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FUTURE DATA GROUP LIMITED

未來數據集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8229)

DISCLOSABLE TRANSACTION IN RELATION TO THE DISPOSAL OF PROPERTIES

THE DISPOSAL

The Company announces that on 1 December 2023, the Seller, an indirect wholly-owned subsidiary of the Company, and Buyer A, an Independent Third Party, entered into the 1st Sale and Purchase Agreement, pursuant to which the Seller agreed to sell and Buyer A agreed to purchase the Property A at a consideration of KRW2,037,073,637 (approximately HK\$12,181,700).

On the same date, the Seller and Buyer B, an Independent Third Party, entered into the 2nd Sale and Purchase Agreement pursuant to which the Seller agreed to sell and Buyer B agreed to purchase the Property B at a consideration of KRW2,337,352,069 (approximately HK\$13,977,365).

GEM LISTING RULE IMPLICATIONS

As the highest applicable percentage ratio (as defined in the GEM Listing Rules) in respect of the Disposal is more than 5% but less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to the notification and announcement requirements under the GEM Listing Rules.

INTRODUCTION

The Company announces that on 1 December 2023, the Seller, an indirect wholly-owned subsidiary of the Company, and Buyer A, an Independent Third Party, entered into the 1st Sale and Purchase Agreement, pursuant to which the Seller agreed to sell and Buyer A agreed to purchase the Property A at a consideration of KRW2,037,073,637 (approximately HK\$12,181,700).

On the same date, the Seller and Buyer B, an Independent Third Party, entered into the 2nd Sale and Purchase Agreement pursuant to which the Seller agreed to sell and Buyer B agreed to purchase the Property B at a consideration of KRW2,337,352,069 (approximately HK\$13,977,365).

The principal terms of the Sale and Purchase Agreements are as follows:

THE 1ST SALE AND PURCHASE AGREEMENT

Date: 1 December 2023

Parties: the Seller; and

the Buyer A

To the best Directors' knowledge, information and belief having made all reasonable enquiry, Buyer A is an Independent Third Party

Assets to be disposed of: Property A

Consideration

The consideration for the 1st Disposal (the "**1st Consideration**") is KRW2,037,073,637 (approximately HK\$12,181,700), which will be paid in the following manner:

- (a) KRW200,000,000 (approximately HK\$1,196,000) being the down payment of the 1st Consideration ("**1st Down Payment**") was paid by Buyer A in cash to the Seller upon the signing of the 1st Sale and Purchase Agreement; and
- (b) KRW1,837,073,637 (approximately HK\$10,985,700) being the remaining balance of the 1st Consideration which shall be paid by Buyer A to the Seller upon completion of the 1st Sale and Purchase Agreement.

The 1st Consideration was arrived at after arm's length negotiations between the Seller and the Buyer A with reference to the valuation of the Property A made by an independent property valuer of approximately KRW2,050,000,000 (approximately HK\$12,259,000) as at 1 December 2023.

Completion

Completion of the 1st Disposal is expected to be taken place on 15 December 2023.

Other terms

Prior to completion of the 1st Disposal, (i) the Seller has right to terminate the 1st Sale and Purchase Agreement by compensate with a sum equivalent to the amount of the 1st Down Payment together with the refund of the 1st Down Payment to Buyer A; and (ii) Buyer A has the option to terminate the 1st Sale and Purchase Agreement and in this event the 1st Down Payment will be forfeited by the Seller.

If the Seller or Buyer A fails to meet the terms of the 1st Sale and Purchase Agreement, the non-defaulting party has the right to terminate the 1st Sale and Purchase Agreement by providing written notice to the party in breach, and the non-defaulting party can claim damages from the defaulting party for losses resulting from the cancellation of agreement.

