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COOL LINK (HOLDINGS) LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8491)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2022

The board (the “**Board**”) of directors (the “**Directors**”) of Cool Link (Holdings) Limited (the “**Company**”) is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries for the six months ended 30 June 2022. This announcement, containing the full text of the 2022 Interim Report of the Company, complies with the relevant requirements of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**GEM Listing Rules**”) in relation to information to accompany preliminary announcement of interim results.

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

Hong Kong, 12 August 2022

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. Choi Wai Tong Winton; and the independent non-executive Directors are Ms. Chan Oi Chong, Ms. Luk Huen Ling Claire and Mr. Yim Harrison Chun Fung.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with 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.

This announcement will remain on the “Latest Listed Company Information” page of the website of the Stock Exchange at www.hkexnews.hk for at least seven days from the day of its posting. This announcement will also be published on the website of the Company at <http://www.coollink.com.sg>.

Cool Link (Holdings) Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 8491

2022

INTERIM REPORT

CHARACTERISTICS OF THE 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 that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

Hong Kong Exchanges and Clearing Limited and the Stock Exchange 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 is pleased to announce the unaudited condensed consolidated results of the Group for the three months and six months ended 30 June 2022, together with the unaudited comparative figures for the corresponding period in 2021 as set out below:

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months and six months ended 30 June 2022

| | Notes | Three months ended 30 June | | Six months ended 30 June | |
|---|-------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | | 2022 S\$'000 (unaudited) | 2021 S\$'000 (unaudited) | 2022 S\$'000 (unaudited) | 2021 S\$'000 (unaudited) |
| Revenue | 4 | 8,396 | 7,227 | 16,624 | 14,387 |
| Cost of sales | | (6,338) | (5,416) | (12,342) | (10,853) |
| Gross profit | | 2,058 | 1,811 | 4,282 | 3,534 |
| Other income and other (loss) and gains | 5 | 87 | 121 | 232 | 1,445 |
| Selling and distribution costs | | (426) | (143) | (1,231) | (648) |
| Administrative and other operating expenses | | (1,782) | (2,063) | (3,455) | (3,654) |
| Share of results of associates | | (31) | (23) | (14) | 81 |
| Finance costs | 6 | (90) | (232) | (181) | (372) |
| Profit/(loss) before income tax | 7 | (184) | (529) | (367) | 386 |
| Income tax expense | 8 | (36) | (67) | (38) | (98) |
| Profit/(loss) and total comprehensive income for the period | | (220) | (596) | (405) | 288 |
| Profit/(loss) and total comprehensive income for the period attributable to: | | | | | |
| Owners of the Company | | (220) | (596) | (405) | 289 |
| Non-controlling interests | | - | - | - | (1) |
| | | (220) | (596) | (405) | 288 |
| (Loss)/earnings per share | | | | | |
| Basic and diluted (loss)/earnings (Singapore cents) | 9 | (0.35) | (0.08) | (0.66) | 0.04 |

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2022

| | Notes | 30 June 2022 S\$'000 (unaudited) | 31 December 2021 S\$'000 (audited) |
|---|-------|---|---|
| ASSETS AND LIABILITIES | | | |
| Non-current assets | | | |
| Property, plant and equipment | 11 | 8,638 | 9,158 |
| Investment properties | | 1,269 | 1,299 |
| Right-of-use assets | | 2,242 | 2,382 |
| Other intangible assets | | 5,522 | 5,714 |
| Goodwill | 12 | 2,609 | 2,550 |
| Interests in associates | | 3,506 | 3,440 |
| Deposits | | 28 | 28 |
| | | 23,814 | 24,571 |
| Current assets | | | |
| Inventories | | 3,365 | 3,361 |
| Trade receivables | 13 | 7,041 | 6,058 |
| Deposits, prepayments, other receivables and other assets | | 890 | 414 |
| Financial assets at fair value through profit or loss | 20 | 11 | 14 |
| Pledged bank deposits | | 1,500 | 1,500 |
| Cash and cash equivalents | | 4,128 | 4,492 |
| | | 16,935 | 15,839 |
| Current liabilities | | | |
| Trade payables | 14 | 3,110 | 3,210 |
| Accruals, other payables and deposits received | | 2,822 | 2,542 |
| Bank borrowings | 15 | 361 | 427 |
| Lease liabilities | | 235 | 281 |
| Promissory notes | | 3,970 | 5,011 |
| Income tax payable | | 49 | 37 |
| | | 10,547 | 11,508 |

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(Continued)*

As at 30 June 2022

| | Notes | 30 June 2022 S\$'000 (unaudited) | 31 December 2021 S\$'000 (audited) |
|--|-------|---|---|
| Net current assets | | 6,388 | 4,331 |
| Total assets less current liabilities | | 30,202 | 28,902 |
| Non-current liabilities | | | |
| Deposits received | | 53 | 53 |
| Bank borrowings | 15 | 5,690 | 5,865 |
| Lease liabilities | | 2,114 | 2,224 |
| Deferred tax liabilities | | 1,085 | 1,137 |
| | | 8,942 | 9,279 |
| Net assets | | 21,260 | 19,623 |
| EQUITY | | | |
| Share capital | 16 | 2,760 | 2,021 |
| Reserves | | 18,500 | 17,602 |
| Total equity | | 21,260 | 19,623 |

