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**FUTURE DATA**

**FUTURE DATA GROUP LIMITED**

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

**(Stock Code: 8229)**

**(1) FURTHER ANNOUNCEMENT IN RELATION TO  
THE ANNUAL RESULTS ANNOUNCEMENT  
AND**

**(2) DISCLOSEABLE TRANSACTION AND CONNECTED TRANSACTION IN  
RELATION TO THE DEED OF SETTLEMENT**

**FURTHER ANNOUNCEMENT IN RELATION TO THE ANNUAL RESULTS ANNOUNCEMENT**

In additional to the information provided in the Annual Results Announcement, the Company would like to provide further information in relation to the amount due to the Company from AMS in the sum of approximately HK\$ 5,874,000 as at 31 December 2018.

As the Tax Payment is resulting from and/or by reference to the Acquisition (which forms part of the Reorganisation), the Company considers that the Controlling Shareholders shall indemnify the Company (for itself and as trustee of its subsidiaries) against the Tax Payment pursuant to the Deed of Indemnity.

The amount due from AMS to the Company in the sum of approximately HK\$ 5,874,000 as at 31 December 2018 as disclosed in the Annual Results Announcement represents the potential claim of the Company against AMS in relation to the Tax Payment under the Deed of Indemnity.

**DEED OF SETTLEMENT**

On 26 March 2019 (after trading hours), the Controlling Shareholders entered into the Deed of Settlement with the Company (for itself and as trustee of its subsidiaries), pursuant to which AMS shall pay the Settlement Payment in the sum of HK\$6,022,916 to the Company for the settlement of the Claim against the Controlling Shareholders in relation to the Tax Payment (whether under the Deed of Indemnity or otherwise).

## **IMPLICATIONS UNDER THE GEM LISTING RULES**

As at the date of this announcement, (i) LiquidTech is the owner of approximately 65.73% of the issued Shares of the Company, (ii) AMS is the owner of the entire issued share capital of LiquidTech; and (iii) AMS is held as to approximately 26.14% by Mr. Phung, 25.34% by Mr. Suh, 14.71% by Mr. Lee, 14.03% by Mr. Park, 2.35% by Ms. Marilyn Tang and 17.43% by other Independent Third Parties. Further, each of Mr. Phung, Mr. Suh and Mr. Lee is an executive Director of the Company. As such, the Controlling Shareholders are connected persons of the Company by virtue of his/her/its position as a Controlling Shareholder of the Company and/or an executive Director of the Company under the GEM Listing Rules. Accordingly, the entering into of the Deed of Settlement constitutes a connected transaction on the part of the Company under Chapter 20 of the GEM Listing Rules.

As all applicable percentage ratios are less than 25% and the total consideration payable by the Controlling Shareholders to the Company under the Deed of Settlement is less than HK\$10,000,000, the entering into of the Deed of Settlement and the transactions contemplated thereunder are subject to the reporting and announcement requirements but exempt from the circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

As one or more of the applicable percentage ratios is more than 5% but less than 25%, the entering into of the Deed of Settlement also constitutes a discloseable transaction on the part of the Company under Chapter 19 of the GEM Listing Rules.

### **(1) FURTHER ANNOUNCEMENT IN RELATION TO THE ANNUAL RESULTS ANNOUNCEMENT**

References are made to (i) the prospectus of the Company dated 29 June 2016 (the “**Prospectus**”); (ii) the announcement of the Company dated 31 December 2018 in relation to the capital reduction of Global Telecom (the “**Announcement**”); and (iii) the announcement of the Company dated 15 March 2019 in relation to the audited results of the Group for the year ended 31 December 2018 (the “**Annual Results Announcement**”).

In addition to the information provided in the Annual Results Announcement, the Company would like to provide the following further information in relation to the amount due to the Company from AMS in the sum of approximately HK\$ 5,874,000 as at 31 December 2018.

As disclosed in the Prospectus, pursuant to the Reorganisation, AMS transferred the entire issued share capital of Global Telecom to SuperChips (as the nominee of the Company) on 20 June 2016 (the “**Acquisition**”). As further disclosed in the Prospectus, each of the Controlling Shareholders executed the Deed of Indemnity in favour of the Company (for itself and as trustee of its subsidiaries), pursuant to which each of the Controlling Shareholder has given joint and several indemnities in respect of, among other things, any tax liabilities which might be payable by a member of the Group in respect of any event or transaction entered into or occurring on or before the Listing Date whether alone or in conjunction with any circumstances whenever occurring and whether or not such taxation is chargeable against or attributable to any other person, firm or company including without limitation, any taxation falling on any market of the Group resulting from or by reference to the Reorganisation.

