

FUTURE DATA
FUTURE DATA GROUP LIMITED
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8229)

**ANNOUNCEMENT OF FIRST QUARTERLY RESULTS
FOR THE THREE MONTHS ENDED 31 MARCH 2021**

**CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG
LIMITED (THE “STOCK EXCHANGE”)**

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*This announcement, for which the directors (the “**Directors**”) of Future Data Group Limited (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 (the “**GEM Listing Rules**”) for the purpose of giving information with regard to the Company and its subsidiaries (collectively refer to as the “**Group**”). 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.*

FINANCIAL HIGHLIGHTS

For the three months ended 31 March 2021

- Unaudited revenue of the Group was HK\$163.6 million for the three months ended 31 March 2021, representing an increase of approximately HK\$49.9 million or 43.8%, as compared to the three months ended 31 March 2020.
- Unaudited profit for the period was HK\$3.6 million for the three months ended 31 March 2021, reversing from a loss for the period of HK\$8.6 million for the three months ended 31 March 2020.
- Unaudited basic and diluted earnings per share for the three months ended 31 March 2021 was HK cents 0.96 (unaudited basic and diluted loss per share for the three months ended 31 March 2020: HK cents 2.02).
- The Board does not recommend the payment of an interim dividend for the three months ended 31 March 2021 (for the three months ended 31 March 2020: Nil).

QUARTERLY RESULTS

The board of directors (the “**Board**”) of the Company presents the unaudited condensed consolidated results of the Group for the three months ended 31 March 2021, together with comparative figures as follows.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the three months ended 31 March 2021

		Three months ended	
		31 March	
	Notes	2021	2020
		HK\$'000	HK\$'000
		(unaudited)	(unaudited)
Revenue	3	163,586	113,730
Cost of sales and services		<u>(142,482)</u>	<u>(104,138)</u>
Gross profit		21,104	9,592
Other income, net		1,512	374
Selling and administrative expenses		(17,364)	(18,720)
Finance costs		<u>(250)</u>	<u>(270)</u>
Profit/(loss) before income tax	4	5,002	(9,024)
Income tax (expense)/credit	5	<u>(1,449)</u>	<u>446</u>
Profit/(loss) for the period		<u>3,553</u>	<u>(8,578)</u>
Attributable to:			
– Owners of the Company		3,833	(8,080)
– Non-controlling interests		<u>(280)</u>	<u>(498)</u>
		<u>3,553</u>	<u>(8,578)</u>
Earnings/(loss) per share attributable to owners of the Company			
Basic and Diluted (<i>HK cents</i>)	6	<u>0.96</u>	<u>(2.02)</u>

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months ended 31 March 2021

	Three months ended	
	31 March	
	2021	2020
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Profit/(loss) for the period	3,553	(8,578)
Other comprehensive income for the period		
<i>Items that will be reclassified subsequently to profit or loss:</i>		
Exchange differences arising on translation of foreign operations	<u>(3,764)</u>	<u>(6,186)</u>
Total comprehensive income for the period	<u>(211)</u>	<u>(14,764)</u>
Attributable to:		
– Owners of the Company	73	(14,266)
– Non-controlling interests	<u>(284)</u>	<u>(498)</u>
	<u>(211)</u>	<u>(14,764)</u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended 31 March 2021

	Attributable to equity holders of the Company								Non-controlling interests HK\$'000	Total equity HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000	Research and development reserve HK\$'000	Foreign exchange reserve HK\$'000	Legal reserve HK\$'000	Retained earnings HK\$'000	Total HK\$'000		
At 1 January 2021 (audited)	4,000	35,718	13,855	3,674	741	2,490	82,232	142,710	658	143,368
Profit/(loss) for the period	-	-	-	-	-	-	3,833	3,833	(280)	3,553
Exchange difference arising on translation of foreign operations	-	-	-	-	(3,760)	-	-	(3,760)	(4)	(3,764)
Total comprehensive income	-	-	-	-	(3,760)	-	3,833	73	(284)	(211)
Appropriation	-	-	-	-	-	454	(454)	-	-	-
At 31 March 2021 (unaudited)	<u>4,000</u>	<u>35,718</u>	<u>13,855</u>	<u>3,674</u>	<u>(3,019)</u>	<u>2,944</u>	<u>85,611</u>	<u>142,783</u>	<u>374</u>	<u>143,157</u>
At 1 January 2020 (audited)	4,000	35,718	13,855	3,674	(5,792)	1,995	75,677	129,127	1,021	130,148
Loss for the period	-	-	-	-	-	-	(8,080)	(8,080)	(498)	(8,578)
Exchange difference arising on translation of foreign operations	-	-	-	-	(6,186)	-	-	(6,186)	-	(6,186)
Total comprehensive income	-	-	-	-	(6,186)	-	(8,080)	(14,266)	(498)	(14,764)
Appropriation	-	-	-	-	-	495	(495)	-	-	-
At 31 March 2020 (unaudited)	<u>4,000</u>	<u>35,718</u>	<u>13,855</u>	<u>3,674</u>	<u>(11,978)</u>	<u>2,490</u>	<u>67,102</u>	<u>114,861</u>	<u>523</u>	<u>115,384</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 31 March 2021