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2022

| | Equity attributable to the owners of the Company | | | | | | | | | | |
|--|--|--------------------------|---------------------------------|--|--------------------------------|--------------------------|--|-----------------------------|---------------------|--------------------------------------|------------------|
| | Share capital S\$'000 | Share premium S\$'000 | Share option reserve S\$'000 | Share held for share award plan S\$'000 | Translation reserve S\$'000 | Other reserve S\$'000 | Financial assets at fair value through other comprehensive income reserve (non-recycling) S\$'000 | Retained profits S\$'000 | Subtotal S\$'000 | Non-controlling interests S\$'000 | Total S\$'000 |
| At 1 January 2021 (audited) | 1,038 | 8,752 | - | - | - | 2,490 | (1,045) | 4,112 | 15,347 | (15) | 15,332 |
| Placing of new shares | 208 | 1,266 | - | - | - | - | - | - | 1,474 | - | 1,474 |
| Share-based payment | - | - | 326 | - | - | - | - | - | 326 | - | 326 |
| Issuance of shares under share Option Scheme | 75 | 751 | (239) | - | - | - | - | - | 587 | - | 587 |
| Profits and total comprehensive income for the period | - | - | - | - | - | - | - | 289 | 289 | (1) | 288 |
| At 30 June 2021 (unaudited) | 1,321 | 10,769 | 87 | - | - | 2,490 | (1,045) | 4,401 | 18,023 | (16) | 18,007 |
| At 1 January 2022 (audited) | 2,021 | 13,205 | - | - | 41 | 2,490 | (1,045) | 2,911 | 19,623 | - | 19,623 |
| Placing of new shares | 739 | 1,449 | - | - | - | - | - | - | 2,188 | - | 2,188 |
| Share-based payment | - | - | 353 | - | - | - | - | - | 353 | - | 353 |
| Purchase of share for the Plan (note a) | - | - | - | (791) | - | - | - | - | (791) | - | (791) |
| Loss for the period | - | - | - | - | - | - | - | (405) | (405) | - | (405) |
| Exchange differences arising on translation of financial statements of foreign operation | - | - | - | - | 212 | - | - | - | 212 | - | 212 |
| Share of other comprehensive income of associate | - | - | - | - | 80 | - | - | - | 80 | - | 80 |
| At 30 June 2022 (unaudited) | 2,760 | 14,654 | 353 | (791) | 333 | 2,490 | (1,045) | 2,506 | 21,260 | - | 21,260 |

Note a:

During the period, the Company contributed approximately S\$791,000 (HK\$4,569,000) at an average price of HK\$0.786 per share for purchase of 5,795,000 ordinary shares which are currently held under the share award plan (the "Plan") adopted on 14 September 2021.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2022

| | Notes | Six months ended 30 June | |
|---|-------|--------------------------------|--------------------------------|
| | | 2022 S\$'000 (unaudited) | 2021 S\$'000 (unaudited) |
| Cash flows from operating activities | | | |
| (Loss)/profit before income tax | | (367) | 386 |
| Adjustments for: | | | |
| Interest expense | 6 | 181 | 372 |
| Depreciation of property, plant and equipment | 7 | 631 | 894 |
| Depreciation of right-of-use assets | 7 | 140 | 200 |
| Depreciation of investment properties | 7 | 30 | 30 |
| Amortisation of intangible assets | 7 | 323 | – |
| Share-based payment expenses | 7 | 353 | – |
| Fair value loss/(gain) on financial assets at fair value through profit or loss | 5 | 3 | (1) |
| Loss on disposal of financial assets at fair value through profit or loss | 5 | – | 4 |
| Gain on disposal of investment property | 5 | – | (1,145) |
| Share of results of associates | | 14 | (81) |
| Operating profit before working capital changes | | 1,308 | 659 |
| Increase in inventories | | (4) | (138) |
| Increase in trade receivables | | (983) | (858) |
| Increase in deposits, prepayments, other receivables and other assets | | (476) | (782) |
| (Decrease)/increase in trade payables | | (100) | 658 |
| Increase in accruals, other payables and deposits received | | 280 | 252 |
| Cash generated from/(used in) operations | | 25 | (209) |
| Income tax paid, net | | – | – |
| Net cash generated from/(used in) operating activities | | 25 | (209) |

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS *(Continued)*

For the six months ended 30 June 2022

| | | Six months ended 30 June | |
|---|-------|--------------------------------|--------------------------------|
| | Notes | 2022 S\$'000 (unaudited) | 2021 S\$'000 (unaudited) |
| Cash flows from investing activities | | | |
| Purchases of property, plant and equipment | | (111) | – |
| Acquisition of subsidiary, net of cash acquired | | – | 148 |
| Proceeds from disposal of investment property | | – | 1,960 |
| Other cash flows used in investing activities | | – | (9) |
| Net cash (used in)/generated from investing activities | | (111) | 2,099 |
| Cash flows from financing activities | | | |
| Net proceeds from placing | | 2,188 | 1,430 |
| Net proceeds from issuance of shares upon exercise of share options | | – | 579 |
| Purchase of share for the plan | | (791) | – |
| Repayment of promissory notes | | (1,082) | (3,075) |
| Repayments of bank borrowings | | (241) | (1,272) |
| Payment of lease liabilities | | (156) | (275) |
| Interests paid | 6 | (128) | (90) |
| Net cash used in financing activities | | (210) | (2,703) |
| Net decrease in cash and cash equivalents | | | |
| | | (296) | (813) |
| Effect of foreign exchange rate change | | (68) | – |
| Cash and cash equivalents at beginning of the period | | 4,492 | 5,918 |
| Cash and cash equivalents at end of the period | | 4,128 | 5,105 |

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2022

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 and healthcare supplies business.

2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2022 have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and 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 2021 except for the adoption of the standards, amendments and interpretations issued by the HKICPA mandatory for the annual periods beginning on 1 January 2022. 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 2021.

During the interim period, the Group has adopted all the new and amended Hong Kong Financial Reporting Standards ("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 interim financial information.