As disclosed in the Announcement, during the year ended 31 December 2018, the Korea Tax Authority has conducted regular tax investigation on prior years profits of SuperChips and concluded that SuperChips has assessable income which were subject to Korean tax rules and liable to the Tax Payment totalling KRW842,202,990 (equivalent to HK\$5,873,641). Such assessable incomes are resulting from and/or by reference to the Acquisition. On 31 December 2018, SuperChips duly settled the Tax Payment of KRW842,202,990 (equivalent to HK\$ 5,873,641).

As the Tax Payment is resulting from and/or by reference to the Acquisition (which forms part of the Reorganisation), the Company considers that the Controlling Shareholders shall indemnify the Company (for itself and as trustee of its subsidiaries) against the Tax Payment pursuant to the Deed of Indemnity. After being informed of the obligation to pay the Tax Payment by the Korea Tax Authority, the Group has obtained advice from its legal adviser as to Korean laws and commenced negotiation with the Controlling Shareholders to seek indemnity from the Controlling Shareholders pursuant to the Deed of Indemnity. As at the date of the Annual Results Announcement, the negotiation with the Controlling Shareholders is still on-going and no legally binding agreement is entered into between the Company and the Controlling Shareholders.

The amount due from AMS to the Company in the sum of approximately HK\$ 5,874,000 as at 31 December 2018 as disclosed in the Annual Results Announcement represents the potential claim of the Company against AMS in relation to the Tax Payment under the Deed of Indemnity.

## **(2) DISCLOSEABLE TRANSACTION AND CONNECTED TRANSACTION IN RELATION TO THE DEED OF SETTLEMENT**

### **DEED OF SETTLEMENT**

On 26 March 2019 (after trading hours), after rounds of negotiation, the Controlling Shareholders entered into the Deed of Settlement with the Company (for itself and as trustee of its subsidiaries), pursuant to which AMS shall pay the Settlement Payment in the sum of HK\$6,022,916 to the Company for the settlement of the Claim against the Controlling Shareholders in relation to the Tax Payment (whether under the Deed of Indemnity or otherwise).

The main terms of the Deed of Settlement are as follows:

- (1) for the settlement of the Claim, AMS irrevocably and unconditionally undertakes to pay to the Company the Settlement Payment in the sum of HK\$6,022,916 (being the sum of (i) the amount of the Tax Payment of KRW842,202,990 (equivalent to HK\$5,873,641); and (ii) an additional sum of HK\$149,275, which is accrued on the amount of the Tax Payment at the rate of 5.125% per annum and calculated on the number of days during the period commenced on 1 January 2019 and ending on 30 June 2019 and on the basis of a 365-day year in cash on or before 30 June 2019; and
- (2) subject to the full performance of the obligations by AMS in paragraph (1) above, each and every Claim which any of the Group Companies has or may have against the Controlling Shareholders, whether for and on behalf of itself or its subsidiaries, in relation to the Tax Payment (whether under the Deed of Indemnity or otherwise) is waived and forever abandoned and each of the Controlling Shareholders is fully and finally discharged and released forever from all and any Claims made or that will be made by any Group Companies in relation to the Tax Payment (whether under the Deed of Indemnity or otherwise) and each of the Group Companies covenants not to bring any claim, complaint or proceedings against any Controlling Shareholders, whether for and on behalf of itself or its subsidiaries, anywhere in the world in respect of any such Claim in relation to the Tax Payment (whether under the Deed of Indemnity or otherwise).

### **INFORMATION OF THE CONTROLLING SHAREHOLDERS**

LiquidTech is a company incorporated in BVI with limited liability, a Controlling Shareholder of the Company holding approximately 65.73% of the issued Shares of the Company. As at the date of this announcement, the entire issued share capital of LiquidTech is wholly-owned by AMS. As at the date of this announcement, LiquidTech is principally engaged in investment holding.

AMS is a company incorporated in Singapore with limited liability, the owner of the entire issued share capital of LiquidTech and a Controlling Shareholder of the Company. As at the date of this announcement, the entire issued share capital of AMS is owned as to approximately 26.14% by Mr. Phung, 25.34% by Mr. Suh, 14.71% by Mr. Lee, 14.03% by Mr. Park, 14.03%, 2.35% by Ms. Marilyn Tang and 17.43% by other Independent Third Parties. As at the date of this announcement, AMS is principally engaged in provision of digital media and network storage solutions services.

Mr. Phung, being the holder of approximately 26.14% of the issued shares of AMS as at the date of this announcement, is the spouse of Ms. Marilyn Tang, an executive Director and a Controlling Shareholder of the Company.

