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國聯通信控股有限公司
Global Link Communications Holdings Limited

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8060)

**CONNECTED TRANSACTION
IN RELATION TO
SUBSCRIPTION OF NEW SHARES BY
A CONNECTED PERSON
UNDER SPECIFIC MANDATE**

THE SUBSCRIPTION AGREEMENT

On 28 August 2019 (after trading hours), the Company entered into the Subscription Agreement with the Subscriber pursuant to which the Subscriber has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue 1,175,000,000 new Shares at the Subscription Price of HK\$0.0348 per Share. The Subscription Shares represent approximately 56.25% of the existing issued share capital of the Company as at the date of this announcement and approximately 36.00% of the Company's issued share capital as enlarged by the allotment and issue of the Subscription Shares (assuming that there is no other change in the number of issued Shares after the date of this announcement and before Completion).

The gross proceeds from the Subscription are estimated to be HK\$40,890,000. The net proceeds from the Subscription are estimated to be approximately HK\$40,000,000, which is intended to be used by the Company for general working purposes and in particular to meet the potential order from the Group's business partner for the supply of public transportation vehicle-mounted POS equipment with the Company's patented 2.4G technology software installed as disclosed in the announcement of the Company dated 23 July 2019.

SPECIFIC MANDATE

The Subscription Shares will be issued by the Company under the Specific Mandate. An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares on the Stock Exchange.

IMPLICATIONS UNDER THE GEM LISTING RULES

The Subscriber is Mr. Li Kin Shing, an executive Director and a controlling shareholder of the Company, and thus a connected person of the Company under Chapter 20 of the GEM Listing Rules. As a result, the Subscription constitutes a non-exempt connected transaction under Chapter 20 of the GEM Listing Rules and is subject to the announcement, reporting and Independent Shareholders' approval requirements pursuant to the GEM Listing Rules.

The Company will at the EGM seek approval by the Independent Shareholders for the Subscription Agreement and the transactions contemplated thereunder. The Independent Board Committee comprising all the independent non-executive Directors has been formed to advise the Independent Shareholders on the terms of the Subscription. Lego Corporate Finance Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

The circular containing, among other things, (i) details about the Subscription Agreement; (ii) a letter of advice from the Independent Board Committee to the Independent Shareholders; (iii) a letter of advice from Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Subscription Agreement; and (iv) a notice convening the EGM is expected to be despatched by the Company to the Shareholders on or before 18 September 2019.

IMPLICATIONS UNDER THE TAKEOVERS CODE

Assuming there is no change to the issued share capital of the Company between the date of this announcement and the Completion, the Subscriber and parties acting in concert with him, in aggregate, own and will own approximately 53.42% of the issued shares of the Company as at the date of this announcement and immediately before the Completion; and will own approximately 70.19% of the then issued share capital of the Company as enlarged by the issue of the Subscription Shares immediately after the Completion. As the direct shareholding of the Subscriber in the Company will increase from approximately 22.68% of the issued shares of the Company as at the date of this announcement to approximately 50.52% of the then issued shares of the Company as enlarged by the issue of the Subscription Shares, immediately after the Completion, which is in excess of the 30% mandatory offer threshold prescribed by Rule 26 of the Takeovers Code, the Subscriber has applied to the Executive pursuant to Note 6(b) to Rule 26.1 of the Takeovers Code for a waiver that neither the Subscriber nor persons acting in concert with him will be required to make a mandatory general offer as a result of the allotment and issue of

the Subscription Shares to the Subscriber pursuant to the Subscription Agreement, on the basis that Subscriber, together with the other relevant persons acting in concert with him, holds more than 50% of the voting rights of the Company at all material times immediately before and after the Subscription.

Shareholders and potential investors should note that Completion is subject to the fulfilment of the conditions precedent under the Subscription Agreement. As the Subscription may or may not proceed to Completion, Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

THE SUBSCRIPTION

On 28 August 2019 (after trading hours), the Company and the Subscriber entered into the Subscription Agreement in respect of the subscription of the Subscription Shares.

Details of the Subscription Agreement are set out below:

Subscription Shares

Pursuant to the Subscription Agreement, the Subscriber has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue the Subscription Shares at the Subscription Price.

The Subscription Shares represent approximately 56.25% of the existing issued share capital of the Company as at the date of this announcement and approximately 36.00% of the Company's issued share capital as enlarged by the allotment and issue of the Subscription Shares (assuming that there is no other change in the number of issued Shares after the date of this announcement and before Completion).

