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**Link Holdings Limited**  
**華星控股有限公司\***

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

**(Stock Code: 8237)**

**THIRD QUARTERLY RESULTS ANNOUNCEMENT  
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2019**

**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 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 and no assurance is given that there will be a liquid market in the securities traded on GEM.**

*This announcement, for which the directors (the “Directors”) of Link Holdings Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; and there are no other matters the omission of which would make any statement in this announcement misleading.*

\* *For identification purposes only*

## FINANCIAL HIGHLIGHTS

The board (the “Board”) of directors (the “Directors”) of Link Holdings Limited (the “Company”, together with its subsidiaries, collectively the “Group”) is pleased to announce the unaudited consolidated results of the Group for the nine months ended 30 September 2019 (the “Review Period”) together with the comparative figures for the corresponding period in 2018 as set out below. This quarterly results announcement has been reviewed by the audit committee of the Board (the “Audit Committee”).

For the Review Period, the Group’s operating results were as follows:

- revenue of the Group amounted to approximately HK\$54.7 million (2018: approximately HK\$51.1 million), representing an increase of approximately 6.9% as compared to the corresponding period in 2018.
- profit attributable to owners of the Company amounted to approximately HK\$7.3 million (2018: approximately HK\$6.3 million), representing an increase of approximately 15.1% as compared to the corresponding period in 2018.
- basic earnings per share was approximately HK0.21 cents (2018: approximately HK\$0.18 cents).

## CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

*For the three months and nine months ended 30 September 2019*

		(Unaudited) For nine months ended 30 September		(Unaudited) For three months ended 30 September	
	<i>Notes</i>	2019 <i>HK\$</i>	2018 <i>HK\$</i>	2019 <i>HK\$</i>	2018 <i>HK\$</i>
<b>Revenue</b>	3	<b>54,661,068</b>	51,115,551	<b>20,433,896</b>	14,041,946
Cost of sales		<u>(12,731,706)</u>	<u>(12,294,931)</u>	<u>(4,688,736)</u>	<u>(4,241,232)</u>
Gross profit		<b>41,929,362</b>	38,820,620	<b>15,745,160</b>	9,800,714
Other income, other gains and losses		<b>295,745</b>	3,648,828	<b>102,744</b>	400,596
Selling expenses		<b>(1,385,473)</b>	(1,634,102)	<b>(569,329)</b>	(642,311)
Administrative expenses		<b>(31,086,574)</b>	(27,606,385)	<b>(12,813,308)</b>	(7,153,755)
Finance costs		<b>(8,431,177)</b>	(7,067,528)	<b>(2,493,163)</b>	(1,991,577)
Share of result of an associate		<b>2,056,064</b>	(1,412,307)	<b>3,294,710</b>	(123,150)
Fair value gain/(loss) on investment properties		<b>8,554,621</b>	3,897,634	<b>8,075</b>	(78,161)
Profit before income tax expense	4	<b>11,932,568</b>	8,646,760	<b>3,274,889</b>	212,356
Income tax expense	5	<b>(4,302,047)</b>	(2,101,593)	<b>(881,508)</b>	(137,834)
<b>Profit for the period</b>		<b>7,630,521</b>	6,545,167	<b>2,393,381</b>	74,522
<b>Other comprehensive income/(expense) that will not be reclassified to profit or loss:</b>					
Gain/(loss) on revaluation of properties		<b>1,291,061</b>	171,181	<b>(23,422)</b>	(979)
Tax (expense)/income related to gain/(loss) on revaluation of properties		<b>(219,480)</b>	(29,101)	<b>3,982</b>	166
Share of other comprehensive income/(expense) of an associate		-	(158,830)	-	-
<b>Other comprehensive income/(expense) that may be reclassified subsequently to profit or loss:</b>					
Exchange difference on translating foreign operations		<b>(10,695,995)</b>	(28,393,562)	<b>(12,907,683)</b>	(16,512,081)
Loss on cash flow hedges		<b>(103,238)</b>	-	<b>-</b>	-
Other comprehensive income/(expense) for the period, net of tax		<u><b>(9,727,652)</b></u>	<u>(28,410,312)</u>	<u><b>(12,927,123)</b></u>	<u>(16,512,894)</u>
<b>Total comprehensive income/(expense) for the period</b>		<u><b>(2,097,131)</b></u>	<u>(21,865,145)</u>	<u><b>(10,533,742)</b></u>	<u>(16,438,372)</u>