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 4 January 2016 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as revised and consolidated) of the Cayman Islands and its shares have been listed on GEM of the Stock Exchange since 8 July 2016. The Company's registered office is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The Company's principle place of business in Hong Kong is located at Suite 1507-08, 15th Floor, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong.

The principal places of the Group's business are located at Unit 801-809, 822, Mulla SK V1 Center, 10 Seonyu-ro 9-gil, Yeongdeungpo-gu, Seoul, Korea and at the aforementioned address in Hong Kong.

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 functional currencies of the Company's principal operating subsidiaries in Korea and Hong Kong are South Korean Won ("KRW") and Hong Kong Dollars ("HK\$") respectively, while the condensed consolidated financial statements are presented in HK\$ which is also the functional currency of the Company. As the Company's shares (the "Shares") are listed on GEM of the Stock Exchange, the Directors consider that it will be more appropriate to adopt HK\$ as the Group's presentation currency. The amounts stated are rounded to the nearest HK\$1,000 unless otherwise stated.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The condensed consolidated financial statements for the three months ended 31 March 2021 have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants and the applicable disclosure requirements of Chapter 18 of the GEM Listing Rules.

The accounting policies and methods of computation used in the preparation of the condensed consolidated financial statements for the three months ended 31 March 2021 are consistent with those adopted in the annual financial statements for the year ended 31 December 2020. The condensed consolidated financial statements for the three months ended 31 March 2021 should be read in conjunction with the annual financial statements for the year ended 31 December 2020.

On 1 January 2021, the Group has adopted all revised HKFRSs and amendments that are effective from that date and are relevant to its operations. The adoption of these revised HKFRSs and amendments has no material effect on the results reported for the current or prior periods.

3. REVENUE AND SEGMENT INFORMATION

The Group's business is organised into three segments:

- (i) system integration;
- (ii) maintenance services; and
- (iii) cyber security services.

Segment revenue and profit contribution are:

(a) Business segments:

	Three months ended 31 March							
	2021		Cyber		2020		Cyber	
	System integration	Maintenance services	security services	Total	System integration	Maintenance services	security services	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Total segment revenue	115,724	40,921	8,101	164,746	73,657	34,137	9,193	116,987
Inter-segment revenue	-	-	(1,160)	(1,160)	-	-	(3,257)	(3,257)
Revenue from external customers	<u>115,724</u>	<u>40,921</u>	<u>6,941</u>	<u>163,586</u>	<u>73,657</u>	<u>34,137</u>	<u>5,936</u>	<u>113,730</u>
Gross profit/segment results	9,714	10,158	1,232	21,104	1,187	6,707	1,698	9,592
Other income, net				1,512				374
Selling and administrative expenses				(17,364)				(18,720)
Finance costs				(250)				(270)
Profit/(loss) before income tax				5,002				(9,024)
Income tax (expense)/credit				(1,449)				446
Profit/(loss) for the period				<u>3,553</u>				<u>(8,578)</u>

(b) Geographic information:

	Three months ended	
	31 March	
	2021	2020
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Korea	156,645	107,794
Hong Kong	<u>6,941</u>	<u>5,936</u>
Total	<u>163,586</u>	<u>113,730</u>