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 AND AMENDED HKFRSs

Amended HKFRSs that are effective for annual periods beginning or after 1 January 2022

The condensed consolidated interim financial statements for the six months ended 30 June 2022 have been prepared in accordance with the accounting policies adopted in the Group's annual financial statements for the year ended 31 December 2021, except for the adoption of the following amended HKFRSs which are effective as of 1 January 2022.

| | |
|-----------------------|--|
| Amendments to HKFRS 3 | Reference to the Conceptual Framework |
| Amendment to HKFRS 16 | Covid-19-Related Rent Concessions beyond June 30, 2021 |
| Amendments to HKAS 16 | Property, Plant and Equipment – Proceeds before Intended Use |
| Amendments to HKAS 37 | Onerous Contract – Cost of Fulfilling a Contract |
| Amendments to HKFRSs | Annual Improvements to HKFRSs 2018 – 2020 |

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

| | Three months ended | | Six months ended | |
|--------------------------------------|--------------------|-------------|------------------|-------------|
| | 30 June | | 30 June | |
| | 2022 | 2021 | 2022 | 2021 |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| | (unaudited) | (unaudited) | (unaudited) | (unaudited) |
| Sales of goods | 8,396 | 7,227 | 16,624 | 14,387 |
| <hr/> | | | | |
| Timing of revenue recognition | | | | |
| At a point in time | 8,396 | 7,227 | 16,624 | 14,387 |

5. OTHER INCOME AND OTHER (LOSS) AND GAINS

| | Three months ended | | Six months ended | |
|---|--------------------|-------------|------------------|--------------|
| | 30 June | | 30 June | |
| | 2022 | 2021 | 2022 | 2021 |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| | (unaudited) | (unaudited) | (unaudited) | (unaudited) |
| Bank interest income | - | 7 | - | 14 |
| Rental income from investment properties | 84 | 75 | 170 | 194 |
| Fair value gain/(loss) on financial assets at fair value through profit or loss | (1) | 1 | (3) | 1 |
| Government grants | 1 | 36 | 47 | 92 |
| Loss on disposal of financial assets at fair value through profit or loss | - | - | - | (4) |
| Gain on disposal of investment property | - | - | - | 1,145 |
| Others | 3 | 2 | 18 | 3 |
| | 87 | 121 | 232 | 1,445 |

6. FINANCE COSTS

| | Three months ended | | Six months ended | |
|--------------------------------------|--------------------|-------------|------------------|-------------|
| | 30 June | | 30 June | |
| | 2022 | 2021 | 2022 | 2021 |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| | (unaudited) | (unaudited) | (unaudited) | (unaudited) |
| Interest on borrowings | 27 | 40 | 53 | 90 |
| Finance charges on lease liabilities | 29 | 82 | 61 | 93 |
| Interest on promissory note | 34 | 110 | 67 | 189 |
| | 90 | 232 | 181 | 372 |

7. PROFIT/(LOSS) BEFORE INCOME TAX

Profit/(loss) before income tax is arrived at after charging/(crediting):

| | Three months ended 30 June | | Six months ended 30 June | |
|---|----------------------------|-------------|--------------------------|-------------|
| | 2022 | 2021 | 2022 | 2021 |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| | (unaudited) | (unaudited) | (unaudited) | (unaudited) |
| Auditor's remuneration | 27 | 26 | 53 | 52 |
| Cost of inventories recognised as expenses | | | | |
| – Cost of inventories sold | 5,926 | 5,333 | 11,540 | 10,383 |
| Depreciation of property, plant and equipment | 310 | 446 | 631 | 894 |
| Depreciation of right-of-use assets | 71 | 100 | 140 | 200 |
| Depreciation of investment properties | 15 | 15 | 30 | 30 |
| Amortisation of intangible assets | 162 | – | 323 | – |
| Direct operating expenses arising from investment properties that generated rental income | 10 | 8 | 34 | 32 |
| Employee benefit expenses (including directors' remuneration) | | | | |
| – Salaries and welfare | 866 | 745 | 1,689 | 1,365 |
| – Defined contributions | 57 | 54 | 111 | 98 |
| Share option granted to directors and employees | 353 | 326 | 353 | 326 |
| | 1,276 | 1,125 | 2,153 | 1,789 |
| Lease charges | | | | |
| – Short term leases and leases with lease term shorter than 12 months | 3 | 3 | 6 | 6 |
| – Variable lease payments (note) | 6 | 6 | 12 | 12 |
| | 9 | 9 | 18 | 18 |
| Net foreign exchange gain | (7) | (14) | (15) | (25) |

Note: Contingent rents represent lease payments of warehouses which are charged based on the volume of inventories handled in the warehouses.

8. INCOME TAX EXPENSE

| | Three months ended 30 June | | Six months ended 30 June | |
|--------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | 2022 S\$'000 (unaudited) | 2021 S\$'000 (unaudited) | 2022 S\$'000 (unaudited) | 2021 S\$'000 (unaudited) |
| Current tax | | | | |
| – Singapore | (68) | (67) | (79) | (98) |
| – Hong Kong | 6 | – | (11) | – |
| | (62) | (67) | (90) | (98) |
| Deferred tax | 26 | – | 52 | – |
| | (36) | (67) | (38) | (98) |

9. (LOSS)/EARNINGS PER SHARE

| | Three months ended 30 June | | Six months ended 30 June | |
|--|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | 2022 S\$'000 (unaudited) | 2021 S\$'000 (unaudited) | 2022 S\$'000 (unaudited) | 2021 S\$'000 (unaudited) |
| (Loss)/profit | | | | |
| (Loss)/profit attributable to the owners of the Company | (220) | (596) | (405) | 289 |

| | Three months ended 30 June | | Six months ended 30 June | |
|---|-------------------------------|----------------------------|-----------------------------|----------------------------|
| | 2022 '000 | 2021 '000 (Restated) | 2022 '000 | 2021 '000 (Restated) |
| Number of shares | | | | |
| Weighted average number of ordinary shares | 62,186 | 38,910 | 61,297 | 35,404 |

9. (LOSS)/EARNINGS PER SHARE (CONTINUED)

The calculation of basic loss per share of the Company (the "Share") for the six months ended 30 June 2022 is based on the loss attributable to owners of the Company of approximately S\$0.4 million (2021: profit of approximately S\$0.29 million) and on the weighted average number of 61,297,293 (2021: 35,404,929) ordinary shares in issue during the period after taking into account (i) placing of 7,632,000 Shares and 13,190,000 Shares completed on 27 January 2022 and 17 June 2022 respectively, and (ii) the purchase of share held for the Plan. (2021: (i) placing of 120 million Shares completed on 24 March 2021 and (ii) allotment of 17.6 million Shares and 25.6 million Shares pursuant to exercise of share options on 30 April and 13 May 2021 respectively).

