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## **COOLPOINT INNONISM HOLDING LIMITED**

### **快意智能股份有限公司**

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

**(Stock Code: 8040)**

## **FIRST QUARTERLY RESULTS ANNOUNCEMENT FOR THE THREE MONTHS ENDED 30 JUNE 2023**

### **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, 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.**

*This announcement, for which the directors (the “**Directors**”) of Coolpoint Innonism Holding Limited (formerly known as DCB 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 of the Stock Exchange (the “**GEM Listing Rules**”) for the purpose of giving information with regard to the Company and its subsidiaries (collectively referred to as the “**Group**”). 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.*

## FINANCIAL HIGHLIGHTS

For the three months ended 30 June 2023 (the “**Period**”):

- Revenue of the Group was approximately HK\$66.0 million, representing an increase of approximately 19.1% as compared to that of approximately HK\$55.4 million for the three months ended 30 June 2022 (the “**Previous Period**”).
- Loss and other comprehensive expense attributable to the owners of the Company for the period decreased by 19.5% from approximately HK\$2.6 million for the Previous Period to approximately HK\$2.1 million for the Period.
- The Board does not recommend the payment of an interim dividend for the Period.
- Loss per share of the Company was approximately HK0.62 cents (Previous Period: loss per share of HK0.82 cents).

## FINANCIAL RESULTS

The board of Directors (the “**Board**”) of the Company is pleased to present the unaudited condensed consolidated results of the Group for the Period, together with the unaudited comparative figures for the corresponding period in 2022, as follows:

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

	<i>Notes</i>	<b>Three months ended 30 June</b>	
		<b>2023</b>	<b>2022</b>
		<i>HK\$'000</i>	<i>HK\$'000</i>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
Revenue	4	<b>66,048</b>	55,435
Cost of services		<b>(64,035)</b>	(54,505)
Gross profit		<b>2,013</b>	930
Other income	5	<b>81</b>	506
Administrative expenses		<b>(4,029)</b>	(3,969)
Finance costs	6	<b>(175)</b>	(106)
Loss before tax	7	<b>(2,110)</b>	(2,639)
Income tax expense	8	<b>(15)</b>	—
Loss and other comprehensive expense for the period		<b>(2,125)</b>	(2,639)
Loss and other comprehensive expense for the period attributable to:			
Owners of the Company		<b>(2,122)</b>	(2,636)
Non-controlling interests		<b>(3)</b>	(3)
		<b>(2,125)</b>	(2,639)
Loss per share			
Basic ( <i>HK cents</i> )	10	<b>(0.62)</b>	(0.82)

# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended 30 June 2023

	Attributable to owners of the Company					Non- controlling interests HK\$'000	Total equity HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000	Retained earnings HK\$'000	Sub-total HK\$'000		
At 1 April 2022 (Audited)	3,200	48,097	10,010	9,584	70,891	—	70,891
Capital contribution to a subsidiary from non- controlling interests	—	—	—	—	—	147	147
Loss and other comprehensive expense for the period	—	—	—	(2,636)	(2,636)	(3)	(2,639)
<b>At 30 June 2022 (Unaudited)</b>	<b><u>3,200</u></b>	<b><u>48,097</u></b>	<b><u>10,010</u></b>	<b><u>6,948</u></b>	<b><u>68,255</u></b>	<b><u>144</u></b>	<b><u>68,399</u></b>
At 1 April 2023 (Audited)	<b>3,400</b>	<b>58,541</b>	<b>10,010</b>	<b>10,772</b>	<b>82,723</b>	<b>127</b>	<b>82,850</b>
Loss and other comprehensive expense for the period	—	—	—	(2,122)	(2,122)	(3)	(2,125)
<b>At 30 June 2023 (Unaudited)</b>	<b><u>3,400</u></b>	<b><u>58,541</u></b>	<b><u>10,010</u></b>	<b><u>8,650</u></b>	<b><u>80,601</u></b>	<b><u>124</u></b>	<b><u>80,725</u></b>

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 8 March 2017 under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) 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 headquarter and principal place of business of the Company is located at Unit 315A, 3/F., Building 5W Phase One, Hong Kong Science Park, Pak Shek Kok, New Territories, Hong Kong.