Mr. Suh, being the holder of approximately 25.34% of the issued shares of AMS as at the date of this announcement, is an executive Director and a Controlling Shareholder of the Company.

Mr. Lee, being the holder of approximately 14.71% of the issued shares of AMS as at the date of this announcement, is an executive Director and a Controlling Shareholder of the Company.

Mr. Park, being the holder of approximately 14.03% of the issued shares of AMS as at the date of this announcement, is a Controlling Shareholder of the Company.

Ms. Marilyn Tang, being the holder of approximately 2.35% of the issued shares of AMS as at the date of this announcement, is the spouse of Mr. Phung and a Controlling Shareholder of the Company.

## **REASONS FOR AND BENEFITS OF ENTERING INTO OF THE DEED OF SETTLEMENT**

The principal activity of the Company is investment holding. The Group is engaged in the provision of (i) integration of systems with network connectivity, cloud computing and security elements and (ii) maintenance services in Korea and Hong Kong.

The terms of the Deed of Settlement (including the amount of the Settlement Payment) were negotiated on an arm's length basis between the Controlling Shareholders and the Company, having considered that (i) in addition to recover the Tax Payment of KRW842,202,990 (equivalent to HK\$5,873,641) in full, the Group would have received an additional sum of HK\$149,275, which is accrued on the amount of the Tax Payment at the rate of 5.125% per annum and calculated on the number of days during the period commenced on 1 January 2019 and ending on 30 June 2019 and on the basis of a 365-day year; and (ii) the considerable amount of time and financial resources of the Group would be needed to proceed with legal proceedings (if required) and the uncertainties involved in the outcome of the legal proceedings (if required). The Directors (excluding Mr. Phung, Mr. Suh and Mr. Lee who had abstained from voting on the relevant resolutions at the Board meeting approving the Deed of Settlement but including the independent non-executive Directors) consider that the terms of the Deed of Settlement and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable and in the interests of the Company and its Shareholders as a whole.

## **IMPLICATIONS UNDER THE GEM LISTING RULES**

As at the date of this announcement, (i) LiquidTech is the owner of approximately 65.73% of the issued Shares of the Company, (ii) AMS is the owner of the entire issued share capital of LiquidTech; and (iii) AMS is held as to approximately 26.14% by Mr. Phung, 25.34% by Mr. Suh, 14.71% by Mr. Lee, 14.03% by Mr. Park, 2.35% by Ms. Marilyn Tang and 17.43% by other Independent Third Parties. Further, each of Mr. Phung, Mr. Suh and Mr. Lee is an executive Director of the Company. As such, the Controlling Shareholders are connected persons of the Company by virtue of his/her/its position as a Controlling Shareholder of the Company and/or an executive Director of the Company under the GEM Listing Rules. Accordingly, the entering into of the Deed of Settlement constitutes a connected transaction on the part of the Company under Chapter 20 of the GEM Listing Rules. Each of Mr. Phung, Mr. Suh and Mr. Lee has a material interest in the Deed of Settlement and had abstained from voting on the relevant resolutions at the Board meeting approving the Deed of Settlement.

As all applicable percentage ratios are less than 25% and the total consideration payable by the Controlling Shareholders to the Company under the Deed of Settlement is less than HK\$10,000,000, the entering into of the Deed of Settlement and the transactions contemplated thereunder are subject to the reporting and announcement requirements but exempt from the circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

As one or more of the applicable percentage ratios is more than 5% but less than 25%, the entering into of the Deed of Settlement also constitutes a discloseable transaction on the part of the Company under Chapter 19 of the GEM Listing Rules.