The calculation of basic loss per Share for the three months ended 30 June 2022 is based on the loss attributable to owners of the Company of approximately S\$0.2 million (2021: loss of approximately S\$0.6 million) and on the weighted average number of 62,186,231 (2021: 38,910,043) ordinary shares in issue during the period after taking into account (i) the placing of 13,190,000 Shares completed on 17 June 2022 (2021: the allotment of 17.6 million Shares and 25.6 million Shares pursuant to exercise of share options on 30 April and 13 May 2021 respectively).

Diluted earnings per share is the same as basic earnings per share because the Group has no dilutive potential shares during the respective periods.

10. DIVIDENDS

The Board does not recommend a payment of any dividend for the six months ended 30 June 2022 (2021: Nil).

11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2022, the Group acquired property, plant and equipment of S\$111,000 (2021: Nil) mainly for the delivery of products.

12. GOODWILL

The net carrying amount of goodwill can be analysed as follows:

| | 30 June 2022 S\$'000 (unaudited) | 31 December 2021 S\$'000 (audited) |
|--------------------------------------|---|---|
| At the beginning of reporting period | 2,550 | – |
| Acquisition of subsidiaries | – | 2,508 |
| Exchange realignment | 59 | 42 |
| | <hr/> | <hr/> |
| At the end of reporting period | 2,609 | 2,550 |

13. TRADE RECEIVABLES

| | 30 June 2022 S\$'000 (unaudited) | 31 December 2021 S\$'000 (audited) |
|----------------------------------|---|---|
| Trade receivables | 7,106 | 6,123 |
| Less: Provision of ECL allowance | (65) | (65) |
| | <hr/> | <hr/> |
| | 7,041 | 6,058 |

The credit period is generally ranging from cash on delivery to 60 days. Based on invoices date, ageing analysis of the Group's trade receivables (net of loss allowance) is as follows:

| | 30 June 2022 S\$'000 (unaudited) | 31 December 2021 S\$'000 (audited) |
|----------------|---|---|
| 0 to 30 days | 2,576 | 5,309 |
| 31 to 90 days | 3,292 | 723 |
| 91 to 180 days | 879 | 8 |
| Over 180 days | 294 | 18 |
| | <hr/> | <hr/> |
| | 7,041 | 6,058 |

14. TRADE PAYABLES

| | 30 June 2022 S\$'000 (unaudited) | 31 December 2021 S\$'000 (audited) |
|----------------|---|---|
| Trade payables | 3,110 | 3,210 |

The credit period is generally ranging from cash on delivery to 60 days.

Based on invoices date, ageing analysis of the Group's trade payables is as follows:

| | 30 June 2022 S\$'000 (unaudited) | 31 December 2021 S\$'000 (audited) |
|----------------|---|---|
| 0 to 30 days | 1,688 | 1,633 |
| 31 to 90 days | 1,202 | 1,469 |
| 91 to 180 days | 220 | 108 |
| | 3,110 | 3,210 |

15. **BANK BORROWINGS**

| | 30 June 2022 S\$'000 (unaudited) | 31 December 2021 S\$'000 (audited) |
|---|---|---|
| Secured Mortgage loans | 6,051 | 6,292 |
| <hr/> | | |
| Carrying amount repayable (based on scheduled repayment dates set out in the loan agreements): | | |
| Within one year | 361 | 427 |
| More than one year, but not exceeding two years | 217 | 305 |
| More than two years, but not exceeding five years | 702 | 749 |
| After five years | 4,771 | 4,811 |
| | 6,051 | 6,292 |
| <hr/> | | |
| Classified as: | | |
| Non-current liabilities | 5,690 | 5,865 |
| Current liabilities | 361 | 427 |
| | 6,051 | 6,292 |
| <hr/> | | |

16. SHARE CAPITAL

A summary of the movements in the Company's authorised and issued share capital during the period is as follow:

| | Number of ordinary shares | Nominal value of ordinary shares S\$'000 |
|--|---------------------------------|---|
| Authorised: | | |
| As 1 January 2021 | 10,000,000,000 | 17,337 |
| Effect of share consolidation (Note (a)) | (9,500,000,000) | – |
| <hr/> | | |
| At 31 December 2021, 1 January 2022 and 30 June 2022 | 500,000,000 | 17,337 |
| <hr/> | | |
| Issued: | | |
| At 31 December 2020 and 1 January 2021 | 600,000,000 | 1,038 |
| Issue of shares upon share placing (Note (b)) | 120,000,000 | 208 |
| Exercise of share options (Note (c)) | 57,600,000 | 100 |
| Effect of share consolidation (Note (a)) | (738,720,000) | – |
| Issue of shares upon rights issue (Note (d)) | 19,440,000 | 675 |
| <hr/> | | |
| At 31 December 2021 and 1 January 2022 | 58,320,000 | 2,021 |
| <hr/> | | |
| Issue of shares upon share placing (Note (e)) | 7,632,000 | 264 |
| Issue of shares upon share placing (Note (e)) | 13,190,000 | 475 |
| <hr/> | | |
| At 30 June 2022 | 79,142,000 | 2,760 |
| <hr/> | | |

16. SHARE CAPITAL (CONTINUED)

Notes:

- (a) An extraordinary general meeting was held on 15 July 2021 in which the Board of the Company approved the proposed share consolidation of every twenty (20) issued and unissued shares of par value of HK\$0.01 each to be consolidated into one (1) consolidated share of par value of HK\$0.2 each (the "Share Consolidation"). The Share Consolidation became effective on 19 July 2021. Upon completion of the Share Consolidation, the authorised share capital of the Company was HK\$10,000,000 dividend into 500,000,000 consolidated shares of par value of HK\$0.2 each.
- (b) On 24 March 2021, the Company completed the issue of 120,000,000 new ordinary shares under general mandate pursuant to the terms of placing agreement at the placing price of HK\$0.071 per share.
- (c) During the year ended 31 December 2021, 57,600,000 ordinary shares were issued in relation to share options exercised under the share option scheme of the Company for total cash consideration of approximately HK\$4,493,000 (equivalent to approximately S\$779,000). The excess of the subscription consideration received over the nominal values issued, amounted to approximately HK\$5,812,000 (equivalent to approximately S\$1,008,000), was credited to the share premium account.
- (d) On 11 June 2021, the Board proposed to implement the rights issue on the basis of one (1) right share for every two (2) consolidated shares at the subscription price of HK\$0.91 per rights share (adjusted after the Share Consolidation), to raise gross proceeds of approximately HK\$17,690,000 (equivalent to approximately S\$2,885,000) before share issue expenses by way of rights issue of 19,440,000 rights shares (adjusted after Share Consolidation being effective), to the qualifying shareholders of the Company (the "Rights Issue"). The Rights Issue was completed on 23 August 2021.
- (e) During the six months ended 30 June 2022, the Company completed the issue of 7,632,000 and 13,190,000 new ordinary shares under general mandate pursuant to the terms of placing agreements at the placing price of HK\$0.75 per share and HK\$0.52 per share, and the new ordinary shares were allotted and issued on 27 January 2022 and 17 June 2022, respectively.