(c) **Revenue analysis:**

	Three months ended	
	31 March	
	2021	2020
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Revenue from customers and recognised over time:		
– Revenue from system integration services	115,724	73,657
– Revenue from maintenance services	40,921	34,137
– Revenue from cyber security services	6,941	5,936
Total	163,586	113,730

The following tables disaggregate the Group's revenue from contracts with customers:

	Three months ended 31 March							
	2021				2020			
	System integration	Maintenance services	Cyber security services	Total	System integration	Maintenance services	Cyber security services	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Type of goods or services								
– Cloud infrastructure	90,841	38,485	–	129,326	61,102	31,980	–	93,082
– Security	24,883	2,436	6,941	34,260	12,555	2,157	5,936	20,648
Total revenue from contracts with customers	115,724	40,921	6,941	163,586	73,657	34,137	5,936	113,730
Type of customers								
– Public sector	30,745	22,992	–	53,737	30,637	18,436	–	49,073
– Private sector	84,979	17,929	6,941	109,849	43,020	15,701	5,936	64,657
Total revenue from contracts with customers	115,724	40,921	6,941	163,586	73,657	34,137	5,936	113,730
Contract duration								
– Within twelve months	115,206	32,852	5,662	153,720	69,186	3,585	4,420	77,191
– Over twelve months but less than twenty-four months	518	4,741	346	5,605	4,471	25,536	1,086	31,093
– Over twenty-four months	–	3,328	933	4,261	–	5,016	430	5,446
Total revenue from contracts with customers	115,724	40,921	6,941	163,586	73,657	34,137	5,936	113,730

4. PROFIT/(LOSS) BEFORE INCOME TAX

Profit/(loss) before income tax is arrived at after charging/(crediting):

	Three months ended 31 March	
	2021	2020
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Costs of inventories recognised as expenses	118,694	82,667
Employee costs	23,336	22,279
Subcontracting costs	8,218	7,573
Net (reversal)/provision for impairment of trade receivables	(894)	717
Amortisation of intangible assets	1,017	1,212
Depreciation of property, plant and equipment	462	737
Depreciation of right-of-use assets	643	622
Research and development costs	1,278	1,173
Interest on lease liabilities	26	9
Short term lease expenses	174	246
	<u>118,694</u>	<u>82,667</u>

5. INCOME TAX EXPENSE/(CREDIT)

	Three months ended 31 March	
	2021	2020
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Current tax		
– Korea	1,397	(184)
	<u>1,397</u>	<u>(184)</u>
Deferred Tax		
– Korea	80	(315)
– Hong Kong	(28)	53
	<u>52</u>	<u>(262)</u>
Total	<u>1,449</u>	<u>(446)</u>

Global Telecom Company Limited (“Global Telecom”) is subject to Korean Corporate Income Tax which comprised national and local taxes (collectively “Korean Corporate Income Tax”). Korean Corporate Income Tax is charged at the progressive rate from 11.0% to 24.2% on the estimated assessable profit of Global Telecom derived worldwide during each of the periods presented.

- 11% on assessable profit up to the first KRW200 million (equivalent to approximately HK\$1.4 million);
- 22% on assessable profit in excess of KRW200 million (equivalent to approximately HK\$1.4 million) and up to KRW20 billion (equivalent to approximately HK\$138.0 million);
- 24.2% on assessable profit in excess of KRW20 billion (equivalent to approximately HK\$138.0 million).

Subsidiaries operating in Hong Kong are subject to Hong Kong profits tax. Under two-tier profits tax regime, if the entity has one or more connected entity, the two-tiered profits tax rates would only apply to the one which is nominated to be chargeable at the two-tiered rates. Hong Kong profits tax of the nominated entity is calculated at 8.25% on assessable profits up to HK\$2 million and 16.5% on any part of assessable profits over HK\$2 million.

For the subsidiary operating in Hong Kong which does not qualify for two-tiered profits tax rates, a profits tax rate of 16.5% on assessable profit shall remain in calculating Hong Kong profits tax.

6. BASIC AND DILUTED EARNINGS/(LOSS) PER SHARE

The calculation of basic and diluted earnings/(loss) per share is based on the following data.

	Three months ended 31 March	
	2021	2020
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Profit/(loss) for the period	<u>3,833</u>	<u>(8,080)</u>
	Three months ended 31 March	
	2021	2020
	'000	'000
	(unaudited)	(unaudited)
Weighted average number of ordinary shares	<u>400,000</u>	<u>400,000</u>

Weighted average of 400,000,000 shares for the three months ended 31 March 2021 represents the number of shares in issue throughout the period.