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (cont'd)**  
*For the three months and nine months ended 30 September 2019*

	(Unaudited) For nine months ended 30 September		(Unaudited) For three months ended 30 September	
Notes	2019 <i>HK\$</i>	2018 <i>HK\$</i>	2019 <i>HK\$</i>	2018 <i>HK\$</i>
Profit (loss) for the period attributable to:				
Owners of the Company	<b>7,296,597</b>	6,337,865	<b>2,527,156</b>	68,497
Non-controlling interest	<b>333,924</b>	207,302	<b>(133,775)</b>	6,025
	<b><u>7,630,521</u></b>	<b><u>6,545,167</u></b>	<b><u>2,393,381</u></b>	<b><u>74,522</u></b>
Total comprehensive income/(expense) attributable to:				
Owners of the Company	<b>(2,547,923)</b>	(21,566,025)	<b>(10,399,464)</b>	(16,198,798)
Non-controlling interest	<b>450,792</b>	(299,120)	<b>(134,278)</b>	(239,574)
	<b><u>(2,097,131)</u></b>	<b><u>(21,865,145)</u></b>	<b><u>(10,533,742)</u></b>	<b><u>(16,438,372)</u></b>
Earnings per share	7			
Basic earnings per share (HK cents)	<b><u>0.209</u></b>	0.182	<b><u>0.072</u></b>	0.002
Diluted earnings per share (HK cents)	<b><u>0.205</u></b>	0.178	<b><u>0.071</u></b>	0.002

## CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

*For the nine months ended 30 September 2018*

	Attributable to equity holders of the Company									
	Share capital <i>HK\$</i>	Share premium <i>HK\$</i> <i>(Note a)</i>	Hotel properties revaluation reserve <i>HK\$</i> <i>(Note b)</i>	Other reserves <i>HK\$</i> <i>(Note c)</i>	Translation reserve <i>HK\$</i> <i>(Note d)</i>	Convertible bonds reserve <i>HK\$</i> <i>(Note e)</i>	Retained earnings <i>HK\$</i>	Total <i>HK\$</i>	Non- controlling interest <i>HK\$</i>	Total equity <i>HK\$</i>
Balance at 1 January 2018	3,490,000	333,122,249	66,671,156	2,014,251	(17,343,534)	10,698,249	71,872,025	470,524,396	5,646,750	476,171,146
Profit for the period	-	-	-	-	-	-	6,337,865	6,337,865	207,302	6,545,167
Other comprehensive income/(expense)										
– Gain on revaluation of properties	-	-	171,181	-	-	-	-	171,181	-	171,181
– Tax expense related to gain on revaluation of properties	-	-	(29,101)	-	-	-	-	(29,101)	-	(29,101)
– Share of other comprehensive income/(expense) of an associate	-	-	(158,830)	-	-	-	-	(158,830)	-	(158,830)
– Exchange differences arising on translation of foreign operations	-	-	-	-	(27,887,140)	-	-	(27,887,140)	(506,422)	(28,393,562)
Total comprehensive income/(expense) for the period	-	-	(16,750)	-	(27,887,140)	-	6,337,865	(21,566,025)	(299,120)	(21,865,145)
Share issued to non-controlling shareholder in a subsidiary	-	-	-	-	-	-	-	-	39	39
<b>Balance as at 30 September 2018 (Unaudited)</b>	<u>3,490,000</u>	<u>333,122,249</u>	<u>66,654,406</u>	<u>2,014,251</u>	<u>(45,230,674)</u>	<u>10,698,249</u>	<u>78,209,890</u>	<u>448,958,371</u>	<u>5,347,669</u>	<u>454,306,040</u>

## CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (cont'd)

For the nine months ended 30 September 2019

	Attributable to owners of the Company										
	Share capital <i>HK\$</i>	Share premium <i>HK\$</i> <i>(note a)</i>	Hotel properties revaluation reserve <i>HK\$</i> <i>(note b)</i>	Other reserve <i>HK\$</i> <i>(note c)</i>	Translation reserve <i>HK\$</i> <i>(note d)</i>	Convertible bonds reserve <i>HK\$</i> <i>(note e)</i>	Hedging reserve <i>HK\$</i> <i>(note f)</i>	Retained earnings <i>HK\$</i>	Total <i>HK\$</i>	Non-controlling interests <i>HK\$</i>	Total equity <i>HK\$</i>
Balance at 1 January 2019	3,490,000	333,122,249	67,976,874	2,014,251	(37,790,383)	10,698,249	(3,968,118)	68,618,243	444,161,365	5,511,263	449,672,628
Profit for the period	-	-	-	-	-	-	-	7,296,597	7,296,597	333,924	7,630,521
Other comprehensive income/(expense)											
– Gain on revaluation of properties	-	-	1,291,061	-	-	-	-	-	1,291,061	-	1,291,061
– Tax expense related to gain on revaluation of properties	-	-	(219,480)	-	-	-	-	-	(219,480)	-	(219,480)
– Exchange differences arising on translation of foreign operations	-	-	-	-	(10,812,863)	-	-	-	(10,812,863)	116,868	(10,695,995)
– Loss on cash flow hedge	-	-	-	-	-	-	(103,238)	-	(103,238)	-	(103,238)
Total comprehensive income/(expense) for the period	-	-	1,071,581	-	(10,812,863)	-	(103,238)	7,296,597	(2,547,923)	450,792	(2,097,131)
Balance at 30 September 2019 (Unaudited)	<u>3,490,000</u>	<u>333,122,249</u>	<u>69,048,455</u>	<u>2,014,251</u>	<u>(48,603,246)</u>	<u>10,698,249</u>	<u>(4,071,356)</u>	<u>75,914,840</u>	<u>441,613,442</u>	<u>5,962,055</u>	<u>447,575,497</u>

**Notes:**

- a. The share premium account of the Group represents the premium arising from the issuance of shares at premium.
- b. Hotel properties revaluation reserve represents the gains arising from the revaluation of hotel buildings of the Group and the associate (other than investment property).
- c. The other reserve of the Group represents the difference between the nominal value of shares issued by the Company and the aggregate nominal value of the issued share capital of the subsidiaries acquired pursuant to a group reorganisation which became effective on 20 June 2014. The other reserve also resulted from the acquisition of additional interest in a subsidiary which represents the difference between the fair value of the consideration and the carrying amount of the net assets attributable to the additional interest in a subsidiary acquired.
- d. Translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.
- e. The convertible bonds reserve represents the amount of proceeds on issue of convertible bonds, net of issue expenses, relating to the equity component (i.e. option to convert the debt into share capital).
- f. The hedging reserve included the cash flow hedge reserve. The cash flow hedge reserve is used to recognise the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedge. Amounts are subsequently reclassified to profit or loss as appropriate.

## NOTES TO THE FINANCIAL INFORMATION

### 1 CORPORATE INFORMATION

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 15 May 2012 under the Companies Law, Cap 22 of the Cayman Islands. The Company's registered office is located at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The principal activity of the Company is investment holding and its subsidiaries are principally engaged in hotel ownership, operation of hotel services, distressed debt assets management business and property investment.

### 2 BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The financial information for the Review Period has been prepared in accordance with the International Accounting Standard issued by the International Accounting Standards Board and the applicable disclosure requirements of the GEM Listing Rules.

The accounting policies applied are consistent with those adopted in the 2018 annual financial statements included in the Company's 2018 annual report, except for those that relate to new standards or interpretations effective for the first time for periods beginning on or after 1 January 2019.

The Group has adopted all of the new and revised standards, amendments and interpretations which are relevant to its operations and effective for the accounting periods beginning on or after 1 January 2019. Please refer to the Company's interim report for the six months ended 30 June 2019 for details of those accounting policies newly adopted since 1 January 2019.

Except for IFRS16 "Leases", the adoption of these new and revised standards, amendments and interpretation does not have significant impact on the accounting policies of the Group, and the amounts reported for the current period and prior periods.

The Group has not early adopted the new and revised standards that have been issued but are not yet effective. The Directors anticipate that the application of the new and revised standards will have no material impact on the results and financial position of the Group.