THE 2ND SALE AND PURCHASE AGREEMENT

Date: 1 December 2023

Parties: the Seller;

the Buyer B

To the best Directors' knowledge, information and belief having made all reasonable enquiry, Party B is an Independent Third Party

Assets to be disposed of: Property B

Consideration

The consideration for the 2nd Disposal (the "**2nd Consideration**") is KRW2,337,352,069 (approximately HK\$13,977,365), which will be paid in the following manner:

- (a) KRW230,000,000 (approximately HK\$1,375,400) being the down payment of the 2nd Consideration (the "**2nd Down Payment**") was paid by Buyer B in cash to the Seller upon the signing of the 2nd Sale and Purchase Agreement; and
- (b) KRW2,107,352,069 (approximately HK\$12,601,965) being the remaining balance of the 2nd Consideration shall be paid by Buyer B to the Seller upon completion of the 2nd Sale and Purchase Agreement.

The 2nd Consideration was arrived at after arm's length negotiations between the Seller and Buyer B with reference to the valuation of the Property B made by an independent property valuer of approximately KRW2,350,000,000 (approximately HK\$14,053,000) as at 1 December 2023.

Completion

Completion of the 2nd Disposal is expected to be taken place on 15 December 2023.

Other terms

Prior to completion of the 2nd Disposal, (i) the Seller has right to terminate the 2nd Sale and Purchase Agreement by compensate with a sum equivalent to the amount of the 2nd Down Payment together with the refund of the 2nd Down Payment to Buyer B; and (ii) Buyer B has the option to terminate the 2nd Sale and Purchase Agreement and in this event the 2nd Down Payment will be forfeited by the Seller.

If the Seller or Buyer B fails to meet the terms of the 2nd Sale and Purchase Agreement, the non-defaulting party has the right to terminate the 2nd Sale and Purchase Agreement by providing written notice to the party in breach, and the non-defaulting party can claim damages from the defaulting party for losses resulting from the cancellation of agreement.

INFORMATION OF THE PROPERTIES

Property A is comprised of 2 office premises and 1 warehouse all of which are located at Think Factory Industrial Cluster Dongsan, Seoul, Korea. No rental income was recorded as attributable to Property A prior to the 1st Disposal as Property A were held by the Group for its own use and the unaudited net book values of Property A as at 31 December 2022 was approximately HK\$11,178,474 (approximately KRW1,868,437,285).

Property B is comprised of 3 offices premises all of which are located at Think Factory Industrial Cluster Dongsan, Seoul, Korea. Property B was utilised by the Group as offices for rental prior to the 2nd Disposal. The rental income net of direct expenses incurred before and after tax attributable to Property B was HK\$nil for the financial year ended 31 December 2022; and approximately HK\$626,937 (approximately KRW104,838,909) for the period from mid-January to November 2023. The unaudited net book values of Property B as at 31 December 2022 was approximately HK\$12,676,255 (approximately KRW2,118,785,368).

INFORMATION ON THE GROUP AND THE VENDOR

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; (ii) maintenance services; and (iii) cyber security services in Korea and Hong Kong.

The Vendor is a company incorporated in Korea with limited liability and is an indirect wholly-owned subsidiary of the Company. The Vendor is principally engaged in provision of system integration and maintenance services.

POSSIBLE FINANCIAL EFFECT OF THE DISPOSAL AND USE OF PROCEEDS

The Disposal is expected to enable the Group to recognize an unaudited gain of approximately HK\$2,400,454 (approximately KRW401,413,733), being the difference between the Considerations over the carrying value of the Properties before any expenses and tax. The actual gain or loss as a result of the Disposal to be recorded by the Group is subject to audit and will be determined as at the date of the completions of the Sale and Purchase Agreements. The net proceeds from the Disposal after deducting relevant costs and expenses (before tax), estimated to be approximately HK\$2,200,454, are intended to be applied for repayment of the mortgage loan of the Properties and for the Group's working capital purpose.

REASONS AND BENEFITS OF THE DISPOSAL

The Properties have been mortgaged to the bank at the time they were acquired by the Group. The Board has been assessing the property market in Korea and reviewing the Group's options over the Properties as held by the Group. In view of the interest rate hikes in the global economy and having considered the current market value of the Properties and the current property market conditions in Korea as well as taking into consideration of the current financial position of the Group, the Board is of the view that the Disposal, if materializes, represents a good opportunity for the Group to cash out from selling the Properties to enhance the Group's cash flow. The net proceeds of the Disposal will be applied for the repayment of the mortgage loans of the Properties so as to reduce the interest expenses.