Diluted earnings/(loss) per share were the same as the basic earnings/(loss) per share as the Group had no potential dilutive ordinary shares during the three months ended 31 March 2021 and 2020.

7. DIVIDEND

The Board does not recommend the payment of an interim dividend for the three months ended 31 March 2021 (corresponding period in 2020: nil).

8. REMUNERATION OF DIRECTORS AND EMOLUMENTS OF KEY MANAGEMENT

	Three months ended 31 March	
	2021	2020
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Remuneration of directors and other members of key management	<u>2,509</u>	<u>2,043</u>

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the three months ended 31 March 2021

	Three months ended 31 March			
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)	Change HK\$'000	Change %
Revenue	163,586	113,730	49,856	43.8%
Cost of sales and services	(142,482)	(104,138)	38,344	36.8%
Gross profit	21,104	9,592	11,512	120.0%
Other income, net	1,512	374	1,138	304.3%
Selling and administrative expenses	(17,364)	(18,720)	(1,356)	(7.2%)
Finance costs	(250)	(270)	(20)	(7.4%)
Profit/(loss) before income tax	5,002	(9,024)	(14,026)	(155.4%)
Income tax (expense)/credit	(1,449)	446	1,895	424.9%
Profit/(loss) for the period	3,553	(8,578)	(12,131)	(141.4%)

The Company recorded 43.8% increase in revenue for first quarter of 2021 attributed to economic recovery in the countries of our operations. Below is our analysis on revenue:

- The operations in Korea and Hong Kong were expanding during the period. Korea contributed HK\$156.6 million for the three months ended 31 March 2021, which was HK\$48.8 million or 45.3% higher compared to HK\$107.8 million in 2020. During the same period, Hong Kong contributed HK\$6.9 million, which was HK\$1.0 million or 16.9% higher compared to HK\$5.9 million a year ago.
- Segment revenue from system integration, maintenance services and cyber security services were HK\$115.7 million, HK\$40.9 million and HK\$6.9 million respectively which accounting for 70.8%, 25.0% and 4.2% of the Group's revenue for the three months ended 31 March 2021 (31 March 2020: 64.8%, 30.0% and 5.2%). Compared to three months ended 31 March 2020, all segments experienced a revenue growth in this year.

- Public sector contributed HK\$53.7 million in revenue, which was HK\$4.7 million or 9.5% increase; and private sector contributed HK\$109.8 million which was HK\$45.2 million or 69.9% increase as compared to year-ago period. The significant increase in private sector revenue was due to the completion of a cloud network system project for a search engine operator in Korea during the first quarter in 2021.

The Group's gross profit increased dramatically by approximately HK\$11.5 million or 120.0% from HK\$9.6 million for the three months ended 31 March 2020 to HK\$21.1 million for the three months ended 31 March 2021. The surge was attributable to high margin cloud network system project.

The Group's selling and administrative expenses were reduced by HK\$1.4 million or 7.2% for the three months ended 31 March 2021 compared to the same corresponding period in 2020. The decrease was attributable to no additional provision for impairment of trade receivable in the first quarter of 2021.

After a provision of HK\$1.4 million tax expenses, the Group posted profit for the period of HK\$3.6 million for the three months ended 31 March 2021, a reversal from a loss position of HK\$8.6 million in 2020.

Liquidity and Financial Resources

As at 31 March 2021, the Group's net current assets were HK\$88.5 million showing a strong liquidity.

The Group expresses its liquidity and financial resources in terms of gearing ratio and liquidity ratio. The gearing ratio, represented by total debt over total equity, was 47.1% as at 31 March 2021 (as at 31 December 2020: 21.1%). The increase was due to raise of new loans for business operation.

The liquidity ratio, represented by current assets over current liabilities, was 1.6 times as at 31 March 2021 (as at 31 December 2020: 1.6 times), reflecting the adequacy of financial resources.

As at 31 March 2021, the Group recorded cash and cash equivalents of approximately HK\$94.0 million (as at 31 December 2020: approximately HK\$96.2 million), which included approximately KRW13,303 million, HK\$2.4 million and small amount of United States dollars and Singapore dollars.