### 3 REVENUE

An analysis of the Group's revenue is as follows:

	<b>(Unaudited)</b> <b>For nine months ended</b>		<b>(Unaudited)</b> <b>For three months ended</b>	
	<b>30 September</b>		<b>30 September</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>HK\$</b>	<b>HK\$</b>	<b>HK\$</b>	<b>HK\$</b>
Income from distressed debt assets classified as receivables	<b>29,800,487</b>	16,432,335	<b>10,441,442</b>	(366,869)
Less: modification loss ( <i>Note a</i> )	<b>(14,864,418)</b>	(4,911,759)	<b>(5,870,917)</b>	109,696
	<b>14,936,069</b>	11,520,576	<b>4,570,525</b>	(257,173)
<i>Hotel operations:</i>				
Hotel room	<b>30,556,692</b>	31,636,526	<b>12,717,571</b>	11,064,924
Food and beverage	<b>4,022,607</b>	2,244,163	<b>1,667,061</b>	1,379,722
Rental income from hotel properties	<b>4,178,993</b>	4,596,333	<b>1,175,031</b>	1,497,160
Others ( <i>Note b</i> )	<b>966,707</b>	1,117,953	<b>303,708</b>	357,313
	<b>54,661,068</b>	51,115,551	<b>20,433,896</b>	14,041,946

*Notes:*

- a The amount arises from adjusting the gross amount of distressed debt assets to reflect the renegotiated or modified estimated cash flow.
- b The amount mainly represents laundry and car park services.

#### 4 PROFIT BEFORE INCOME TAX EXPENSE

The Group's profit before income tax expense is arrived at after (charging)/crediting:

	<b>(Unaudited)</b> <b>For nine months ended</b> <b>30 September</b>		<b>(Unaudited)</b> <b>For three months ended</b> <b>30 September</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>HK\$</b>	<b>HK\$</b>	<b>HK\$</b>	<b>HK\$</b>
Staff costs				
– Wages and salaries	<b>(13,205,554)</b>	(11,091,549)	<b>(4,795,342)</b>	(3,358,794)
– Short-term non-monetary benefits	<b>(990,561)</b>	(743,272)	<b>(197,219)</b>	(256,519)
– Contributions to defined contribution plans	<b>(901,128)</b>	(1,048,208)	<b>(267,577)</b>	(388,024)
Depreciation of property, plant and equipment	<b>(7,590,870)</b>	(7,553,759)	<b>(2,238,126)</b>	(1,657,682)
Depreciation of right-of-use assets	<b>(455,765)</b>	–	<b>(273,459)</b>	–
Amortisation of prepaid lease payments	<b>(1,180,063)</b>	(1,200,991)	<b>(390,109)</b>	(391,888)
Gain on disposal of property, plant and equipment	–	159,937	–	–
Singapore property taxes	<b>(1,519,810)</b>	(1,695,063)	<b>(502,039)</b>	(440,069)

#### 5 INCOME TAX EXPENSE

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the nine months ended 30 September 2019 (2018: Nil). Singapore corporate income tax has been provided on the estimated assessable profits arising in Singapore at the rate of 17% during the nine months ended 30 September 2019 (2018: 17%).

The subsidiaries in Indonesia are subject to 25% on their assessable profits for the nine months ended 30 September 2019 as determined in accordance with the relevant Indonesia income tax rules and regulations (2018: 25%).

Taxes on profits assessable in elsewhere have been calculated at the prevailing tax rates, based on existing legislation, interpretations and practices in respect thereof.

The major components of the income tax expense for the periods are as follows:

	<b>(Unaudited)</b> <b>For nine months ended</b> <b>30 September</b>		<b>(Unaudited)</b> <b>For three months ended</b> <b>30 September</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>HK\$</b>	<b>HK\$</b>	<b>HK\$</b>	<b>HK\$</b>
Current tax expense for the period				
– Singapore Corporate Income Tax	<b>(2,163,392)</b>	(1,127,185)	<b>(879,490)</b>	(157,375)
Deferred tax for the period	<b>(2,138,655)</b>	(974,408)	<b>(2,018)</b>	19,541
Total income tax expense for the period	<b>(4,302,047)</b>	(2,101,593)	<b>(881,508)</b>	(137,834)

#### 6 DIVIDEND

The Directors do not recommend payment of quarterly dividend for the nine months ended 30 September 2019 (2018: Nil).