The directors consider the ultimate holding company to be the Company's parent company, Advance Goal Group Limited ("**Advance Goal**"), a private company incorporated in the British Virgin Islands ("**BVI**"), of which the Company's directors, Mr. Cheng Tsang Fu Dennis ("**Mr. Dennis Cheng**") and Ms. Liu Lee Lee ("**Ms. Lily Liu**"), and a former director, Mr. Cheng Tsang Wai ("**Mr. Dick Cheng**"), are shareholders.

Pursuant to a special resolution passed at the extraordinary general meeting of the Company held on 1 August 2022, the Company changed its English name from "DCB Holdings Limited" to "Coolpoint Innonism Holding Limited" and its dual foreign name in Chinese from "DCB控股有限公司" to "快意智能股份有限公司" with effect from 6 September 2022.

The unaudited condensed consolidated financial statements of the Group for three months ended 30 June 2023 are presented in Hong Kong dollars ("**HK\$**"), which is the same as the functional currency of the Company, and all values are rounded to the nearest thousand except when otherwise indicated.

The unaudited condensed consolidated financial statements have not been audited by the Company's independent auditor, but have been reviewed by the Company's audit committee and approved for issue by the Board on 8 August 2023.

## 2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") (which include all HKFRSs, Hong Kong Accounting Standards and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants. For the purpose of preparation of the unaudited condensed consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the unaudited condensed consolidated financial statements include applicable disclosures required by the GEM Listing Rules and by the Hong Kong Companies Ordinance.

The unaudited condensed consolidated financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

In the application of the Group’s accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In preparing the unaudited condensed consolidated financial statements, the significant judgments made by the Company’s management in applying the Group’s accounting policies and the key sources of estimation uncertainty are the same as those that applied to the Group’s audited consolidated financial statements for the year ended 31 March 2023. The adoption of the new and amendments to HKFRSs that are relevant to the Group and effective from the current period had no significant effects on the results and financial position of the Group for the current and prior periods.

### 3. SEGMENT INFORMATION

The Group’s reportable and operating segments under HKFRS 8 “Operating Segments” are as follows:

- (i) Fitting-out work — refers to works conducted on new buildings.
- (ii) Renovation work — refers to works carried out on existing buildings that involve upgrades and/or makeovers and/or demolition of existing works.
- (iii) Nano-AM work — refers to the provision and application of nanophotocatalytic antifouling materials (the “**Nano-AM**”) on various types of repairs and maintenance works for yachts.

No geographical information is presented as the Group’s revenue are all derived from operations in Hong Kong.

### 4. REVENUE

An analysis of the Group’s revenue recognised during the Period is as follows:

	<b>Three months ended 30 June</b>	
	<b>2023</b>	2022
	<b>HK\$’000</b>	HK\$’000
	<b>(Unaudited)</b>	(Unaudited)
<b>Revenue</b>		
Fitting-out work	<b>50,089</b>	33,383
Renovation work	<b>14,805</b>	21,082
Nano-AM work	<b>1,154</b>	—
Others	<b>—</b>	970
	<hr/>	<hr/>
Total	<b>66,048</b>	55,435
	<hr/> <hr/>	<hr/> <hr/>

## 5. OTHER INCOME

	Three months ended 30 June	
	2023	2022
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
<b>Other income</b>		
Bank interest income	77	2
Government subsidies under the Employment Support Scheme (Note (i))	—	500
Other interest income	4	4
	<u>4</u>	<u>4</u>
	<b>81</b>	<b>506</b>

Note:

- (i) Government subsidies amounted to nil (Previous Period: HK\$50,000) were received by a subsidiary from the Employment Support Scheme under the Anti-Epidemic Fund in Hong Kong for the Period. There were no unfulfilled conditions or contingencies relating to these subsidies.