As at 31 March 2021, the Group had variable rate bank borrowings in US\$ and KRW of approximately US\$7.9 million and KRW786 million respectively, which were equivalent to approximately HK\$67.4 million (as at 31 December 2020: approximately HK\$30.3 million). Certain banking borrowings are guaranteed by Korea Credit Guarantee Fund which is a public financial institution independent of the Group.

Foreign Exchange Exposure

The Group's business in Korea is exposed to currency risk that mainly arose from the currency difference between our revenue receipts (which are denominated in KRW) and some of our payments for purchases (which are in US\$). In preparing the costing of our system integration project in which procurement of components in US\$ is required, we would add on a margin to the relevant cost items of the project as a cushion to safeguard against any unfavourable foreign exchange movement between the costing date and the relevant settlement date.

Revenue and cost of our Hong Kong operation are both denominated in HK\$. Hence, there is no currency risk arising from it.

Charges on Group's Assets

None of the Group's assets were charged as at 31 March 2021.

Material Investments and Capital Assets

The Group did not have any material investments and capital assets for the three months ended 31 March 2021.

The carrying amount of the Group's unlisted equity securities as at 31 March 2021 accounted for approximately 1.2% of the Group's total assets and is not significant. The unlisted equity securities mainly represent the investment in KSFC (a cooperative established pursuant to the Software Industry Promotion Act with the purpose of promoting the development of the IT industry in Korea) for its membership. Depending on the amount of investment in KSFC, a member of KSFC is granted a certain amount of guarantee limit by KSFC for use in its operation.

The Group did not have any plan for material investments or capital asset as at 31 March 2021 as well.

Significant Acquisitions and Disposals

For the three months ended 31 March 2021, the Group had not made any significant acquisition or disposal.

As at 31 March 2021, the Group was continuously seeking potential buyers for the remaining eleven properties. Having said that in the circular dated 25 January 2021, since the properties are part of the government subsidised, the Directors consider that the prices of the properties will not have any downside risk. In the event that any of the eleven properties are not disposed of prior to the payment date for relevant intermediate payment(s) and/or remaining balance, the Company intends to satisfy these payables by bank borrowing in Korea. As at 31 March 2021, Global Telecom obtained a banking facility amounting to KRW5,013,132,000 (equivalent to approximately HK\$34.5 million) to satisfy relevant intermediate payments.

Contingent Liabilities

The Group did not have any significant contingent liabilities as at 31 March 2021.

Capital Commitment

As at 31 March 2021, the Group has outstanding capital commitments of KRW6,284,080,000 (equivalent to approximately HK\$43.2 million) mainly related to the agreements entered for properties purchase in Korea which is not provided for in the Group's financial statements.

BUSINESS REVIEW

	<i>HK\$'000</i>
Opening backlog as at 1 January 2021	166,124
New booking during the period	290,605
Revenue recognised during the period	<u>(163,586)</u>
Closing backlog as at 31 March 2021	<u><u>293,143</u></u>

Resulting from the successful market penetration strategy, more contracts awarded from system integration segment business in the first quarter of 2021. Revenue from this segment for the three months ended 31 March 2021 stood at HK\$115.7 million, representing an increase by HK\$42.0 million or 57.1% when compared to HK\$73.7 million for the three months ended 31 March 2020. Examples of contracts awarded during the first quarter of 2021 included:

- A contract won from a search engine operator amounting to KRW3.5 billion (equivalent to HK\$24.2 million)
- A contract won from a computer programming services provider amounting to KRW1.5 billion (equivalent to HK\$10.4 million)
- A contract won from a local government office amounting to KRW0.9 billion (equivalent to HK\$6.2 million)
- Two contracts won from a network integration consultant company totaling KRW1.3 billion (equivalent to HK\$8.9 million)

Revenue from maintenance services segment has been growing during the three months ended 31 March 2021 to HK\$40.9 million from HK\$34.1 million for the same corresponding period in 2020. The growth was due to the increase in number of maintenance contracts.

Cyber security services segment has been expanding continuously. For the three months ended 31 March 2021, this segment recorded a revenue of HK\$6.9 million which represented an increase by HK\$1.0 million or 16.9% from HK\$5.9 million for the three months ended 31 March 2020.

