

# COOL LINK (HOLDINGS) LIMITED

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 8491)**

## **THIRD QUARTERLY RESULTS ANNOUNCEMENT FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2020**

### **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 announcement, 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 announcement.*

*This announcement, 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 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.*

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 2020, together with the unaudited comparative figures for the corresponding period in 2019 as set out below:

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

*For the three months and nine months ended 30 September 2020*

	Notes	For the three months ended 30 September		For the nine months ended 30 September	
		2020 S\$'000 (unaudited)	2019 S\$'000 (unaudited)	2020 S\$'000 (unaudited)	2019 S\$'000 (unaudited)
Revenue	4	7,446	5,916	20,557	17,194
Cost of sales		<u>(5,910)</u>	<u>(4,422)</u>	<u>(15,912)</u>	<u>(12,805)</u>
<b>Gross profit</b>		<b>1,536</b>	<b>1,494</b>	<b>4,645</b>	<b>4,389</b>
Other income and gains	5	212	395	608	467
Selling and distribution costs		(443)	(519)	(1,288)	(1,450)
Administrative and other operating expenses		(1,168)	(1,086)	(3,467)	(3,330)
Share of results of an associate		5	–	5	–
Finance costs	6	<u>(210)</u>	<u>(102)</u>	<u>(577)</u>	<u>(310)</u>
<b>(Loss)/profit before income tax</b>		<b>(68)</b>	<b>182</b>	<b>(74)</b>	<b>(234)</b>
Income tax expense	7	<u>(33)</u>	<u>(49)</u>	<u>(85)</u>	<u>(83)</u>
<b>(Loss)/profit and total comprehensive income for the period</b>		<b><u>(101)</u></b>	<b><u>133</u></b>	<b><u>(159)</u></b>	<b><u>(317)</u></b>
<b>(Loss)/profit and total comprehensive income for the period attributable to:</b>					
Owners of the Company		(101)	134	(156)	(323)
Non-controlling interests		<u>–</u>	<u>(1)</u>	<u>(3)</u>	<u>6</u>
		<b><u>(101)</u></b>	<b><u>133</u></b>	<b><u>(159)</u></b>	<b><u>(317)</u></b>
<b>(Loss)/earnings per share</b>					
Basic and diluted (loss)/earnings (Singapore cents)	8	<u>(0.02)</u>	<u>0.02</u>	<u>(0.03)</u>	<u>(0.05)</u>

# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine months ended 30 September 2020

	Attributable to the owners of the Company							Total S\$'000
	Share capital S\$'000	Share premium S\$'000	Other reserve S\$'000	Financial asset at fair value through other comprehensive reserve (non-recycling) S\$'000	Retained profits S\$'000	Subtotal S\$'000	Non- controlling interests S\$'000	
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)	<u>1,038</u>	<u>8,752</u>	<u>2,490</u>	<u>–</u>	<u>5,004</u>	<u>17,284</u>	<u>(32)</u>	<u>17,252</u>
At 1 January 2020 (audited)	1,038	8,752	2,490	(1,028)	4,460	15,712	(54)	15,658
Loss and total comprehensive income for the period	–	–	–	–	(156)	(156)	(3)	(159)
At 30 September 2020 (unaudited)	<u>1,038</u>	<u>8,752</u>	<u>2,490</u>	<u>(1,028)</u>	<u>4,304</u>	<u>15,556</u>	<u>(57)</u>	<u>15,499</u>

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

*For the nine months ended 30 September 2020*

## 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 2020 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 2020 except for the adoption of the standards, amendments and interpretations issued by the HKICPA mandatory for the annual periods beginning on 1 January 2020. The unaudited condensed consolidated financial statements do not include all the information and disclosures required for annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2019.

During the nine months ended 30 September 2020, 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 “Adoption of New or Amended HKFRSs”.

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. ADOPTION OF NEW OR AMENDED HKFRSs

#### **New and amended HKFRSs that are effective for annual periods beginning or after 1 January 2020**

The condensed consolidated financial statements for the nine months ended 30 September 2020 have been prepared in accordance with the accounting policies adopted in the Group's annual financial statements for the year ended 31 December 2019, except for the adoption of the following new and amended HKFRSs effective as of 1 January 2020. The Group has not early adopted any other standards, interpretation or amendment that has been issued but is not yet effective.

Amendments to HKFRS 3	Definition of Business
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform
Amendments to HKAS 1 and HKAS 8	Definition of Material
Amendments to HKFRS 16	Covid-19-Related Rent Concessions

The adoption of the new and amended HKFRSs had no material impact on how the results and financial position for the current and prior periods have been prepared and presented.

#### **Issued but not yet effective HKFRSs**

At the date of authorisation of these condensed consolidated financial statements, certain new and amended HKFRSs have been published but are not yet effective, and have not been adopted early by the Group.