## 6. FINANCE COSTS

	Three months ended 30 June	
	2023	2022
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Interest on bank borrowings	134	61
Interest on lease liabilities	41	45
	<u>41</u>	<u>45</u>
	<b>175</b>	<b>106</b>

## 7. LOSS BEFORE TAX

	Three months ended 30 June	
	2023	2022
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Loss before tax has been arrived at after charging:		
Directors' emolument		
Fees	—	18
Salaries, allowances and other benefits	878	1,016
Retirement benefit scheme contributions	9	9
	<u>887</u>	<u>1,043</u>
Other staff costs		
Salaries, allowances and other benefits	6,976	7,438
Retirement benefit scheme contributions	209	237
	<u>7,185</u>	<u>7,675</u>
Total staff costs	8,072	8,718
Less: amounts included in cost of services	<u>(5,919)</u>	<u>(6,386)</u>
Amounts included in administrative expenses	<u>2,153</u>	<u>2,332</u>
Auditors' remuneration	133	125
Depreciation of plant and equipment	100	116
Depreciation of right-of-use assets	<u>573</u>	<u>673</u>

## 8. INCOME TAX EXPENSE

	Three months ended 30 June	
	2023	2022
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Hong Kong Profits Tax	<u>15</u>	<u>—</u>

Hong Kong Profits Tax of the qualifying group entity is calculated at the rate of 8.25% on the first HK\$2,000,000 of the estimated assessable profits and at 16.5% on the remaining amount of the estimated assessable profits of the Group for the Period.

No provision for Hong Kong Profits Tax has been for the Previous Period made since the Group has no assessable profits for the Previous Period.



## 9. DIVIDEND

The Directors do not recommend the payment of an interim dividend for the three months ended 30 June 2023 (three months ended 30 June 2022: nil).

## 10. LOSS PER SHARE

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

	<b>Three months ended 30 June</b>	
	<b>2023</b>	<b>2022</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Loss for the purpose of basic loss per share		
Loss for the period attributable to the owners of the Company	<u><b>(2,122)</b></u>	<u><b>(2,636)</b></u>
	<b>Three months ended 30 June</b>	
	<b>2023</b>	<b>2022</b>
	<b>'000</b>	<b>'000</b>
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	<u><b>340,000</b></u>	<u><b>320,000</b></u>

No diluted earnings per share are presented as there were no potential ordinary shares in issue during the Period and in the Previous Period.

# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW AND OUTLOOK

### Business Review and Outlook

The Group is principally engaged in the provision of fitting-out services, renovation services and Nano-AM application services in Hong Kong.

#### *Fitting-out and renovation services*

The Group's clientele of the fitting-out and renovation services comprises (i) property developers, some of which are (or whose holding companies are) listed on the Stock Exchange; (ii) main contractors or direct contractors of the fitting-out and renovation projects; and (iii) owners or tenants of properties.

The Group's fitting-out and renovation services mainly include provision of fitting-out and renovation solutions for different types of premises in the private sector, including residential apartments and residential dwellings, show flats, clubhouses, sales office, public area in residential and commercial buildings, offices, shopping malls and shops in Hong Kong.

As the project manager and principal coordinator, the Group is responsible for the overall implementation of projects that included planning, coordinating, monitoring and supervising the project from the commencement of service to the delivery of certificate of completion, and follow up on rectification of defects during the defect liability period, among other things.

For projects over HK\$10 million which is defined as large-scaled projects hereafter, the Group has been awarded a total of 7 large-scaled projects with an aggregate contract sum of approximately HK\$228.1 million during the Period and contributed a revenue of approximately HK\$16.0 million for the Period. In Previous Period, the Group had not awarded any large-scaled projects.

#### *Nano-AM application services*

In the last year, the Group has obtained an exclusive license for sales of a nanophotocatalytic antifouling material (the "Nano-AM") that is an eco-friendly material effectively preventing unwanted growth of microorganisms onto the coated surfaces, currently being used as a surface disinfecting material and protective paint on building materials, boats and yachts.