PROSPECTS

We are excited about the 43.8% growth in revenue and the most profitable first quarter of HK\$3.6 million since the Company successfully listed its shares in 2016. Given the profitable result, we are positive that the Group will be profitable in 2021, bearing unforeseen circumstances.

EMPLOYEES AND REMUNERATION POLICY

As at 31 March 2021, the Group had an aggregate of 222 (31 March 2020: 225) employees comparable to the number of employee for the same corresponding period in last year.

The employees of the Group are remunerated according to their job scope and responsibilities. The employees are also entitled to discretionary bonus depending on their respective performances. Total employee costs, including Directors' emoluments, amounted to approximately HK\$23.3 million for the three months ended 31 March 2021 (for the three months ended 31 March 2020: approximately HK\$22.3 million).

The Group has adopted a share option scheme for the purpose of providing incentives and rewards to eligible persons who contributed to the success of the Group's operation. Up to 31 March 2021, no share option had been granted.

In enhancing the competitiveness and improving staff quality through continuous learning, the Group provides our staff with regular technical and on-the-job trainings and encourages our staff to attend external seminars and sit for examinations to develop their knowledge continuously.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Directors' and Chief Executives' Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company and its Associated Corporations

As at 31 March 2021, the interests and short positions in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO") held by the Directors and chief executives of the Company which have been

notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO) or have been entered in the register maintained by the Company pursuant to Section 352 of the SFO, or otherwise have been notified to the Company and the Stock Exchange pursuant to Rule 5.46 of the GEM Listing Rules are as follows:

Long Positions in the Shares

Name of Director	Capacity/ Nature of interest	Number of Shares held	Approximate percentage of issued share capital <i>(Note 4)</i>
Mr. Suh Seung Hyun <i>(Notes 1 and 2)</i> ("Mr. Suh")	Interest held jointly with other persons/Interest in controlled corporation	262,917,327	65.73%
Mr. Lee Seung Han <i>(Notes 1 and 2)</i> ("Mr. Lee")	Interest held jointly with other persons/Interest in controlled corporation	262,917,327	65.73%
Mr. Phung Nhuong Giang <i>(Notes 1, 2 and 3)</i> ("Mr. Phung")	Interest held jointly with other persons/Interest in controlled corporation/ Interest of spouse	262,917,327	65.73%

Notes:

- (1) LiquidTech Limited ("**LiquidTech**") held 262,917,327 Shares, representing 65.73% of the issued Shares. LiquidTech is wholly owned by Asia Media Systems Pte. Ltd. ("**AMS**") which is owned by Mr. Suh, Mr. Lee, Mr. Phung, Mr. Park Hyeoung Jin ("**Mr. Park**"), Mr. Lee Sung Gue, Mr. Lee Je Eun and Ms. Marilyn Tang as to 25.34%, 22.71%, 18.14%, 14.03%, 14.03%, 3.40% and 2.35% respectively.
- (2) On 21 June 2016, four of the ultimate controlling shareholders of the Company, namely, Mr. Suh, Mr. Lee, Mr. Phung and Mr. Park, entered into the acting in concert confirmation and undertaking to acknowledge and confirm, among other things, that they were parties acting in concert of each of the members of the Group. As such, Mr. Suh, Mr. Lee, Mr. Phung and Mr. Park together control approximately 65.73% interest in the share capital of the Company through AMS and LiquidTech. As a result, each of Mr. Suh, Mr. Lee, Mr. Phung and Mr. Park is deemed to be interested in approximately 65.73% interest in the share capital of the Company.
- (3) Ms. Marilyn Tang is the owner of approximately 2.35% of the issued shares of AMS and the spouse of Mr. Phung. Mr. Phung is deemed to be interested in all the Shares in which Ms. Marilyn Tang is interested under Part XV of the SFO.
- (4) The percentage of shareholding was calculated based on the Company's total number of issued Shares as at 31 March 2021 (i.e. 400,000,000 Shares).

Save as disclosed above, as at 31 March 2021, none of the Directors and chief executive of the Company had any interest or short position in the Shares, underlying Shares or debentures of the Company or any of its associated corporations that was notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or was required to be recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Rule 5.46 of the GEM Listing Rules.

