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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)

CHANGE IN USE OF PROCEEDS

References are made to the announcements of Global Link Communications Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) dated 28 August 2019, 24 October 2019 and 13 November 2019, the circular of the Company dated 9 October 2019 (the “**Circular**”) relating to the subscription of new shares of the Company by Mr. Li Kin Shing, the chairman of the board of directors of the Company (the “**Board**” or the “**Directors**”) and the controlling shareholders of the Company, completed on 13 November 2019, and the respective annual, interim and quarterly reports of the Company relating to the update on the use of proceeds. Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meaning as those defined in the Circular.

USE OF PROCEEDS

As disclosed in the section headed “USE OF PROCEEDS” in Circular, the Directors had resolved to apply the entire net proceeds for general working purposes and in particular the procurement of the POS equipment with the Company’s patented 2.4G technology software installed to meet the potential orders from the Group’s business partner.

The net proceeds from the Subscription were approximately HK\$40,000,000, among which approximately HK\$4,600,000 had been utilised up to 31 December 2022. The remaining unutilised net proceeds of approximately HK\$35,400,000 has been placed as interest bearing deposits in banks.

CHANGE IN USE OF PROCEEDS

On 7 March 2023, after careful consideration and detailed evaluation of the Group’s operations and business strategy, the Directors had resolved to change the use of the remaining unutilised net proceeds from the Subscription in the amount of approximately HK\$35,400,000 to be used as general working capital of the Group, which is expected to be fully utilised by the Group by the end of 2024.

The utilisation of the net proceeds from the Subscription up to the date of this announcement and the revised use of net proceeds from the Subscription after the change in use of proceeds are set forth below:

	Proposed use of the Subscription proceeds as disclosed in the Circular <i>HK\$ million</i>	Actual use of the Subscription proceeds as at 31 December 2022 <i>HK\$ million</i>	Remaining balance of the Subscription proceeds as at 31 December 2022 <i>HK\$ million</i>	Revised use of remaining balance of the Subscription proceeds <i>HK\$ million</i>
General working purposes and in particular the procurement of the POS equipment with the Company's patented 2.4G technology software installed to meet the potential orders from the Group's business partner	40	4.6	35.4	0
General working capital of the Group	0	0	0	35.4

REASON FOR THE CHANGE

Since the termination of the purchase agreement entered into by the Group with the business partner in December 2020, the Group has been actively looking for other potential purchasers of the POS Equipment. However, due to the continuing impact of COVID-19 on the urban public transportation industries in the PRC, no procurement agreement for the Group's POS Equipment has been entered into as at the date of this announcement. As such, due to the slower than expected business development progress and the general market outlook for the POS Equipment, the Directors have resolved to terminate the business development relating to the POS Equipment. The Directors are of the view that to change the use of proceeds originally allocated to this segment to be used for general working capital of the group would enable the Group to apply its financial resources more efficiently and to capture other business opportunities for the Group's revenue growth.

The Directors note that the Group continued to develop the customer relationship management ("CRM") business vigorously and the current CRM business achieved rapid growth for the financial year ended 31 March 2022 with approximately HK\$114 million in revenue recorded for the CRM segment, representing approximately 63% of the Group's total revenue for the financial year ended 31 March 2022. The Directors are of the view that the CRM segment will continue to see growth in revenue generation and better profit margin in the future if allocated with additional working capital to support its business development and process streamlining. As such, the Directors has decided to allocate an additional amount of the Group's working capital to the CRM segment.

The Directors confirm that there are no material changes in the nature of the business of the Group. The Directors consider that the change of use of the unutilised net proceeds will allow the Company to deploy its financial resources more effectively and is in the interests of the Company and its shareholders as a whole and will not have any material adverse effect on the existing business and operations of the Group.

To strive for better business performance of the Group, the Directors will continuously assess the changing market conditions and may revise or amend the use of the unutilised net proceeds from the Subscription where necessary.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

The Company will make further announcement if and when there is any material development on the matter or otherwise as required by the GEM Listing Rules.

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

Hong Kong, 7 March 2023

As at the date of this announcement, the Board comprises (i) three executive Directors, namely Mr. LI Kin Shing, Mr. MA Yuanguang and Mr. WONG Kin Wa; and (ii) three independent non-executive Directors, namely Mr. LEUNG Kwok Keung, Mr. CHEUNG Sai Ming and Mr. LIU Chun Bao.

This announcement, for which the Directors of 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 for the purpose of giving information with regard to the Company. The Directors of the Company, 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 website of the Stock Exchange at www.hkexnews.hk on the "Latest Listed Company Information" page for at least 7 days from the date of its posting. This announcement will also be posted on the website of the Company at www.glink.hk.