Subscription Price

The Subscription Price represents:

- (i) a discount of approximately 30.40% to the closing price of HK\$0.050 per Share as quoted on the Stock Exchange on the date of the Subscription Agreement;
- (ii) a discount of approximately 13.00% to the closing price of HK\$0.040 per Share as quoted on the Stock Exchange on 27 August 2019, the last trading day immediately preceding the date of the Subscription Agreement;
- (iii) a discount of approximately 10.77% to the average closing price of HK\$0.039 per Share as quoted on the Stock Exchange for the last five trading days up to and including 27 August 2019; and

- (iv) a discount of approximately 2.25% to the average closing price of HK\$0.0356 per Share as quoted on the Stock Exchange for the last ten trading days up to and including 27 August 2019.

The Subscription Price of HK\$0.0348 per Share was arrived at after arm's length negotiation between the Subscriber and the Company and after having considered the recent market price of the Shares and the business prospects of the Group. The Directors consider that the Subscription Price and the terms of the Subscription Agreement are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

The Subscription Shares have a nominal value of HK\$11,750,000 and a market value of HK\$58,750,000, based on the closing price of HK\$0.050 per Share on the date of the Subscription Agreement. After deducting expenses relating to the Subscription, the net proceeds from the Subscription are estimated to be approximately HK\$40,000,000.

Conditions of the Subscription Agreement

Completion of the Subscription is conditional upon the following conditions being fulfilled:

- (a) the passing of the relevant resolutions by way of poll at the EGM by the Independent Shareholders for approving the Subscription Agreement and the transactions contemplated hereunder (including the allotment and issue of the Subscription Shares);
- (b) the approval for the listing of and permission to deal in the Subscription Shares having been granted by the Stock Exchange (and such permission and listing not subsequently being revoked prior to the delivery of definitive share certificate(s) representing the Subscription Shares); and
- (c) the Waiver having been granted, either unconditionally or subject to any conditions that are reasonably acceptable to the Company and the Subscriber, and such Waiver not having been subsequently revoked prior to or on the date of Completion.

In the event that the conditions to the Subscription are not fulfilled on or prior to 31 December 2019 (or such later date as may be agreed between the Company and the Subscriber), the Subscription Agreement and all rights and obligations thereunder will cease and terminate.

Application for Listing

An application will be made to the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares on the Stock Exchange.

Specific Mandate to Issue Subscription Shares

The Subscription Shares will be allotted and issued pursuant to the Specific Mandate proposed to be sought from the Independent Shareholders at the EGM.

Ranking of the Subscription Shares

The Subscription Shares, when fully paid, will rank *pari passu* in all respects with the Shares in issue on the date of the Completion, including the right to any dividends or distribution declared on or after the date of Completion.

Completion of the Subscription

Subject to fulfillment of the conditions of the Subscription Agreement, Completion will take place on the third Business Day (or such later date as the parties may agree in writing) after the date when the conditions to the Subscription Agreement are satisfied.

EFFECT ON THE SHAREHOLDING OF THE COMPANY FOLLOWING THE COMPLETION

Assuming there is no change to the issued share capital of the Company and the interests of the substantial shareholders of the Company between the date of the Subscription Agreement and Completion, the effect on the shareholding structure of the Company will be as follows:

Name of the Shareholders	Shareholding as at the date of this announcement		Shareholding after the Completion	
	Shares	% of shareholding	Shares	% of shareholding
The Subscriber	473,777,143	22.68	1,648,777,143	50.52
Ever Prosper International Limited ^(Note 1)	254,653,200	12.19	254,653,200	7.80
Ms. Kwok King Wa ^(Note 1)	387,493,563	18.55	387,493,563	11.87
The Subscriber and parties acting in concert with him	1,115,923,906	53.42	2,290,923,906	70.19
Mr. Ma Yuanguang	10,566,000	0.51	10,566,000	0.32
Mr. Wong Kin Wa	1,861,500	0.09	1,861,500	0.06
Jovial Elite Limited ^(Note 2)	111,690,000	5.35	111,690,000	3.42
Other public shareholders	848,766,094	40.63	848,766,094	26.01
Total	2,088,807,500	100.00%	3,263,807,500	100.00%

Notes:

1. Ms. Kwok King Wa is the spouse of Mr. Li. Ever Prosper International Limited is held as to 50.0% and 46.5% by Mr. Li and Ms. Kwok King Wa respectively. Accordingly, Mr. Li is deemed to be interested in his spouse's shareholding and his controlled corporation's shareholding under the SFO.