HKFRS 17	Insurance Contracts <sup>1</sup>
Amendments to HKFRS 3	Reference to the Conceptual Framework <sup>4</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>
Amendments to HKAS 16	Property, Plant and Equipment — Proceeds before Intended Use <sup>2</sup>
Amendments to HKAS 37	Onerous Contracts — Cost of Fulfilling a Contract <sup>2</sup>
Amendments to HKFRSs	Annual Improvements to HKFRS Standards 2018–2020 <sup>2</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2021

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2022

<sup>3</sup> Effective date not yet determined

<sup>4</sup> Effective for business combinations for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2022

None of the new and amended HKFRSs is expected to have a material impact on the Group's condensed consolidated financial statements.

#### 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	
	2020 <i>S\$'000</i> (unaudited)	2019 <i>S\$'000</i> (unaudited)	2020 <i>S\$'000</i> (unaudited)	2019 <i>S\$'000</i> (unaudited)
Sales of goods	<u>7,446</u>	<u>5,916</u>	<u>20,557</u>	<u>17,194</u>

#### 5. OTHER INCOME AND GAINS

	For the three months ended 30 September		For the nine months ended 30 September	
	2020 <i>S\$'000</i> (unaudited)	2019 <i>S\$'000</i> (unaudited)	2020 <i>S\$'000</i> (unaudited)	2019 <i>S\$'000</i> (unaudited)
Bank interest income	2	22	26	60
Rental income from investment properties	109	44	276	132
One-off slotting and marketing fee received	–	225	–	361
Fair value loss on financial assets at fair value through profit or loss	(2)	(1)	(28)	(389)
Government grants	142	6	371	28
Gain on disposal of financial assets at fair value through profit or loss	–	–	–	159
Gain on disposal of property, plant and equipment	–	–	–	7
Others	<u>(39)</u>	<u>99</u>	<u>(37)</u>	<u>109</u>
	<u>212</u>	<u>395</u>	<u>608</u>	<u>467</u>

## 6. FINANCE COSTS

	For the three months ended 30 September		For the nine months ended 30 September	
	2020 <i>S\$'000</i> (unaudited)	2019 <i>S\$'000</i> (unaudited)	2020 <i>S\$'000</i> (unaudited)	2019 <i>S\$'000</i> (unaudited)
Interest on borrowings	150	80	398	241
Interest on finance leases	–	–	–	2
Interest on lease liabilities	47	10	140	30
Interest on promissory note	13	12	39	37
	<u>210</u>	<u>102</u>	<u>577</u>	<u>310</u>

## 7. INCOME TAX EXPENSE

	For the three months ended 30 September		For the nine months ended 30 September	
	2020 <i>S\$'000</i> (unaudited)	2019 <i>S\$'000</i> (unaudited)	2020 <i>S\$'000</i> (unaudited)	2019 <i>S\$'000</i> (unaudited)
Current tax – Singapore income tax:				
Tax for the period	<u>33</u>	<u>49</u>	<u>85</u>	<u>83</u>

## 8. (LOSS)/EARNINGS PER SHARE

	For the three months ended 30 September		For the nine months ended 30 September	
	2020 <i>S\$'000</i> (unaudited)	2019 <i>S\$'000</i> (unaudited)	2020 <i>S\$'000</i> (unaudited)	2019 <i>S\$'000</i> (unaudited)
<b>(Loss)/profit</b>				
(Loss)/profit attributable to the owners of the Company	<u>(101)</u>	<u>134</u>	<u>(156)</u>	<u>(323)</u>
<b>Number of shares</b>				
Weighted average number of ordinary shares	<u>600,000</u>	<u>600,000</u>	<u>600,000</u>	<u>600,000</u>

The calculation of basic loss per share for the nine months ended 30 September 2020 is based on the loss attributable to owners of the Company of approximately S\$156,000 (2019: loss of S\$323,000) and on the weighted average number of 600,000,000 (2019: 600,000,000) ordinary shares in issue during the period.

Diluted loss per share is the same as basic 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 2020 (2019: Nil).

## **10. CONTINGENT LIABILITIES**

As at 30 September 2020, 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\$600,000 (2019: S\$550,000).

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

During the nine months ended 30 September 2020, 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 2020, 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 2020, the Group recorded a loss of approximately S\$0.2 million as compared to a loss of approximately S\$0.3 million for the same period in 2019. The decrease in loss for the nine months ended 30 September 2020 was mainly attributable to the increase of revenue from the ship chandlers and the unconditional government grants from the authorities for the outbreak of coronavirus disease (“COVID-19”). 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, the international trading market and global widespread outbreak of COVID-19, the Group anticipates a forthcoming challenging year. Therefore, the Group will continue its effort to promote its brand as well as to provide quality products and seize business and investment 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, 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.