17. SHARE-BASED PAYMENT TRANSACTIONS

SHARE OPTION SCHEME

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants include (i) any Directors (whether executive or non-executive and whether independent or not) and any employee (whether full time or part time) of the Group; (ii) any consultants or advisers (in the areas of legal, technical, financial or corporate managerial) of the Group (whether on an employment or contractual or honorary basis or otherwise and whether paid or unpaid); any provider of goods and/or services to the Group; any customer of the Group; or any holder of securities issued by any member of the Group; and (iii) any other person, who at the sole discretion of the Board, has contributed to the Group. The Scheme became effective on 30 August 2017 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The maximum number of unexercised share options currently permitted to be granted under the Scheme is an amount equivalent, upon their exercise, to 10% of the shares of the Company in issue at any time. The maximum number of shares issuable under share options to each eligible participant in the Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time. Any further grant of shares options in excess of this limit is subject to shareholders' approval in a general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the price of the Company's shares at the date of the grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

17. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

The offer of a grant of share options may be accepted within 10 days from the date of the offer. The amount payable by the grantee to the Company on acceptance of the offer shall be a nominal amount to be determined by the Board. The exercise period of the share options granted is determinable by the directors, and commences after a certain vesting period and ends on a date which is not later than five years from the date of the offer of the share options or the expiry date of the Scheme, if earlier.

The exercise price of the share options is determinable by the directors, but may not be less than the highest of (i) the Stock Exchange closing price of the Company's shares on the date of the offer of the share options; (ii) the average Stock Exchange closing price of the Company's shares for the five trading days immediately preceding the date of the offer; and (iii) the nominal value of the Company's shares on the date of the offer, when applicable.

Share options do not confer rights on the holder to dividends or to vote at shareholders' meetings.

Details of the specific categories of options are as follows:

| | Date of grant | Vesting date | Exercise period | Exercise price HK\$ |
|------|---------------|--------------|-------------------------------------|------------------------|
| 2022 | 27 June 2022 | 27 June 2022 | 27 June 2022 to 26 December 2023 | 0.71 |
| 2021 | 9 April 2021 | 9 April 2021 | 9 April 2021 to 8 October 2022 | 0.078 |

Details of the movement of share options during the period are as follows:

| | 2022 | | 2021 | |
|--|-------------------------------|--|-------------------------------|--|
| | Number of share options | Weighted average exercise price HK\$ | Number of share options | Weighted average exercise price HK\$ |
| Outstanding at the beginning of the period | – | N/A | – | N/A |
| Granted during the period | 6,320,000 | 0.71 | 57,600,000 | 0.078 |
| Exercised during the period | – | N/A | (57,600,000) | 0.078 |
| Outstanding at the end of the period | 6,320,000 | 0.71 | – | N/A |
| Exercisable at the end of the period | 6,320,000 | 0.71 | – | N/A |

17. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

During the six months ended 30 June 2022, options were granted on 27 June 2022. The estimated fair value of the options on this date is HK\$1,991,000 (equivalent to approximately S\$353,000). No options were exercised during the period.

The weighted average share price at the date of exercise for share options exercised was HK\$0.0816 during the six months ended 30 June 2021. In 2021, options were granted on 9 April 2021. The estimated fair value of the options on this date is HK\$1,895,000 (equivalent to approximately S\$329,000).

These fair values were calculated using the Binominal Option Pricing Model. The inputs into the model are as follows:

| | 2022 | 2021 |
|--|----------|-----------|
| Closing price of the shares on the date of grant | HK\$0.63 | HK\$0.070 |
| Weighted average exercise price | HK\$0.71 | HK\$0.078 |
| Expected volatility | 151.4% | 135.177% |
| Expected life (years) | 1.499 | 1.499 |
| Risk free rate | 2.42% | 0.11% |
| Expected dividend yield | 0% | 0% |

Expected volatility was determined by calculating the historical volatility of the Company's share price over the previous 1.5 years for both periods. The expected life used in the model has been adjusted, based on the Group's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The Group recognised the total expense of HK\$1,991,000 (equivalent to approximately S\$353,000) for the six months ended 30 June 2022 (2021: HK\$1,895,000 (equivalent to approximately S\$329,000)) in relation to share options granted by the Company.

18. CAPITAL COMMITMENT

As at 30 June 2022, the Group did not have any capital commitments (31 December 2021: Nil).

19. RELATED PARTY TRANSACTIONS

Compensation of key management personnel

The remuneration of directors and other members of key management during the period were as follows:

| | Six months ended 30 June | |
|------------------------------|--------------------------|-------------|
| | 2022 | 2021 |
| | S\$'000 | S\$'000 |
| | (unaudited) | (unaudited) |
| Short-term employee benefits | 464 | 632 |
| Defined contributions | 25 | 26 |
| | <hr/> | <hr/> |
| | 489 | 658 |
| | <hr/> | <hr/> |

20. FAIR VALUE MEASUREMENT

The Group's financial assets measured and recognised at fair value in the condensed consolidated statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- (i) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (ii) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- (iii) Level 3: unobservable inputs for the asset or liability.