Leveraging the exclusive license for the sales of the Nano-AM, the Company explores the marine repair and maintenance business successfully. The Group is responsible for the sales and marketing of the Nano-AM and is exploring other opportunities for the Nano-AM application.

The Board believes that the Nano-AM can also have useful applications in other aspects including our fitting-out and renovation projects and also can be a good opportunity for the Group to broaden its income streams through sales of the Nano-AM in the construction materials market.

Looking forward, in addition to the huge development potential of the Nano-AM application, the Board believes that the demand for the high-end fitting-out and renovation services will stay strong, and the Group will continue to develop this market accordingly.

## **FINANCIAL REVIEW**

### ***Revenue***

The Group's overall revenue increased from approximately HK\$55.4 million for the Previous Period to approximately HK\$66.0 million for the Period, representing an increase of approximately 19.1%.

The revenue for fitting-out works for the Period was approximately HK\$50.0 million, represented an increase of approximately 50.0% from approximately HK\$33.4 million for the Previous Period. The increase was mainly due to the increase in revenue contributed from several large-scaled fitting-out projects located in Wong Chuk Hang, Tai Wo Ping, Lantau Island, Tsim Sha Tsui, Jordan and Mid-levels. These large-scaled fitting-out projects were awarded subsequent to the Previous Period and contributed an aggregate revenue of approximately HK\$31.1 million for the Period.

The revenue for renovation works for the Period was approximately HK\$14.8 million, represented a decrease of approximately 29.8% from approximately HK\$21.1 million for the Previous Period. The decrease was mainly due to a substantial portion of the renovation works for several renovation projects located in Causeway Bay and Mid-levels East completed in last financial year and as such the aggregate revenue contributed from these renovation projects decreased from approximately HK\$14.1 million for the Previous Period to approximately HK\$1.2 million for the Period.

### ***Cost of Services***

The Group's cost of services increased from approximately HK\$54.5 million for the Previous Period to approximately HK\$64.0 million for the Period, representing an increase of approximately 17.5%. Such increase was generally in line with the increase in revenue for the Period.

### ***Gross Profit***

The Group's gross profit amounted to approximately HK\$2.0 million and HK\$0.9 million for the three months ended 30 June 2023 and 2022 respectively, representing an increase of approximately 116.5%. Such increase was mainly due to an increase in revenue from fitting-out work for the Period and the implementation of cost control measures.

### ***Other Income***

The Group's other income decreased by approximately HK\$0.4 million from approximately HK\$506,000 for the Previous Period to approximately HK\$81,000 for the Period. Such decrease was primarily due to a decrease in government subsidies under the Employment Support Scheme of approximately HK\$500,000 for the Period.

### ***Administrative Expenses***

For the three months ended 30 June 2023 and 2022, the Group's administrative expenses were approximately HK\$4.0 million each.

### ***Finance Costs***

For the three months ended 30 June 2023 and 2022, the Group's finance costs amounted to approximately HK\$175,000 and HK\$106,000 respectively, representing an increase of approximately 65.1%. Such increase was mainly due to an increase in bank borrowings in last financial year.

### ***Income Tax Expense***

Hong Kong Profits Tax of the qualifying group entity is calculated at the rate of 8.25% on the first HK\$2,000,000 of the estimated assessable profits and at 16.5% on the remaining amount of the estimated assessable profits of the Group for the Period.

No provision for Hong Kong Profits Tax for the Previous Period has been made as the Group has no assessable profits for the Previous Period.

### ***Loss and Other Comprehensive Expense for the Period***

As a result of aforesaid, the Group records a loss and other comprehensive expense of approximately HK\$2.1 million for the Period (Previous Period: HK\$2.6 million).

## ***Dividend***

The Directors do not recommend the payment of an interim dividend for the three months ended 30 June 2022 (three months ended 30 June 2021: nil).