## 7 EARNINGS PER SHARE

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

	(Unaudited) For nine months ended 30 September		(Unaudited) For three months ended 30 September	
	2019 HK\$	2018 HK\$	2019 HK\$	2018 HK\$
<b>Earnings</b>				
Earnings for the purposes of basic earnings per share	7,296,597	6,337,865	2,527,156	68,497
Interest expenses on convertible bonds	—	—	—	—
Earnings for the purposes of diluted earnings per share	<u>7,296,597</u>	<u>6,337,865</u>	<u>2,527,156</u>	<u>68,497</u>
	For nine months ended 30 September		For three months ended 30 September	
	2019 Shares	2018 Shares	2019 Shares	2018 Shares
<b>Number of shares:</b>				
Weighted average number of ordinary shares for the purpose of basic earnings per share	3,490,000,000	3,490,000,000	3,490,000,000	3,490,000,000
Effect of dilutive potential ordinary shares on convertible bonds	<u>76,600,000</u>	<u>76,600,000</u>	<u>76,600,000</u>	<u>76,600,000</u>
Weighted average number of ordinary shares for the purpose of diluted earnings per share	<u>3,566,600,000</u>	<u>3,566,600,000</u>	<u>3,566,600,000</u>	<u>3,566,600,000</u>

Ordinary shares are derived from 3,490,000,000 ordinary shares, being the number of shares in issue during the period ended 30 September 2019 (2018: 3,490,000,000 ordinary shares).

For nine months ended 30 September 2019 and 2018, diluted earnings per share assumed the conversion of the Company's outstanding convertible bonds.

## 8 APPROVAL OF FINANCIAL INFORMATION

These financial information was approved and authorised for issue by the Board on 11 November 2019.

## MANAGEMENT DISCUSSION AND ANALYSIS

For the Review Period, the Group continued to stay focus on the operation of Link Hotel in Singapore and devise the master plan of the development of Bintan Assets (as defined in the prospectus of the Company dated 30 June 2014 (the “Prospectus”)).

### Financial review

For the Review Period, the Group recorded a revenue of approximately HK\$54.7 million (2018: approximately HK\$51.1 million), accounting for an increase of approximately HK\$3.5 million or 6.9% as compared to the corresponding period in 2018, which was mainly due to the increase in income from distressed debt assets. The net profit increased from approximately HK\$6.5 million of the corresponding period in 2018 to approximately HK\$7.6 million for the Review Period, representing an increase of approximately HK\$1.1 million or 16.6%. Such improvement of the Group’s performance was mainly due to the combined net effect of: (i) increase in gross profit by approximately HK\$3.1 million; (ii) increase in gain on changes in fair value of investment properties by approximately HK\$4.7 million; (iii) increase in share of results of an associate by approximately HK\$3.5 million; which were mitigated by: (iv) decrease in other income, other gains and losses (net) by approximately HK\$3.4 million; (v) increase in operating expenses (including selling expenses, administrative expenses and finance costs) by an aggregate of approximately HK\$4.6 million; and (vi) increase in income tax expense by approximately HK\$2.2 million.

For the Review Period, profit attributable to owners of the Company was approximately HK\$7.3 million (2018: approximately HK\$6.3 million). Basic earnings per share for the Review Period was approximately HK\$0.21 cents (2018: HK\$0.18 cents). The Board does not recommend the payment of any quarterly dividend for the Review Period (2018: Nil).

### Business review

The Group commenced operations of its hotel business in Singapore with the opening of Link Hotel in 2007 and added the distressed debt assets management business in 2017. The Group opened a new resort hotel, namely Hanatsubaki Spa Hotel in Japan in September 2019. Save as disclosed in this announcement, there is no material change in business during the Review Period. The operation of Link Hotel has been and is expected to continue as the Group’s principal business.

### Hotel operation

For the Review Period, room revenue amounted to approximately HK\$30.6 million (2018: approximately HK\$31.6 million) accounting for approximately 55.9% (2018: approximately 61.8%) of the Group’s total revenue. Room revenue mainly represents revenue generated from hotel accommodation in Link Hotel, which accounted for approximately 99.0% of total room revenue for the Review Period (2018: 100%), and depends in part on the achieved average room rate and occupancy rate. Room revenue for the Review Period also included a small contribution from the Group’s resort hotel in Japan which was newly opened in September 2019.

The following table sets out the total available room nights, occupancy rate, average room rate and Revenue per Available Room (“RevPAR”) of Link Hotel for the Review Period:

	Nine months ended 30 September	
	2019	2018
Total available room nights	74,802	74,802
Occupancy rate	67%	65%
Average room rate (HK\$)	555.2	587.5
RevPAR (HK\$)	369.4	383.8

For the Review Period, food and beverage revenue was approximately HK\$4.0 million (2018: approximately HK\$2.2 million), representing approximately 7.4% (2018: approximately 4.3%) of the total revenue. Food and beverage revenue represents the sale of food and beverages in the restaurants, bars, room services and meeting spaces of the Group's hotels.