The Directors consider the terms of the Sale and Purchase Agreements are on normal commercial terms, fair and reasonable and the Disposal is in the interests of the Company and the Shareholders as a whole.

GENERAL

As the highest applicable percentage ratio (as defined in the GEM Listing Rules) in respect of the Disposal is more than 5% but less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to the notification and announcement requirements under the GEM Listing Rules.

DEFINITIONS

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

“1st Consideration”	KRW2,037,073,637 (approximately HK\$12,181,700), being the consideration of the 1st Disposal
“1st Disposal”	the disposal of the Property A pursuant to the terms of the 1st Sale and Purchase Agreement

“1st Sale and Purchase Agreement”	the sale and purchase agreement dated 1 December 2023 entered into between the Seller and Buyer A in respect of the 1st Disposal
“2nd Consideration”	KRW2,337,352,069 (approximately HK\$13,977,365), being the consideration of the 2nd Disposal
“2nd Disposal”	the disposal of the Property B pursuant to the terms of the 2nd Sale and Purchase Agreement
“2nd Sale and Purchase Agreement”	the sale and purchase agreement dated 1 December 2023 entered into between the Seller and Buyer B in respect of the 2nd Disposal
“Board”	the board of Directors
“Buyer A”	Leehanns Co., Ltd., a company incorporated in Korea and, to the best Directors’ knowledge, information and belief having made all reasonable enquiry, an Independent Third Party
“Buyer B”	i-Cloud Co., Ltd., a company incorporated in Korea which, to the best Directors’ knowledge, information and belief having made all reasonable enquiry, an Independent Third Party
“Buyers”	collectively, Buyer A and Buyer B
“Company”	Future Data Group Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on GEM of the Stock Exchange (stock code: 8229)
“Considerations”	the aggregation of 1st Consideration and 2nd Consideration, being, KRW4,374,425,706 (approximately HK\$26,159,065), being the total consideration of the Disposal
“Director(s)”	the director(s) of the Company
“Disposal”	collectively, the 1st Disposal and the 2nd Disposal
“GEM”	the GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong “	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third party(ies) independent of the Company and its connected persons (as defined in the GEM Listing Rules)
“Korea”	the Republic of Korea
“KRW”	South Korean won, the lawful currency of Korea
“Properties”	collectively, Property A and Property B
“Property A”	# A-1309, 1310, L-152, Dangsang Factory, 150, Yeongdeungpo-ro, Yeongdeungpo-gu, Seoul, Korea
“Property B”	# A-1311, 1312, 1313, Dangsang Factory, 150, Yeongdeungpo-ro, Yeongdeungpo-gu, Seoul, Korea
“Sale and Purchase Agreements”	collectively, the 1st Sale and Purchase Agreement and the 2nd Sale and Purchase Agreement
“Seller”	Global Telecom Company Limited, a company incorporated in Korea and an indirect wholly-owned subsidiary of the Company
“Share(s)”	ordinary share(s) with a nominal value of HK\$0.01 each in the capital of the Company
“Shareholders”	holder(s) of the issued Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

The exchange rate of KRW to HK\$ is 1:0.00598; and the exchange rate of HK\$ to KRW is 167.146.

By order of the Board
Future Data Group Limited
Tao Hongxia
Chairlady and Executive Director

Hong Kong, 1 December 2023

As at the date of this announcement, the executive Directors are Ms. Tao Hongxia, Mr. Lee Seung Han, Mr. Cheung Ting Pong and Mr. Tao Guolin; and the independent non-executive Directors are Mr. Chan Kin Ming, Mr. Lam Chi Cheung Albert and Mr. Leung Louis Ho Ming.

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 www.hkexnews.hk for at least seven days from the day of its publication. This announcement will also be published on the Company’s website at www.futuredatagroup.com.