20. FAIR VALUE MEASUREMENT (CONTINUED)

Disclosures of level in fair value hierarchy:

As at 30 June 2022

| | Note | Level 1 S\$'000 (unaudited) | Level 2 S\$'000 (unaudited) | Level 3 S\$'000 (unaudited) | Total S\$'000 (unaudited) |
|---|------|-----------------------------------|-----------------------------------|-----------------------------------|---------------------------------|
| Recurring fair value measurements: | | | | | |
| Financial assets at fair value through profit or loss | | | | | |
| – Listed equity securities in Hong Kong | | | | | |
| | (a) | 11 | – | – | 11 |
| | | 11 | – | – | 11 |

As at 31 December 2021

| | Note | Level 1 S\$'000 (audited) | Level 2 S\$'000 (audited) | Level 3 S\$'000 (audited) | Total S\$'000 (audited) |
|---|------|---------------------------------|---------------------------------|---------------------------------|-------------------------------|
| Recurring fair value measurements: | | | | | |
| Financial assets at fair value through profit or loss | | | | | |
| – Listed equity securities in Hong Kong | | | | | |
| | (a) | 14 | – | – | 14 |
| | | 14 | – | – | 14 |

20. FAIR VALUE MEASUREMENT (CONTINUED)

There have been no transfers between levels 1, 2 and 3 during the six months ended 30 June 2022 (2021: Nil). The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting periods.

Note:

(a) Listed equity securities in Hong Kong

The listed equity securities are denominated in Hong Kong Dollar. Fair values have been determined by reference to their quoted bid prices at the reporting date.

(b) Fair values of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost are not materially different from their fair value as at 31 December 2021 and 30 June 2022.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is principally engaged in food and healthcare supplies business. During the six months ended 30 June 2022, the Group continued to supply products to ship chandlers, retailers and customers who are in the related service industry.

For the six months ended 30 June 2022, the Group recorded a loss of approximately S\$0.4 million as compared to a profit of approximately S\$0.29 million for the same period in 2021. The turnaround from profit to loss was mainly attributable to the absence of one-off gain on sales of investment property of S\$1.1 million recognised in the six months ended 30 June 2021 and offset by the increase in operating expenses.

OUTLOOK

The future prospect of the Group is full of challenges with the global economy being affected by the global widespread outbreak of coronavirus disease (“COVID-19”) and international trade conflicts. 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.

The Group has been continuously exploring different opportunities to broaden its income stream and strengthen its market presence. The outbreak of COVID-19 has caused disruptions to the economic and social activities in the market that the Group operates in. Those disruptions pose threat on affecting the entire world and make the outlook highly uncertain. However, the Board remains optimistic and taking necessary actions to ensure the impact to our core businesses is minimized, through dedication and expansion so as to deliver sustainable growth and profitability to the Group. It is undeniable that the global economy faces its challenges in recent history due to the COVID-19 pandemic. Looking forward, the Group will continue to adopt diversified strategies with a view to grasping all valuable business opportunities for the Group to advance its business model and to growth in the coming years.

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\$2.2 million or approximately 15.3% from approximately S\$14.4 million for the six months ended 30 June 2021 to approximately S\$16.6 million for the six months ended 30 June 2022. Such increase was mainly driven by the increase in selling price of the frozen products.

Cost of sales

The Group's cost of sales increased by approximately S\$1.4 million or approximately 12.8% from approximately S\$10.9 million for the six months ended 30 June 2021 to approximately S\$12.3 million for the six months ended 30 June 2022. 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\$0.8 million or approximately 22.9% from approximately S\$3.5 million for the six months ended 30 June 2021 to approximately S\$4.3 million for the six months ended 30 June 2022. The Group's overall gross profit margin remained stable at 24.6% and 25.8% for the six months ended 30 June 2021 and 2022 respectively.

Selling and distribution costs

The Group's selling and distribution costs increased by approximately S\$0.6 million or approximately 100% from approximately S\$0.6 million for the six months ended 30 June 2021 to approximately S\$1.2 million for the six months ended 30 June 2022. Primarily as a result of the increase in advertising and promotion expenses, the increase was in line with the increase in revenue.

Administrative and other operating expenses

The Group's administrative and other operating expenses decreased by approximately S\$0.2 million or approximately 5.4% from approximately S\$3.7 million for the six months ended 30 June 2021 to approximately S\$3.5 million for the six months ended 30 June 2022.

Finance costs

The Group's finance costs decreased by approximately S\$0.2 million or approximately 50.0% from approximately S\$0.4 million for the six months ended 30 June 2021 to approximately S\$0.2 million for the six months ended 30 June 2022. The decrease was mainly due to the redemption of certain promissory notes before the period.

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

As a result of the foregoing, the Group recorded a loss of approximately S\$0.4 million for the six months ended 30 June 2022 as compared to a profit of approximately S\$0.29 million for six months ended 30 June 2021. The turnaround from profit to loss was mainly attributable to the absence of one-off gain on sales of investment property of S\$1.1 million recognised in the six months ended 30 June 2021 and offset by the increase in operating expenses.

CAPITAL STRUCTURE

Details of the Company's share capital are set out in note 16 to the condensed consolidated financial statements in this interim report.

Issue of Placing Shares

On 27 January 2022, an aggregate of 7,632,000 new shares of the Company were successfully placed to not less than six placees at a price of HK\$0.75 each (the "Placing in Jan 2022") under a general mandate granted by the Shareholders at its annual general meeting held on 29 June 2021. The net proceeds from the Placing in Jan 2022 (after deducting related placing commission, professional fees and other related expenses) were approximately HK\$5.58 million and the Company intended to apply the entire net proceeds for general working capital for operation, which has been fully utilised as intended as at the date of this report. Details of the Placing in Jan 2022 were disclosed in the Company's announcements dated 14 and 27 January 2022 and the next day disclosure return dated 27 January 2022.