## **Borrowing Facilities**

As at 30 June 2023, the Group has obtained credit facilities from banks up to a maximum amount of approximately HK\$75.9 million (31 March 2023: HK\$75.9 million), which include, but not limited to, revolving loan, term loan, overdraft and bank guarantee. Out of total banking facilities, revolving loan facility of HK\$4.0 million (31 March 2023: HK\$4.0 million) and term loan facility of HK\$9.0 million (31 March 2023: HK\$9.0 million) were outstanding. As at 30 June 2023, the total value of guarantees under surety bonds issued in favour of the Group's customers amounted to approximately HK\$3.4 million (31 March 2023: HK\$20.6 million). The revolving loan facility and term loan facility are denominated in Hong Kong dollars and carried at variable rates of Hong Kong Inter-bank Offered Rate (“**HIBOR**”) plus 2% per annum and Hong Kong Best Lending Rate quoted by the bank from time to time minus 2.25% per annum respectively.

## **Gearing Ratio**

The gearing ratio of the Group as at 30 June 2023 was 16.1% (31 March 2023: 15.7%). Such an increase is mainly due to a decrease in total equity resulting from a loss for the Period. With available bank balances and cash and bank credit facilities, the Group has sufficient liquidity to satisfy its funding requirements. The gearing ratio is calculated based on the total bank borrowings at the end of the respective periods divided by total equity at the end of the respective periods and multiplied by 100%.

## **Liquidity and Financial Resources**

The bank balances and cash of the Group as at 30 June 2023 were approximately HK\$32.5 million (31 March 2023: approximately HK\$26.3 million). The Group intends to finance its future operations and capital expenditures with cash flow from operating activities and banking facilities available to the Group. The Group's primary uses of cash have been and are expected to continue to be operating costs and capital expenditure. The Group's cash level is affected mainly by the fluctuation of trade receivables, contract assets, trade payables and contract liabilities. The current ratio of the Group as of 30 June 2023 was comfortably maintained at 1.9 (31 March 2023: 2.3). As of 30 June 2023, the Group's bank balances and cash, except a small aggregate amount of approximately HK\$345,000 (31 March 2022: HK\$343,000) in foreign currencies including Renminbi and United States dollars, were held in Hong Kong dollars.

## Foreign Exchange Exposure and Treasury Policy

The Group's core business operation is in Hong Kong and its assets are principally in Hong Kong. Hence, the Group is not exposed to significant foreign exchange risk as the majority of its business transactions are denominated in Hong Kong dollars (being the functional currency of the Group) and there were only insignificant balances of financial assets that were denominated in foreign currency as of 30 June 2023.

The Group does not have a foreign currency hedging policy. The Group will continue to monitor its foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

## Capital Structure

As of 30 June 2023, the Company's issued share capital was HK\$3,400,000 (31 March 2023: HK\$3,400,000) and the number of its issued ordinary shares was 340,000,000 (31 March 2023: 340,000,000) of HK\$0.01 each.

## Capital Commitment

As of 30 June 2023 and 2022, the Group did not have any capital commitment.

## Use of Proceeds from Placing

On 2 August 2022, an aggregate of 20,000,000 ordinary shares of the Company have been placed to places at a price of HK\$0.540 per share (the "Placing"). The Company received net proceeds from the Placing, after deducting the placing commission and other related expenses and professional fees, of approximately HK\$10,644,000. The planned use of proceeds was solely for financing the Group's working capital.

The analysis of the actual use of the proceeds are set out below:

	<b>Planned amount utilised up to 30 June 2023</b>	<b>Actual utilised amount as at 30 June 2023</b>	<b>Unutilised amount as at 30 June 2023</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Working capital	<u>10,644</u>	<u>2,970</u>	<u>7,674</u>

## **Employees and remuneration policies**

As at 30 June 2023, the Group employed a total of 66 employees (31 March 2023: 56 employees). The staff costs, including directors' emoluments, of the Group were approximately HK\$8.1 million for the Period (Previous Period: approximately HK\$8.7 million). Remuneration is determined with reference to market terms and the performance, qualification and experience of individual employee. In addition to a basic salary, year-end discretionary bonuses were offered to those staff with outstanding performance. The Group operates a defined contribution mandatory provident fund retirement benefit scheme (the "**MPF Scheme**") under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) for all of its employees in Hong Kong in accordance with the rules of the MPF Scheme.