2. According to the notice filed by Jovial Elite Limited, Jovial Elite Limited is a wholly owned subsidiary of Hony Capital Fund 2008, L.P. Hony Capital Fund 2008, L.P. is 100% controlled by Hony Capital Fund 2008 GP, L.P. Hony Capital Fund 2008 GP, L.P. is 100% controlled by Hony Capital Fund 2008 GP Limited. Hony Capital Fund 2008 GP Limited is 100% controlled by Hony Capital Management Limited. Hony Capital Management Limited is 80% controlled by Hony Managing Partners Limited. Hony Managing Partners Limited is 100% controlled by Exponential Fortune Group Limited. Exponential Fortune Group Limited is 49% controlled by Mr. Zhao John Huan.

CAPITAL RAISING ACTIVITIES IN THE PAST 12 MONTHS

The Company has not carried out any capital raising activities in the 12 months immediately preceding the date of this announcement.

During the 12 months period immediately preceding the date of this announcement, the Company had not undertaken any rights issue, open offer or specific mandate placing. The Subscription under the Specific Mandate on its own would not result in a theoretical dilution effect (as defined in Rule 10.44A of the GEM Listing Rules) of 25% or more up to the date of this announcement.

INFORMATION ON THE PARTIES

The Subscriber is Mr. Li Kin Shing. He is an executive Director and a controlling shareholder of the Company, and thus a connected person of the Company under Chapter 20 of the GEM Listing Rules.

The Company is an investment holding company. The Group is principally engaged in supply, development and integration of passenger information management system.

REASONS AND BENEFITS FOR THE SUBSCRIPTION

The Company entered into the Subscription Agreement to raise new capital for the purposes stated in the paragraph headed "Use of Proceeds" below. The Directors consider that the Subscription is in line with the Company's development need and growth strategy. It also reflected the confidence and commitment to support the development of the Company by Mr. Li, a controlling shareholder of the Company. The Subscription is expected to accelerate the Company's growth by further strengthening the capital base and financial position of the Company.

The Directors have also considered conducting a rights issue or open offer to allow all Shareholders to maintain their respective pro-rata shareholding in the Company and at the same time strengthening the capital base of the Company. However, taking into account the current challenging stock market sentiment, such fund raising exercises, in view of the fund raising size, would be relatively more time-consuming, administratively burdensome and cost-ineffective as compared with a subscription of new Shares by Mr. Li, which can provide a higher certainty of successful funding.

In light of the reasons set out above, the Directors consider that the terms of the Subscription, which have been negotiated on an arm's length basis in accordance with normal commercial terms, are fair and reasonable and in the interests of the Company and the Shareholders taken as a whole.

USE OF PROCEEDS

The gross proceeds to be received by the Company will amount to HK\$40,890,000. After taken into account the estimated expenses related to the Subscription, the estimated net proceeds will amount to approximately HK\$40,000,000, representing the net price per Subscription Share payable to the Company of approximately HK\$0.0340 per Share.

The Company intends to apply the entire net proceeds for general working purposes and in particular to meet the potential order from the Group's business partner for the supply of public transportation vehicle-mounted POS equipment with the Company's patented 2.4G technology software installed as disclosed in the announcement of the Company dated 23 July 2019.

IMPLICATIONS UNDER THE GEM LISTING RULES

The Subscriber is Mr. Li Kin Shing, an executive Director and a controlling shareholder of the Company, and thus a connected person of the Company under Chapter 20 of the GEM Listing Rules. As a result, the Subscription constitutes a non-exempt connected transaction under Chapter 20 of the GEM Listing Rules and is subject to the announcement, reporting and Independent Shareholders' approval requirements pursuant to the GEM Listing Rules.

The Company will at the EGM seek approval by the Independent Shareholders for the Subscription Agreement and the transactions contemplated thereunder. Mr. Li and his associates and Shareholders who are involved in, or interested in the Subscription Agreement and the transactions contemplated thereunder, shall abstain from voting for the resolution to approve the Subscription at the EGM.

The Independent Board Committee comprising all the independent non-executive Directors, namely Mr. Leung Kwok Keung, Mr. Cheung Sai Ming and Mr. Liu Chun Bao, has been formed to advise the Independent Shareholders on the terms of the Subscription. Lego Corporate Finance Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

The circular containing, among other things, (i) details about the Subscription Agreement; (ii) a letter of advice from the Independent Board Committee to the Independent Shareholders; (iii) a letter of advice from Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Subscription Agreement; and (iv) a notice convening the EGM is expected to be despatched by the Company to the Shareholders on or before 18 September 2019.

