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PROSPEROUS FUTURE HOLDINGS LIMITED

未來發展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1259)

**POSSIBLE DISCLOSEABLE TRANSACTION
IN RELATION TO OFFER TO LEASE**

OFFER TO LEASE

The Board announces that on 21 April 2023, PFH FinTech, an indirect wholly-owned subsidiary of the Company, as tenant, has signed and issued to the Agent the Offer to Lease in respect of the lease of the Premises.

The Offer to Lease is subject to the acceptance and execution by the Agent as agent for the landlord. Upon execution by the Agent, the Offer to Lease shall become legally binding on PFH FinTech and the landlord.

LISTING RULES IMPLICATIONS

Pursuant to IFRS 16, the entering into of the Offer to Lease by PFH FinTech as tenant will require the Group to recognise the Premises as right-of-use asset. Accordingly, the transaction contemplated under the Offer to Lease will be regarded as an acquisition of asset by the Company under the Listing Rules. The value of right-of-use asset recognised by the Company under the Offer to Lease amounted to approximately HK\$6.06 million.

As the highest applicable percentage ratios in respect of the acquisition of right-of-use asset recognised by the Group under the Offer to Lease exceeds 5% but is less than 25%, the entering into of the Offer to Lease constitutes a discloseable transaction of the Company upon acceptance by the Agent as agent for the landlord, and is subject to the reporting and announcement requirements but is exempt from Shareholders' approval under Chapter 14 of the Listing Rules.

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The principal terms of the Offer to Lease are set out below:

Date of signing by PFH FinTech:	21 April 2023
Parties:	PFH FinTech, as tenant; and Sino Real Estate Agency Limited, as agent of the landlord
Landlord:	Hornbrook Investment Limited
Premises:	Units 704 and 705A, 7th Floor, Empire Centre, 68 Mody Road, Tsim Sha Tsui, Kowloon, Hong Kong.
User:	For use only by PFH FinTech as office premises.
Term:	Three years commencing on 1 July 2023 and expiring on 30 June 2026 (both days inclusive).
Total rent payable:	The total rent payable under the term pursuant to the Offer to Lease is approximately HK\$6.67 million and is exclusive of management fee, air-conditioning charge and government rates.
Security deposit:	Approximately HK\$980,000, equivalent to four months' monthly rent, management fees and government rates was paid on the signing of the Offer to Lease by PFH FinTech.

Rent free period: Two months from 1 July 2023 to 31 August 2023 (both days inclusive) subject to the observance and performance of all the conditions of the Offer to Lease and the tenancy agreement to be entered into between the parties.

INFORMATION OF THE PARTIES

PFH FinTech is an indirect wholly-owned subsidiary of the Company and is principally engaged in provision of management services.

The Agent principally engaged in the provision of real estate agency services. To the best of the knowledge, information and belief of the Directors, and having made all reasonable enquiries, the Agent and its ultimate beneficial owners is independent of the Company and its connected persons.

The landlord is principally engaged in property investment. To the best of the knowledge, information and belief of the Directors, and having made all reasonable enquiries, the landlord and its ultimate beneficial owners is independent of the Company and its connected persons.

REASONS FOR AND BENEFITS OF ENTERING INTO THE OFFER TO LEASE

The Group is principally engaged in provision of food and beverage services, provision of financial business, properties holding, provision of temperature-controlled storage and ancillary services and investment holding. Having considered (i) the need for additional office space to cater the increasing number of staff in the Company's head office and principal place of business in Hong Kong, and (ii) various factors including the size, location and rent of the Premises, the Company is of the view that entering into the Offer to Lease, if materialised, would allow the Company to expand its current office space to accommodate the operation needs of the Company.

The terms of the Offer to Lease, including the amount of rent, were reached after arm's length negotiations and on normal commercial terms between the parties and were determined with reference to the prevailing market rent for comparable premises in the vicinity of the Premises. In view of the above, the Board considers that the terms of the Offer to Lease are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

Pursuant to IFRS 16, the entering into of the Offer to Lease by PFH FinTech as tenant will require the Group to recognise the Premises as right-of-use asset. Accordingly, the transaction contemplated under the Offer to Lease will be regarded as an acquisition of asset by the Company under the Listing Rules. The value of right-of-use asset recognised by the Company under the Offer to Lease amounted to approximately HK\$6.06 million.

As the highest applicable percentage ratios in respect of the acquisition of right-of-use asset recognised by the Group under the Offer to Lease exceeds 5% but is less than 25%, the entering into of the Offer to Lease constitutes a discloseable transaction of the Company upon acceptance by the Agent as agent for the landlord, and is subject to the reporting and announcement requirements but is exempt from Shareholders' approval under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Agent”	Sino Real Estate Agency Limited, a company incorporated in Hong Kong with limited liability and the agent for the landlord in relation to the lease of the Premises
“Board”	the board of Directors
“Company”	Prosperous Future Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Stock Exchange (stock code: 1259)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“IFRS”	International Financial Reporting Standards issued by the International Accounting Standard Board
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Offer to Lease”	the offer letter signed and issued by PFH FinTech to the Agent on 21 April 2023 in respect of the tenancy of the Premises
“PFH FinTech”	PFH FinTech Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Premises”	the property located at Units 704 and 705A, 7th Floor, Empire Centre, 68 Mody Road, Tsim Sha Tsui, Kowloon, Hong Kong
“Shareholder(s)”	holders of the shares in the Company from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

By order of the Board
Prosperous Future Holdings Limited
Lau Ka Ho
Chief Executive Officer and Executive Director

Hong Kong, 21 April 2023

As at the date of this announcement, the Board comprises (i) two executive Directors, namely Mr. Lau Ka Ho and Mr. Chan Hoi Tik; (ii) one non-executive Director, namely Mr. Sze Wine Him Jaime; and (iii) three independent non-executive Directors, namely Ms. Chan Sze Man, Mr. Ma Kwun Yung Stephen and Ms. Bu Yanan.