## DEFINITIONS

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

“Acquisition”	has the meaning ascribed to it in the section headed “(1) Further Announcement in relation to the Annual Results Announcement” of this announcement
“AMS”	Asia Media Systems Pte. Ltd., a company incorporated in Singapore with limited liability, a Controlling Shareholder of the Company and is owned as to approximately 26.14% by Mr. Phung, 25.34% by Mr. Suh, 14.71% by Mr. Lee, 14.03% by Mr. Park, 2.35% by Ms. Marilyn Tang and 17.43% by other Independent Third Parties
“Announcement”	has the meaning ascribed to it in the section headed “(1) Further Announcement in relation to the Annual Results Announcement” of this announcement
“Annual Results Announcement”	has the meaning ascribed to it in the section headed “(1) Further Announcement in relation to the Annual Results Announcement” of this announcement
“Board”	the board of Directors
“BVI”	the British Virgin Islands
“Claim”	each and any claim, cause or right of action or proceedings, of whatsoever nature and howsoever arising, in any jurisdiction whatsoever and whether arising, before, on or after the date of the Deed of Settlement in respect of, arising out of, or relating to any matter arising out of, or relating to, the Tax Payment
“Company”	Future Data Group Limited (stock code: 8229), an exempted company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the GEM
“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, and in the context of the Company, means collectively LiquidTech, AMS, Mr. Phung, Mr. Suh, Mr. Lee, Mr. Park and Ms. Marilyn Tang
“Deed of Indemnity”	the deed of indemnity dated 28 June 2016 and executed by the Controlling Shareholders in favour of the Company (for itself and as trustee for the Group Companies)
“Deed of Settlement”	the deed of settlement dated 26 March 2019 entered into between the Controlling Shareholders and the Company (for itself and as trustee of its subsidiaries) in relation to the settlement of the Claim against Controlling Shareholders in relation to the Tax Payment (where under the Deed of Indemnity or otherwise)
“Director(s)”	the director(s) of the Company
“Future Data (HK)”	Future Data Limited, a company incorporated in Hong Kong with limited liability and is an indirect wholly-owned subsidiary of the Company
“GEM”	the GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Global Telecom”	Global Telecom Co., Ltd., a company incorporated in Korea with limited liability and an indirect wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“Group Companies”	collectively, the Company, SuperChips, Global Telecom and Future Data (HK)
“HK\$”	Hong Kong dollars, the lawful currency for the time being of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	party(ies) who, together with his/her/its ultimate beneficial owner(s) and/or associate(s), is/are persons independent of the Company and its connected persons



“Korea”	the Republic of Korea
“KRW”	Korean Won, the lawful currency of Korea
“LiquidTech”	LiquidTech Limited, a company incorporated in BVI with limited liability, a Controlling Shareholder of the Company and the entire issued shares of which are wholly-owned by AMS
“Listing Date”	8 July 2016, the date on which dealings in the Shares first commence on GEM
“Mr. Lee”	Mr. Lee Seung Han, being the holder of approximately 14.71% of the issued shares of AMS, an executive Director and a Controlling Shareholder of the Company
“Mr. Park”	Mr. Park Hyeoung Jin, being the holder of approximately 14.03% of the issued shares of AMS and a Controlling Shareholder of the Company
“Mr. Phung”	Mr. Phung Nhuong Giang, being the holder of approximately 26.14% of the issued shares of AMS, the spouse of Ms. Marilyn Tang, an executive Director and a Controlling Shareholder of the Company
“Mr. Suh”	Mr. Suh Seung Hyun, being the holder of approximately 25.34% of the issued shares of AMS, an executive Director and a Controlling Shareholder of the Company
“Ms. Marilyn Tang”	Ms. Marilyn Tang, being the holder of approximately 2.35% of the issued shares of AMS, the spouse of Mr. Phung and a Controlling Shareholder of the Company
“Prospectus”	has the meaning ascribed to it in the section headed “(1) Further Announcement in relation to the Annual Results Announcement” of this announcement
“Reorganisation”	the corporate reorganisation of our Group in preparation for the listing of the Shares on GEM, details of which are set out in the Prospectus
“Settlement Payment”	the settlement payment in the sum of HK\$6,022,916 payable by AMS to the Company pursuant to the terms of the Deed of Settlement

“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of issued Share(s)
“Singapore”	the Republic of Singapore
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“SuperChips”	SuperChips Limited, a company incorporated in BVI with limited liability and a direct wholly-owned subsidiary of the Company
“Tax Payment”	the tax payment of KRW842,202,990 (equivalent to approximately HK\$5,873,641) paid to the Korea Tax Authority by SuperChips on 31 December 2018
“%”	per cent.

By order of the Board  
**Future Data Group Limited**  
**Suh Seung Hyun**  
*Chairman*

Hong Kong, 26 March 2019

*For the purpose of this announcement, unless otherwise indicated, conversion of Korean Won into Hong Kong dollars is calculated at the approximate exchange rate of KRW1.00 to HK\$0.006974. This exchange rate is adopted for the purpose of illustration purpose only and does not constitute a representation that any amounts have been, could have been, or may be, exchanged at this rate or any other rates at all*

*As at the date of this announcement, the executive Directors are Mr. Suh Seung Hyun, Mr. Phung Nhuong Giang, Mr. Lee Seung Han and Mr. Ryoo Seong Ryul; and the independent nonexecutive Directors are Mr. Wong Sik Kei, Mr. Sum Chun Ho and Mr. Yung Kai Tai.*

*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 of Hong Kong Limited 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 Company Announcements” page on the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of its publication and on the Company’s website at [www.futuredatagroup.com](http://www.futuredatagroup.com).*