On 17 June 2022, an aggregate of 13,190,000 new shares of the Company were successfully placed to not less than six placees at a price of HK\$0.52 each (the “Placing in Jun 2022”) under a general mandate granted by the Shareholders at its annual general meeting held on 30 May 2022. The net proceeds from the Placing in Jun 2022 (after deducting related placing commission, professional fees and other related expenses) were approximately HK\$6.76 million and the Company intended to apply the entire net proceeds for general working capital for operation, which has been fully utilised as intended as at the date of this report. Details of the Placing in Jun 2022 were disclosed in the Company’s announcements dated 2 and 17 June 2022 and the next day disclosure return dated 17 June 2022.

LIQUIDITY AND FINANCIAL RESOURCES

During the six months ended 30 June 2022, the Group’s working capital was financed by internal resources, Placing as well as bank and other borrowings. As at 30 June 2022, the quick ratio of the Group was approximately 1.29 times (31 December 2021: 1.08 times).

GEARING RATIO

The total borrowings, comprising bank borrowings, lease liabilities and promissory note of the Group as at 30 June 2022 were approximately S\$12.4 million (31 December 2021: S\$13.8 million). The Group’s gearing ratio as at 30 June 2022 was approximately 58.2% (31 December 2021: 70.4%), which is calculated as the Group’s total borrowings over the Group’s total equity.

CAPITAL EXPENDITURE

During the six months ended 30 June 2022, the Group did not have any capital expenditure which was primarily related to our purchases of property, plant and equipment.

CAPITAL COMMITMENTS

As at 30 June 2022, the Group had no significant capital commitments (31 December 2021: nil).

CHARGES ON THE GROUP'S ASSETS

As at 30 June 2022, the Group has pledged its bank deposits, land and buildings, and investment properties with net book value amounted to approximately S\$1.5 million (31 December 2021: S\$1.5 million), approximately S\$8.3 million (31 December 2021: S\$8.5 million) and approximately S\$0.7 million (31 December 2021: S\$0.7 million) respectively, for certain banking facilities granted to the Group.

SIGNIFICANT INVESTMENT, MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Save as disclosed in this interim report, during the six months ended 30 June 2022, the Group did not have any significant investment, material acquisition nor disposal of subsidiaries, associates and joint ventures.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in this interim report, the Group does not have other plans for material investments and capital assets as of 30 June 2022.

CONTINGENT LIABILITIES

As at 30 June 2022, 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\$950,000 (31 December 2021: \$955,000). The guarantees in respect of performance bonds issued by bank are secured by leasehold properties and investment properties of the Group and corporate guarantee of the Company as at 30 June 2022 and 31 December 2021.

INFORMATION ON EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2022, the Group employed 66 employees (31 December 2021: 66) with total staff cost (including directors' emoluments) of approximately S\$2.2 million incurred for the six months ended 30 June 2022 (six months ended 30 June 2021: S\$1.8 million). The Group's remuneration packages are generally structured with reference to market terms and individual merits. The Group has adopted a share option scheme for the grant of share options to eligible participants. In addition, the Group also provides various training courses to enhance the employees' skills and capabilities in all aspects.

USE OF PROCEEDS

Up to 30 June 2022, the net proceeds from the Share Offer had been applied as follows:

| | Original use of net proceeds HK\$'000 | Revised use of net proceeds HK\$'000 | Actual use of net proceeds as at 30 June 2022 HK\$'000 | Unutilised net proceeds as at 30 June 2022 HK\$'000 |
|--|--|---|--|--|
| Partly fund the expansion of the capacity of the Group's warehouse premises | 17,400 | – | – | – |
| Expand Hong Kong operations | 5,900 | 5,900 | 4,031 | 1,869 |
| Expand new product lines | 10,300 | 10,300 | 10,300 | – |
| Acquisition of new property | – | 17,400 | 17,400 | – |
| Working capital | 2,000 | 2,000 | 2,000 | – |
| | 35,600 | 35,600 | 33,731 | 1,869 |

The future plans and use of proceeds as stated in the Prospectus were based on the best estimation and assumption of future market conditions made by the Group at the time of preparing the Prospectus. The actual use of proceeds was applied in accordance with the actual development of the Group's business and the industry conditions.

The reason for the under-utilisation of net proceeds for expanding Hong Kong operations was mainly due to the slowdown of market demand for ship supply industry and overall condition in Hong Kong. The Group expects that the unutilised net proceeds will be used by 2022.

OTHER INFORMATION

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

As at 30 June 2022, 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, or 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 and underlying Shares

| Name | Capacity/ Nature of interest | Number of shares held/ interested | Number of underlying shares held | Approximate percentage of shareholding (Note 1) |
|----------------------------------|---|---|--|--|
| Mr. Tan Seow Gee | Beneficial owner/ Personal interest | 9,785,000 | 790,000 (Note 2) | 13.36% |
| Mr. Gay Teo Siong ("Mr. Gay") | Beneficial owner/ Personal interest/ Interest of spouse | 8,445,000 | 790,000 (Note 2) 790,000 (Note 3) | 11.67% 1.00% |
| Ms. Yeo Poh Choo ("Ms. Yeo") | Interest of spouse Beneficial owner/ Personal interest | 8,445,000 (Note 4) | 790,000 (Note 4) 790,000 (Note 2) | 11.67% 1.00% |
| Mr. Choi Wai Tong Winton | Beneficial owner/ Personal interest | - | 790,000 (Note 2) | 1.00% |
| Ms. Luk Huen Ling Claire | Beneficial owner/ Personal interest | - | 790,000 (Note 2) | 1.00% |

Notes:

1. The percentage is calculated on the basis of the total number of issued Shares as at 30 June 2022 (i.e. 79,142,000 Shares)
2. These represent the Shares to be issued and allotted by the Company upon exercise of the options granted under the share option scheme of the Company.
3. By virtue of the SFO, Ms. Yeo, being the spouse of Mr. Gay, was deemed to be interested in all Shares held by Mr. Gay.
4. By virtue of the SFO, Mr. Gay, being the spouse of Ms. Yeo, was deemed to be interested in all Shares held by Ms. Yeo.

