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国 联 通 信

Global Link

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)

## **SUPPLEMENTAL ANNOUNCEMENT DISCLOSEABLE TRANSACTION**

Reference is made to the announcement of Global Link Communications Holdings Limited (the “**Company**”) dated 4 April 2019 (the “**Announcement**”) in relation to the Acquisition. Unless otherwise defined herein, capitalised terms used herein shall have the same meanings ascribed to them in the Announcement.

The Board would like to provide additional principal assumptions which have not been disclosed in the Announcement as set out below:

1. In addition to the cooperation agreements (the “**Cooperation Agreements**”) entered into by the Target Group to provide the Relevant Services in 15 regions in Hainan province, for business expansion, the Target Group will procure further cooperation with various public transportation service providers for the provision of the Relevant Services in different cities in the PRC.
2. The contractual parties of the relevant Cooperation Agreements will act in accordance with the terms and conditions of the respective Cooperation Agreements between the parties.
3. The Target Group will successfully carry out all necessary activities for the development of its business and there will be no material changes in the business strategy of the Target Group and its operating structure.
4. The valuation on the 100% equity interest of the Target Group is based on the forecast for the future performance of the Target Group for the period from 1 March 2019 to 31 December 2022 (the “**Forecast Period**”) (including revenue, costs, expenses (including various taxes and surcharges), working capital, material capital expenditures, etc.) and the positive growth of the

forecasted cash flow for the subsequent perpetual period, taking into account an analysis of the Target Group's historical business data, a study of the Target Group's future operations, and the expected macroeconomic and tax policies.

5. The expected revenue of the Target Group is estimated based on the assumption that there will be a positive growth during the Forecast Period after taking into account the actual sales volume in 2019 and the future further cooperation with various public transportation service providers for the provision of the Relevant Services. The annual revenue growth rate of the Target Group from 2019 to 2020 and 2020 to 2021 are assumed to be approximately 33% and 23% respectively. The terminal growth rate for revenue beyond 2021 is assumed to be 3%. The Target Group was in the startup stage during 2018 and commenced to generate revenue since early 2019. The financial performance of the Target Group during the Forecast Period is expected to improve significantly, mainly attributable to (i) the commencement of provision of Relevant Services in several regions in the PRC; (ii) the entering into several additional cooperation agreements with its business partners to develop payment terminal system in other regions in the PRC; and (iii) the expansion of its coverage in other regions of the PRC by way of devoting resources and efforts to further establish its customer network.
6. The expected gross profit margin of the Target Group of 30% is estimated based on the assumption that a constant gross profit margin has been applied during the Forecast Period after taking into account the estimated direct costs for each transaction.
7. Assuming that no material non-operating incomes and expenditure will be recorded by the Target Group during the Forecast Period.
8. Assuming that there will be no material adverse impact arising from the external business and macro-economic environment of the Target Group that leads to a substantial increase of credit risks for its customers and debtors which in turn has material adverse impact on its solvency, leading to delay in recovering receivables or bad debt loss during the Forecast Period.
9. The discount rate of 19% is applied for valuation of the present value of cash flows. The Target Group's cost of equity was obtained with reference to the public comparable companies, based on the Capital Asset Pricing Model ("CAPM") which only measures the systematic risk component, however, disregards the unsystematic risk component. To compensate for the unsystematic risk of the investment, other risk adjustments, such as size risk premium and company specific risk, were included.
10. Discount for lack of marketability is applied to value of the Target Group, being a non-publicly traded company. Marketability discount reflects the ability of converting shares into immediate cash. Compared to publicly listed companies, private companies do not have a known market price and there exist no public market for trading of shares. Therefore, a privately held company is theoretically worth less than a public company with the same business, given other things being the same.

Save for the information stated above, all the information in the Announcement remains unchanged.

By order of the Board  
**Global Link Communications Holdings Limited**  
**LI Kin Shing**  
*Chairman*

Hong Kong, 26 April 2019

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

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