## **CORPORATE GOVERNANCE AND OTHER INFORMATION**

### **Corporate Governance Code**

The Company's corporate governance practices are based on the principles and code provisions as set out in the Corporate Governance Code and Corporate Governance Report (the "**CG Code**") as set out in Appendix 15 of the GEM Listing Rules. Throughout the Period and up to the date of this announcement, the Company has adopted and complied with, where applicable, the CG Code to ensure that the Group's business activities and decision-making processes are regulated in a proper and prudent manner, except for the deviations from the Code Provision C.2.1 of the CG Code mentioned in the paragraph headed "Chairman and Chief Executive Officer".

### **Chairman and Chief Executive Officer**

Pursuant to the Code Provision C.2.1 of the CG Code, which stipulates that the roles of chairman (the "**Chairman**") of the Board and chief executive officer should be separate and should not be performed by the same individual. Accordingly, following the resignation of Mr. Cheng Tsang Wai as the chairman of the Board and replaced by Mr. Cheng Tsang Fu Dennis on 28 March 2022, there will be a deviation from the Code Provision C.2.1 by the Company as Mr. Cheng Tsang Fu Dennis is also the chief executive officer.

Notwithstanding the aforesaid deviation, the Board believes that vesting the roles of both the Chairman and the chief executive officer on Mr. Cheng Tsang Fu Dennis can better facilitate the execution of the Group's business strategies and boost effectiveness of its operation. The Board considers that the deviation from the Code Provision C.2.1 of the CG Code is appropriate in such circumstance. In addition, under the supervision of the Board which is comprised of three executive Directors, two non-executive Directors and three independent non-executive Directors, the Board is appropriately structured with balance of power to provide sufficient checks to protect the interests of the Company as a whole. Nevertheless, the Company will continue to review its operation and seek to re-comply with the Code Provision C.2.1 of the CG Code by splitting the roles of the Chairman and chief executive officer at a time when it is appropriate to increase the independence of corporate governance of the Group.

### **Code of Conduct Regarding Director's Securities Transactions**

The Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard of dealings set out in Rules 5.46 to 5.67 of the GEM Listing Rules.

Having made specific enquiry with the Directors, all the Directors, saved as disclosed below, confirmed that they have complied with such code of conduct and the required standard regarding securities transactions by directors adopted by the Company throughout the Period and up to the date of this announcement.

According to Rule 5.56(a)(ii) of the GEM Listing Rules, a director must not deal in any securities of the Company on any day on which its financial results are published and during the period of 30 days immediately preceding the publication date of the quarterly results and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results.

According to Rule 5.61 of the GEM Listing Rules, a director must not deal in any securities of the issuer without first notifying in writing the chairman or a director (otherwise than himself) designated by the board for the specific purpose and receiving a dated written acknowledgement.

An executive director, Ms. Lin Xiaoling (“**Ms. Lin**”), dealt in the securities of the company on July 10, 2023, during the blackout period for the quarterly results of the company for the three months ended June 30, 2023, and without first notifying the Chairman and receiving a dated written acknowledgement before engaging in the dealing. This was in contravention of Rules 5.56(a)(ii) and 5.61 of the GEM Listing Rules.



The Board has reviewed the facts and concluded that Ms. Lin did not intentionally breach the rules. It is believed that she genuinely overlooked the blackout period notice and forgot to notify the Chairman before dealing in the securities of the Company. The Chairman has reminded all the Directors again to fully comply with the required standards and policy of dealing of securities of the Company in the future.

Ms. Lin has confirmed to the Board that she will closely monitor any notices issued to the Directors of the Company, particularly the blackout period notices, and will confirm receipt of such notices to the Company Secretary. She will also confirm any restrictions on dealing in the Company's securities with the Company Secretary before proceeding, and will provide written notification and obtain written confirmation from the Chairman before execution.

