advance the interests of the Group. The principal terms of the Scheme are summarised in the section headed "Share Option Scheme" in Appendix V to the Prospectus.

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

COMPETITION AND CONFLICT OF INTERESTS

None of the Directors or substantial shareholders of the Company or any of their respective associates has engaged in any business that competes or may compete with the business of the Group or has any other conflict of interests with the Group during the nine months ended 30 September 2019.

COMPLIANCE ADVISER'S INTERESTS

As at 30 September 2019, except for the compliance adviser's agreement dated 24 February 2019 and entered into between the Company and LY Capital Limited, the Company's compliance adviser with effective from 24 February 2019, neither the Company's compliance adviser nor its directors, employees or associates had any interest in relation to the Company which is required to be notified to the Company pursuant to Rules 6A.32 of the GEM Listing Rules.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company is committed to achieving high standards of corporate governance to safeguard the interests of its shareholders and to enhance corporate value. The Company's corporate governance practices are based on the principles and code provision as set out in the Corporate Governance Code ("CG Code") in Appendix 15 to the GEM Listing Rules. The Company had complied with the code provisions in the CG Code during the nine months ended 30 September 2019 and up to the date of this report.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has 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 ended 30 September 2019.

AUDIT COMMITTEE

The Company established an Audit Committee pursuant to a resolution of the Directors passed on 30 August 2017 with written terms of reference revised by the Board with effect from 1 January 2019 in compliance with Rule 5.28 of the GEM Listing Rules and the CG Code as set out in Appendix 15 to the GEM Listing Rules. The Audit Committee comprises three independent non-executive Directors and a non-executive Director: Ms. Chan Oi Chong, Ms. Chin Ying Ying (appointed on 14 May 2019), Mr. Choy Wing Hang William (resigned on 4 February 2019), Ms. Luk Huen Ling Claire (appointed on 4 February 2019), Mr. Tam Wai Tak (resigned on 14 May 2019) and Mr. Cheng King Yip (appointed on 12 February 2019). Mr. Tam Wai Tak Victor was appointed to serve as the Chairman of the Audit Committee and was resigned on 14 May 2019. Ms. Chin Ying Ying was appointed to serve as the Chairlady of the Audit Committee on 14 May 2019. The primary duties of the Audit Committee are mainly to make recommendations to the Board on the appointment and dismissal of the external auditor, review the financial statements and information and provide advice in respect of financial reporting and oversee the risk management and internal control systems of the Company.

The audit committee has discussed and reviewed the unaudited condensed consolidated financial statements of the Group for the nine months ended 30 September 2019.

By order of the Board
Cool Link (Holdings) Limited
Tan Seow Gee
Chairman and Executive Director

Hong Kong, 11 November 2019

As at the date of this report, the executive Directors are Mr. Tan Seow Gee and Mr. Gay Teo Siong; the non-executive Director is Mr. Cheng King Yip; and the independent non-executive Directors are Ms. Chan Oi Chong, Ms. Chin Ying Ying and Ms. Luk Huen Ling Claire.

This report will remain on the Stock Exchange's website at <http://www.hkexnews.hk> and, in any case of this report, on the "Latest Company Announcements" page for a minimum period of seven days from the date of its posting. This report will also be published on the Company's website at <http://www.coollink.com.sg>.