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COOL LINK (HOLDINGS) LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8491)

SUPPLEMENTAL ANNOUNCEMENT DISCLOSEABLE TRANSACTION IN RELATION TO THE ACQUISITION OF 4.54% EQUITY INTERESTS IN THE TARGET COMPANY

Reference is made to the announcement of the Company dated 13 March 2023 in relation to the acquisition of 4.54% equity interest in the Target Company (the “**Announcement**”). Unless otherwise stated, all the capitalised terms used herein shall have the same meaning as those adopted in the Announcement.

The Board wishes to provide the supplemental information in relation to the Acquisition.

INFORMATION ON THE PRELIMINARY VALUATION OF THE TARGET COMPANY

The consideration was determined after arm’s length negotiations between the Vendor and the Purchaser on normal commercial terms and with reference to preliminary valuation of the Target Company.

In the process of valuing Target Company, the Directors have enquired with the valuer regarding the adopted approach for the valuation and understood the rationale of using such valuation approach with the operations and the nature of the industry of the Target Company taken into account. The valuer has considered different types of valuation approach, and considered to adopt the guideline transaction method under market-based approach by taking reference to the latest transaction (the “**Transaction**”) of the shares of Target Company in March 2023.

The Directors have obtained the sale and purchase agreement in relation to the Transaction and such Transaction has been completed and shares have been transferred. With the competence and independence of the valuer as well as making due enquiries and assessment on the Target Company, the Directors concur with the valuer’s view that the most recent precedent transaction provides a reasonable estimate on the market value of the Target Company. The Directors considered the consideration is fair and reasonable and on normal commercial terms.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquires, based on the information available to the Company, as at the date of this announcement, the vendor and the purchaser (including the ultimate beneficial owner of the vendor and the manager (note 1) of the purchaser) to the Transaction in March 2023 are independent from each other and independent from the Company and its connected persons.

Note 1: The manager is a limited liability company incorporated in Hong Kong. It is licensed by the Securities and Futures Commission for Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the Securities and Futures Ordinance.

INFORMATION OF THE VENDOR

The Target Company is a company incorporated in the BVI with limited liability, and is engaged in video game development business. As at the date of this announcement, the Target Company was 92% owned by the Vendor i.e. Mr. Ho Tong Ho and 8% owned by the purchaser to the Transaction. The latest project of the Target Company is called “Capverse”, a Web3 “play to earn” game using the blockchain technology.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The virtual assets and Web3 have attracted attention of global investors and are increasingly viewed as a conduit for financial innovation, the Directors are always supporting the view and the policy with the Hong Kong Government. By entering into of the Agreement and investing the Target Company as to take part in the Web3 development, it allows the Company to follow its plan which is to support Hong Kong Government and its announced strategy towards sustainable development of the virtual asset industry as well as contribute to the society, the Directors considered the transactions contemplated are in the interests of Hong Kong, the Company and its shareholders as a whole.

Saved as disclosed above, all other information as set out in the Announcement remains unchanged and shall continue to be valid for all purposes. This announcement is supplemental to and should be read in conjunction with the Announcement.

By order of the Board
Cool Link (Holdings) Limited
Tan Seow Gee
Chairman and executive Director

Hong Kong, 17 May 2023

As at the date of this announcement, the executive Directors are Mr. Tan Seow Gee and Mr. Gay Teo Siong; the non-executive Director is Mr. Tang Tsz Kin; and the independent non-executive Directors are Ms. Chan Oi Chong, Ms. Luk Huen Ling Claire and Mr. Yim Harrison Chun Fung.

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 Listed Company Information” page of the website of the Stock Exchange at <http://www.hkexnews.hk> for at least seven days from the day of its posting. This announcement will also be published on the website of the Company at <http://www.coollink.com.sg>.