### **Directors' and Chief Executives' Interests and/or Short Positions in Shares, Underlying Shares and Debentures of the Company or its Associate Corporations**

As at 30 June 2023, the interests and short positions of the Directors and the chief executives of the Company in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) (i) 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 or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) 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 position in the ordinary shares and underlying shares of the Company

<b>Name</b>	<b>Capacity/Nature of interest</b>	<b>Interests in Shares</b>	<b>Approximate percentage shareholding</b>
Mr. Cheng Tsang Fu Dennis	Interest in controlled corporation <sup>(1)</sup> / interest of spouse <sup>(2)</sup>	164,200,000	48.29%
Ms. Liu Lee Lee Lily	Interest in controlled corporation <sup>(1)</sup> / interest of spouse <sup>(2)</sup>	164,200,000	48.29%
Mr. Chui Kai Tai	Beneficial owner	12,800,000	3.76%
Prof. Leung Kwok Hi Michael	Beneficial owner	3,200,000	0.94%
Ms. Lin Xiaoling	Beneficial owner	3,200,000	0.94%
Prof. Leung Yiu Cheong	Beneficial owner	2,500,000	0.74%
Mr. Chow Kwok Kee	Interest of spouse	150,000	0.04%

*Notes:*

1. The entire issued share capital of Advance Goal is legally and beneficially owned as to 55%, 35% and 10% by Mr. Cheng Tsang Wai, Mr. Cheng Tsang Fu Dennis and Ms. Liu Lee Lee Lily, respectively. Mr. Cheng Tsang Wai, Mr. Cheng Tsang Fu Dennis and Ms. Liu Lee Lee Lily are parties acting in concert. Accordingly, Mr. Cheng Tsang Wai, Mr. Cheng Tsang Fu Dennis and Ms. Liu Lee Lee Lily are deemed to be collectively interested in 164,200,000 Shares held by Advance Goal by virtue of the SFO.
2. Each of Mr. Cheng Tsang Fu Dennis and Ms. Liu Lee Lee Lily is spouse to each other. Therefore, Mr. Cheng Tsang Fu Dennis is deemed to be interested in Shares held by Ms. Liu Lee Lee Lily, and vice versa, pursuant to the SFO.

Save as disclosed above, as at 30 June 2023, none of the Directors nor chief executive of the Company has registered an interests and short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) 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 were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) 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.

### **Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares and Underlying Shares**

So far as the Directors are aware, as at 30 June 2023, other than the Directors or chief executives of the Company whose interests or short positions are disclosed under the paragraph headed "Directors' and Chief Executives' Interests and/or Short Positions in Shares, Underlying Shares and Debentures of the Company or its Associated Corporations" above, the following person has an interest or short position in the shares or underlying shares of the Company which has to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and as recorded in the register required to be kept under Section 336 of the SFO, and who were expected, directly or indirectly, to be interested in 5% or more of the issued shares of the Company are listed as follows:

<b>Name of shareholder</b>	<b>Capacity/Nature of interest</b>	<b>Number of ordinary shares held</b>	<b>Approximate percentage shareholding</b>
Advance Goal <sup>(1)</sup>	Beneficial owner Interest in controlled	164,200,000	48.29%
Mr. Cheng Tsang Wai	corporation	164,200,000	48.29%
Ms. Chow Siu Shan Juliana <sup>(2)</sup>	Interest of spouse	164,200,000	48.29%
Mr. Chen Yi Sung	Beneficial owner	36,730,000	10.80%

*Notes:*

1. The entire issued share capital of Advance Goal is legally and beneficially owned as to 55%, 35% and 10% by Mr. Cheng Tsang Wai, Mr. Cheng Tsang Fu Dennis and Ms. Liu Lee Lee Lily, respectively. Mr. Cheng Tsang Wai, Mr. Cheng Tsang Fu Dennis and Ms. Liu Lee Lee Lily are parties acting in concert. Accordingly, Mr. Cheng Tsang Wai, Mr. Cheng Tsang Fu Dennis, Ms. Liu Lee Lee Lily are deemed to be collectively interested in 164,200,000 Shares held by Advance Goal by virtue of the SFO.
2. Ms. Chow Siu Shan Juliana is the spouse of Mr. Cheng Tsang Wai. Under the SFO, Ms. Chow Siu Shan Juliana is deemed to be interested in the 164,200,000 Shares owned by Mr. Cheng Tsang Wai through Advance Goal.