Save as disclosed above, as at 30 June 2022, 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 June 2022, the following corporations which or persons who (other than a Director or the chief executive of the Company) had interests or short positions in the Shares and the underlying Shares, which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO and entered in the register maintained by the Company pursuant to Section 336 of the SFO:

Long positions in the Shares and underlying Shares

| Name | Capacity/Nature of interest | Number of shares held/interested | Approximate percentage of shareholding |
|---------------------------------------|--|----------------------------------|--|
| Yaneza Lana | Beneficial owner/ Personal interest | 4,220,000 shares | 5.33% |
| Excellent Success Investments Limited | Trustee of Plan/Others | 5,795,000 shares (Note 1) | 7.32% |

Note 1: These 5,795,000 shares were held by Excellent Success Investments Limited, which was the trustee of the Plan adopted with effect from 14 September 2021.

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 six months ended 30 June 2022.

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.

Details of the share options movements during the six months ended 30 June 2022 under the Scheme are as follows:

| Grantee | Date of grant of share options | Granted during the period | Exercised during the period | Lapsed during the period | Cancelled during the period | Outstanding as at 30. 06. 2022 | Validity period of share options | Share price prior to the grant of options HK\$ | Weighted average closing price of share before the date of exercise of options HK\$ | Exercise price HK\$ |
|-----------------------------------|--------------------------------|---------------------------|-----------------------------|--------------------------|-----------------------------|--------------------------------|----------------------------------|--|---|---------------------|
| Directors | | | | | | | | | | |
| Mr. Tan Seow Gee (Note 1) | 27.6.2022 | 790,000 | - | - | - | 790,000 | 27.6.2022 to 26.12.2023 | 0.63 | - | 0.71 |
| Mr. Gay Teo Siong (Note 2) | 27.6.2022 | 790,000 | - | - | - | 790,000 | 27.6.2022 to 26.12.2023 | 0.63 | - | 0.71 |
| Mr. Choi Wai Tong Winton (Note 3) | 27.6.2022 | 790,000 | - | - | - | 790,000 | 27.6.2022 to 26.12.2023 | 0.63 | - | 0.71 |
| Ms. Luk Huen Ling Claire (Note 4) | 27.6.2022 | 790,000 | - | - | - | 790,000 | 27.6.2022 to 26.12.2023 | 0.63 | - | 0.71 |
| Subtotal | | 3,160,000 | - | - | - | 3,160,000 | | | | |
| Employees (Note 5) | 27.6.2022 | 3,160,000 | - | - | - | 3,160,000 | 27.6.2022 to 26.12.2023 | 0.63 | - | 0.71 |
| Total | | 6,320,000 | - | - | - | 6,320,000 | | | | |

As at 30 June 2022, 6,320,000 share options was outstanding under the Scheme.

1. Mr. Tan Seow Gee is an executive Director.
2. Mr. Gay Teo Siong is an executive Director.
3. Mr. Choi Wai Tong Winton is a non-executive Director.
4. Ms. Luk Huen Ling Claire is an independent non-executive Director.
5. Among the 3,160,000 options, 790,000 options was granted to Ms. Yeo Poh Choo, an account executive of the Group; also the spouse and an associate of Mr. Gay Teo Siong.
6. All granted options shall vest immediately upon date of grant.

Save as disclosed above, no share options were granted or exercised or cancelled or lapsed during the six months ended 30 June 2022.

SHARE AWARD PLAN

On 14 September 2021, the Company adopted the share award plan (the “Plan”) in which the Group’s employees (whether full time or part time, but excluding directors), providers of goods and/or services, customers, consultants, advisers of the Group or any invested entity, and holders of securities issued by any member of the Group will be entitled to participate (the “Eligible Participant(s)”).

The objectives of the Plan are to (i) recognize and reward the contribution of certain Eligible Participants to the growth and development of the Group through an award of shares and to give incentives thereto in order to retain them for the continual operation and development of the Group; and (ii) attract and remain suitable personnel for further development of the Group.

The Plan shall be subject to the administration of the Board and the trustee in accordance with the plan rules and the trust deed of the Plan. The Plan will be valid and effective from the adoption date (i.e. 14 September 2021) and will terminate on the earlier of (i) the tenth anniversary date of the adoption date; and (ii) such date of early termination as determined by the Board provided that such termination will not affect any subsisting rights of any Selected Participant under the Plan.

The maximum number of share to be subscribed for and/or purchased by the Trustee by applying Trust Fund for each calendar year for the purpose of the Plan shall not exceed 10% of the total number of issued shares as at the beginning of such calendar year subject to adjustment in the event of capitalization issue or right issue. The Directors shall not instruct the Trustee to subscribe and/or purchase any shares for the purpose of the Plan when such subscription and/or purchase will result in the said limit being exceeded. The maximum number of shares which may be awarded to a Selected Participant under the Plan, shall not exceed 1% of the total number of issued shares during any 12-month period.

During the six months ended 30 June 2022, a sum of approximately HK\$4,556,000 has been used to acquire 5,795,000 shares from the market by the trustee of the Plan. As at 30 June 2022, no shares have been granted under the Plan.

Details of the Plan were set out in the announcements of the Company dated 14 September 2021 and 23 November 2021.

COMPETITION AND CONFLICT OF INTERESTS

None of the Directors or substantial shareholders of the Company or any of their respective close 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 six months ended 30 June 2022.

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 six months ended 30 June 2022.

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. Having made specific enquiry of all 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 six months ended 30 June 2022.

AUDIT COMMITTEE

The members of the audit committee of the Company (the “Audit Committee”) include one non-executive Director, namely Mr. Choi Wai Tong Winton, and three independent non-executive Directors, namely Mr. Yim Harrison Chun Fung, Ms. Chan Oi Chong and Ms. Luk Huen Ling Claire. Mr. Yim Harrison Chun Fung is the chairman of the Audit Committee. The Audit Committee of the Company has discussed and reviewed this interim report and the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2022, which was of the opinion that such results had been prepared in compliance with the applicable accounting standards, the GEM Listing Rules and other applicable legal requirements, and that adequate disclosures had been made.

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

Hong Kong, 12 August 2022

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. Choi Wai Tong Winton and the independent non-executive Directors are Ms. Chan Oi Chong, Ms. Luk Huen Ling Claire and Mr. Yim Harrison Chun Fung.

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>.