IMPLICATIONS UNDER THE TAKEOVERS CODE

Assuming there is no change to the issued share capital of the Company between the date of this announcement and the Completion, the Subscriber and parties acting in concert with him, in aggregate, own and will own approximately 53.42% of the issued shares of the Company as at the date of this announcement and immediately before the Completion; and will own approximately 70.19% of the then issued share capital of the Company as enlarged by the issue of the Subscription

Shares immediately after the Completion. As the direct shareholding of the Subscriber in the Company will increase from approximately 22.68% of the issued shares of the Company as at the date of this announcement to approximately 50.52% of the then issued shares of the Company as enlarged by the issue of the Subscription Shares, immediately after the Completion, which is in excess of the 30% mandatory offer threshold prescribed by Rule 26 of the Takeovers Code, the Subscriber has applied to the Executive pursuant to Note 6(b) to Rule 26.1 of the Takeovers Code for a Waiver that neither the Subscriber nor persons acting in concert with him will be required to make a mandatory general offer as a result of the allotment and issue of the Subscription Shares to the Subscriber pursuant to the Subscription Agreement, on the basis that Subscriber, together with the other relevant persons acting in concert with him, holds more than 50% of the voting rights of the Company at all material times immediately before and after the Subscription.

Shareholders and potential investors should note that Completion is subject to the fulfilment of the conditions precedent under the Subscription Agreement. As the Subscription may or may not proceed to Completion, Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings when used herein:

“acting in concert”	has the meaning ascribed to it under the Takeovers Code;
“associate(s)”	has the meaning ascribed to it/them under the GEM Listing Rules;
“Board”	the board of Directors;
“Business Day”	a day on which the Stock Exchange is open for business of dealing in securities;
“Company”	Global Link Communications Holdings Limited, a company incorporated in the Cayman Islands, the securities of which are listed on the GEM;
“Completion”	completion of the Subscription in accordance with the terms and conditions of the Subscription Agreement;
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules;
“controlling shareholder(s)”	has the meaning ascribed to it under the GEM Listing Rules;
“Director(s)”	director(s) of the Company from time to time;

“EGM”	the extraordinary general meeting of the Company to be convened to consider, if thought fit, approve, among other matters, the Subscription Agreement and the transactions contemplated thereunder;
“Executive”	the Executive Director of the Corporate Finance Division of the SFC and any delegate of the Executive Director;
“GEM”	the GEM of the Stock Exchange;
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China;
“Independent Board Committee”	the independent committee of the Board to be established to advise the Independent Shareholders on the Subscription Agreement;
“Independent Financial Adviser”	Lego Corporate Finance Limited, a licensed corporation to carry out type 6 (advising on corporate finance) regulated activity under the SFO and the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of terms of the Subscription;
“Independent Shareholders”	Shareholders of the Company other than (1) Mr. Li and his associates; and (2) those who are involved in, or interested in the Subscription Agreement and the transactions contemplated thereunder;
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong;
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company;
“Shareholder(s)”	holder(s) of the Shares;
“Specific Mandate”	the specific mandate to be granted by the Independent Shareholders to the Board at the EGM for the subscription of the Subscription Shares by the Subscriber;

“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscriber” or “Mr. Li”	Mr. Li Kin Shing, an executive Director and a controlling shareholder of the Company;
“Subscription”	the subscription of the Subscription Shares by the Subscriber pursuant to the terms and conditions of the Subscription Agreement;
“Subscription Agreement”	the subscription agreement dated 28 August 2019 entered into between the Company and the Subscriber in relation to the Subscription;
“Subscription Price”	HK\$0.0348 per Share;
“Subscription Shares”	1,175,000,000 new Shares to be subscribed by the Subscriber pursuant to the Subscription Agreement;
“Takeovers Code”	the Code on Takeovers and Mergers and Share Buy-backs issued by the SFC;
“Waiver”	the waiver from the Executive waiving pursuant to Note 6(b) to Rule 26.1 of the Takeovers Code the obligation of the Subscriber to make a mandatory general offer to the Shareholders under Rule 26 of the Takeovers Code as a result of the issue and allotment of the Subscription Shares to the Subscriber pursuant to the terms and conditions of the Subscription Agreement; and
“%”	per cent.

By Order of the Board
Global Link Communications Holdings Limited
Li Kin Shing
Chairman

Hong Kong, 28 August 2019

As at the date of this announcement, the executive Directors are Li Kin Shing, Ma Yuanguang, and Wong Kin Wa; and the independent non-executive Directors are Leung Kwok Keung, Cheung Sai Ming and Liu Chun Bao.

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.

All Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

This announcement will remain at www.hkgem.com on the “Latest Company Announcements” page of the website of GEM for at least 7 days from the date of its posting. This announcement will also be posted on the Company website at www.glink.hk.