The Group leased shop units in its hotels and received rental income from hotel tenants. For the Review Period, rental income from hotel tenants was approximately HK\$4.2 million (2018: approximately HK\$4.6 million), representing approximately 7.6% (2018: approximately 9.0%) of the total revenue.

### **Bintan Assets**

The construction contract for the first stage of the first phase of the Bintan Development Plan was signed in September 2016 (detailed as disclosed in the Company's announcement dated 29 September 2016). During 2017, the construction plan has been amended for more fitting to the latest theme of the resort. Upon finalising the improvement changes during the Review Period, it is currently expected that the construction will be completed in around mid 2020.

### **Distressed debt assets management business**

In 2017, 廣西恒和智達資產管理有限公司 (Guangxi Heng He Zhi Da Asset Management Limited# (the "Assignee")), a wholly-owned subsidiary of the Company, entered into a debt assignment agreement with 珠海市康明德企業管理服務有限公司 (Zhuhai Shi Kang Ming De Corporate Management Services Limited# (the "Assignor")) an associate of the Group, pursuant to which the Assignor assigned to the Assignee the distressed debt assets and the enforcement right of the collaterals in connection with the non-performing debts, at the cash consideration of RMB108.9 million (equivalent to approximately HK\$125.6 million). The assignment was completed on 29 September 2017. During the Review Period, the income from distressed debt assets (net of modification loss) was approximately HK\$14.9 million (2018: approximately HK\$11.5 million), accounting for approximately 27.3% (2018: approximately 22.5%) of the Group's total revenue.

### **Outlook**

The Group adopts an optimistic attitude and is confident in the future growth of its existing and new businesses. Apart from attracting new valuable guests to Link Hotel in Singapore and the newly opened Hanatsubaki Spa Hotel in Japan, the Group will continue to focus on the development of the Bintan Land to contribute income to the Group and increase return of the assets and enterprise value, with an aim to be a leader of vacation and resort industry in Asia with international competitiveness. To broaden the Group's income stream, the Group will take the opportunity of "One Belt, One Road" and continuously seek potential acquisition opportunities in the People's Republic of China.

Apart from the existing investment in an associate and the distressed debt assets, the Group will continue to explore potential projects for expanding its business horizon to the Greater China region and other Asian countries in order to capture the rapid economic growth from the recent growth in the tourism industry in the People's Republic of China and other area in Asia.

## **OTHER INFORMATION**

### **Audit Committee**

The Audit Committee was responsible for, among others, reviewing and providing supervision over the Group's financial reporting process, risk management and internal control system, and providing advice to the Board. The Audit Committee comprises three independent non-executive Directors, namely Mr. Chan So Kuen, Mr. Thng Bock Cheng John and Mr. Lai Yang Chau, Eugene. Mr. Chan So Kuen is the chairman of the Audit Committee.

The condensed consolidated financial statements for the Review Period have not been audited by the auditors of the Company. The Audit Committee has reviewed the accounting principles and policies adopted by the Group and the unaudited financial results for the Review Period.

### **Competing interest**

None of the Directors is or was interested in any business apart from the Group's business, that competes or competed or is or was likely to compete, either directly or indirectly, with the Group's business at anytime during the Review Period.

### **Purchase, sale or redemption of the company's listed securities**

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Review Period. Neither the Company nor any of its subsidiaries had issued or granted any convertible securities, options, warrants or similar rights or exercise any conversion or subscription rights under any convertible securities, options, warrants or similar rights during the Review Period.

By Order of the Board  
**Link Holdings Limited**  
**Ngan Iek**  
*Chairman and Executive Director*

Hong Kong, 11 November 2019

# In this announcement, translated English names of Chinese entities for which no official English translation exist are unofficial translations for identification purposes only, and in the event of any inconsistency between the Chinese names and their English translation, the Chinese names shall prevail.

*As at the date of this announcement, the executive Directors are Mr. Ngan Iek and Datuk Siew Pek Tho; the non-executive Directors are Ms. Ngan Iek Peng, Mr. Luo Guorong and Ms. Zhang Shuo; and the independent non-executive Directors are Mr. Thng Bock Cheng John, Mr. Chan So Kuen and Mr. Lai Yang Chau, Eugene.*

*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 Company Announcements” page of the GEM website at <http://www.hkgem.com> for at least 7 days from the date of its posting and on the website of the Company at <http://www.linkholdingslimited.com>.*