Saved as disclosed above, as at 30 June 2023, the Directors were not aware of any other person (other than the Directors or chief executives as disclosed in the paragraph headed “Directors’ and Chief Executives’ Interests and/or Short Positions in Shares, Underlying Shares and Debentures of the Company or its Associated Corporations” above) who had, or deemed to have, interests or short positions in the shares, underlying shares or debentures of the Company which has to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and as recorded in the register required to be kept under Section 336 of the SFO, or who were directly or indirectly interested in 5% or more of the issued shares of the Company.

### **Directors’ Rights to Acquire Securities or Debenture**

Other than as disclosed under the section “Directors’ and Chief Executives’ Interests and/or Short Positions in the Shares, Underlying Shares and Debentures of the Company or its Associated Corporations” above, at no time during the Period was the Company or any of its subsidiaries, a party to any arrangement to enable the Directors or chief executives of the Company or their respective associates (as defined in the GEM Listing Rules) to have any right to subscribe for securities of the Company or any of its associated corporations as defined in the SFO or to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

### **Purchase, Sale or Redemption of the Company’s Listed Securities**

Neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company’s listed securities during the Period.

## **Competing Interests**

During the Period, none of the Directors or the controlling shareholders or substantial shareholders (as defined in the GEM Listing Rules) of the Company or their respective close associates (as defined in the GEM Listing Rules) were considered to have any interests in a business which competed or was likely to compete, either directly or indirectly, with the business of the Group and/or caused, or was likely to cause any other conflicts of interest with the Group, as required to be disclosed under Rule 11.04 of the GEM Listing Rules.

## **Pre-Emptive Rights**

There is no provision for pre-emptive rights under the Company's articles of association or the laws of the Cayman Islands, being the jurisdiction in which the Company was incorporated, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

## **Audit Committee**

The Company has set up an audit committee (the “**Committee**”) on 19 January 2018 with written terms of reference in compliance with Rule 5.28 of the GEM Listing Rules and the CG Code. The primary duties of the Committee are mainly to make recommendations to the Board on the appointment and removal of external auditor; review the financial statements and material advice in respect of financial reporting; and oversee risk management and internal control procedures of the Company. The Committee comprises the three independent non-executive Directors, namely Mr. Chiu Wai Hon, who is the chairman of the Committee, Mr. Chow Kwok Kee and Mr. Xu Zhi Qiang. The unaudited condensed consolidated financial statements of the Group for the Period have been reviewed by the Committee, which was of the opinion that the preparation of such results complied with the applicable accounting standards, the GEM Listing Rules and legal requirements, and adequate disclosures have been made.

By order of the Board  
**Coolpoint Innonism Holding Limited**  
**Cheng Tsang Fu Dennis**  
*Chairman and Chief Executive Officer*

Hong Kong, 8 August 2023

*As at the date of this announcement, the executive directors of the Company are Mr. Cheng Tsang Fu Dennis, Ms. Liu Lee Lily, Mr. Chui Kai Tai and Ms. Lin Xiaoling; the non-executive directors of the Company are Prof. Leung Yiu Cheong and Prof. Leung Kwok Hi Michael; and the independent non-executive directors of the Company are Mr. Chow Kwok Kee, Mr. Xu Zhi Qiang and Mr. Chiu Wai Hon.*

*This announcement will remain on the “Latest Company Announcements” page of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) for at least seven days from the date of its posting and on the website of the Company at [www.coolpointinnonism.com](http://www.coolpointinnonism.com).*