The widespread outbreak of COVID-19 has occurred globally, including Singapore and Hong Kong. The consequence and impact of this outbreak is still manifesting not only in the loss of human lives but in the potential disruption to economic and social activities in the markets that the Group operates in. In light of the recent outbreak of COVID-19, the Group has also explored new business opportunities to maximize the interest of the Company and its shareholders as a whole and shoulder its corporate social responsibilities on contributing the society as well as fighting the COVID-19. In addition, the Group is taking necessary actions to ensure the impact to our core businesses is minimized, our employees and associates are safe and that our valued customers continue to be served as best as we can.

## **FINANCIAL REVIEW**

### **Revenue**

The Group's revenue increased by approximately S\$3.4 million or approximately 19.8% from approximately S\$17.2 million for the nine months ended 30 September 2019 to approximately S\$20.6 million for the nine months ended 30 September 2020. Such increase was mainly driven by the increase of revenue from the ship chandlers due to the increased demand from customers.

### **Cost of sales**

The Group's cost of sales increased by approximately S\$3.1 million or approximately 24.2% from approximately S\$12.8 million for nine months ended 30 September 2019 to approximately S\$15.9 million for nine months ended 30 September 2020. Such increase was in line with the increase in revenue.

### **Gross profit and gross profit margin**

The Group's overall gross profit increased by approximately S\$0.2 million or approximately 4.5% from approximately S\$4.4 million for the nine months ended 30 September 2019 to approximately S\$4.6 million for the nine months ended 30 September 2020. The Group's overall gross profit margin decreased from approximately 25.5% for the nine months ended 30 September 2019 to approximately 22.6% for the nine months ended 30 September 2020, which was mainly due to the intense competition in the market and higher import cost and freight charges.

### **Selling and distribution costs**

The Group's selling and distribution costs decreased by approximately S\$0.2 million or approximately 13.3% from approximately S\$1.5 million for the nine months ended 30 September 2019 to approximately S\$1.3 million for the nine months ended 30 September 2020. The decrease was primarily due to the strengthening of the efficiency of distribution channels.

### **Administrative and other operating expenses**

The Group's administrative and other operating expenses increased by approximately S\$0.2 million or approximately 6.1% from approximately S\$3.3 million for the nine months ended 30 September 2019 to approximately S\$3.5 million for the nine months ended 30 September 2020. The increase was primarily due to the increase of depreciation of property, plant and equipment in view of the moving into expanded warehouse and manufacturing facilities of the Group since June 2019.

## Finance costs

The Group's finance costs increased by approximately S\$0.3 million or approximately 86.1% from approximately S\$0.3 million for the nine months ended 30 September 2019 to approximately S\$0.6 million for the nine months ended 30 September 2020. The increase was mainly due to the increase finance charges on lease liabilities and interest expenses on bank borrowings.

## (Loss)/profit and total comprehensive income for the period

As a result of the foregoing, the Group recorded a loss of approximately S\$0.2 million for the nine months ended 30 September 2020 as compared to a loss of approximately S\$0.3 million for nine months ended 30 September 2019.

## OTHER INFORMATION

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

As at 30 September 2020, 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 2020, 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 2020, 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**

<b>Name</b>	<b>Capacity/Nature of interest</b>	<b>Number of shares held/interested</b>	<b>Percentage of shareholding</b>
Packman Global	Beneficial owner	302,000,000 shares	50.33%
Mr. M Tan	Interest in controlled corporation/Interest held jointly with another persons <i>(Note 1)</i>	302,000,000 shares	50.33%
Ms. Fang Yunru Wanda	Interest of spouse <i>(Note 2)</i>	302,000,000 shares	50.33%

<b>Name</b>	<b>Capacity/Nature of interest</b>	<b>Number of shares held/interested</b>	<b>Percentage of shareholding</b>
Ms. Yeo Poh Choo	Interest of spouse ( <i>Note 3</i> )	302,000,000 shares	50.33%
Ms. Chen Feiping	Interest of spouse ( <i>Note 4</i> )	302,000,000 shares	50.33%
Kingston Finance Limited	Having a security interest ( <i>Note 5</i> )	302,000,000 shares	50.33%
Ample Cheer Limited	Interest in controlled corporation ( <i>Note 5</i> )	302,000,000 shares	50.33%
Best Forth Limited	Interest in controlled corporation ( <i>Note 5</i> )	302,000,000 shares	50.33%
Mrs. Chu Yuet Wah	Interest in controlled corporation ( <i>Note 5</i> )	302,000,000 shares	50.33%
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.
5. On 1 March 2019, 302,000,000 shares held by Packman Global were pledged to Kingston Finance Limited, which was wholly owned by Ample Cheer Limited. Ample Cheer Limited was owned by Best Forth Limited and Insight Glory Limited, which were both wholly owned by Mrs. Chu Yuet Wah.

Save as disclosed above, as at 30 September 2020, 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 2020.

## **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 2020, 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 2020.

## **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 2020 and up to the date of this announcement.

## **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 2020.

## 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, Ms. Luk Huen Ling Claire and Mr. Cheng King Yip. 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 2020.

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

Hong Kong, 10 November 2020

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