Substantial Shareholders' Interests in the Shares and Underlying Shares

As at 31 March 2021, so far as known to the Directors, the following persons (not being Directors or chief executive of the Company) had or were deemed or taken to have an interest and/or short position in the Shares or the underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which would be recorded in the register required to be kept under Section 336 of the SFO who, are directly or indirectly interested in 5% or more of the Shares.

Long Positions in the Shares

Name of Shareholder	Capacity/ Nature of interest	Number of Shares held	Approximate percentage of issued share capital ^(Note 8)
LiquidTech ^(Note 1)	Beneficial owner	262,917,327	65.73%
AMS ^(Notes 1, 2 and 3)	Interest in controlled corporation	262,917,327	65.73%
Mr. Park ^(Notes 2 and 3)	Interest held jointly with other persons/Interest in controlled corporation	262,917,327	65.73%
Ms. Marilyn Tang ^(Notes 2, 3 and 4)	Interest held jointly with other persons/Interest in controlled corporation/ Interest of spouse	262,917,327	65.73%
Ms. Lee Kim Sinae ^(Note 5)	Interest of spouse	262,917,327	65.73%
Ms. Suh Kim Seong Ock ^(Note 6)	Interest of spouse	262,917,327	65.73%
Ms. Shin Hee Kum ^(Note 7)	Interest of spouse	262,917,327	65.73%

Notes:

- (1) LiquidTech is wholly-owned by AMS. AMS is deemed to be interested in all the Shares in which LiquidTech is interested under Part XV of the SFO.
- (2) AMS is owned as to approximately 25.34% by Mr. Suh, 22.71% by Mr. Lee, 18.14% by Mr. Phung, 14.03% by Mr. Park, 14.03% by Mr. Lee Sung Gue, 3.40% by Mr. Lee Je Eun and 2.35% by Ms. Marilyn Tang.
- (3) On 21 June 2016, four of the ultimate controlling shareholders of the Company, namely, Mr. Suh, Mr. Lee, Mr. Phung and Mr. Park, entered into the acting in concert confirmation and undertaking to acknowledge and confirm, among other things, that they were parties acting in concert of each of the members of the Group. As such, Mr. Suh, Mr. Lee, Mr. Phung and Mr. Park together control approximately 65.73% interest in the share capital of the Company through AMS and LiquidTech. As a result, each of Mr. Suh, Mr. Lee, Mr. Phung and Mr. Park is deemed to be interested in approximately 65.73% interest in the share capital of the Company.
- (4) Ms. Marilyn Tang is the owner of approximately 2.35% of the issued shares of AMS and the spouse of Mr. Phung. Ms. Marilyn Tang is deemed to be interested in all the Shares in which Mr. Phung is interested under Part XV of the SFO.
- (5) Ms. Lee Kim Sinae is the spouse of Mr. Lee. Ms. Lee Kim Sinae is deemed to be interested in all the Shares in which Mr. Lee is interested under Part XV of the SFO.
- (6) Ms. Suh Kim Seong Ock is the spouse of Mr. Suh. Ms. Suh Kim Seong Ock is deemed to be interested in all the Shares in which Mr. Suh is interested under Part XV of the SFO.
- (7) Ms. Shin Hee Kum is the spouse of Mr. Park. Ms. Shin Hee Kum is deemed to be interested in all the Shares in which Mr. Park is interested under Part XV of the SFO.
- (8) The percentage of shareholding was calculated based on the Company's total number of issued Shares as at 31 March 2021 (i.e. 400,000,000 Shares).

Save as disclosed above, as at 31 March 2021, the Directors were not aware of any other persons who had any interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which would be recorded in the register required to be kept under Section 336 of the SFO, who are directly or indirectly interested in 5% or more of the Shares.

SHARE OPTION SCHEME

The Company has a share option scheme (the “**Share Option Scheme**”) which was approved and adopted by the written resolutions of the then sole shareholder of the Company passed on 21 June 2016. No share option has been granted under the Share Option Scheme since its adoption.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted its securities dealing code (“**Securities Dealing Code**”) which is no less exacting than the required standard of dealings regarding securities transactions by the Directors as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Further, the Company had made specific enquiry with all Directors and each of them has confirmed his compliance with the Securities Dealing Code during the three months ended 31 March 2021.

DIRECTORS’ INTEREST IN COMPETING BUSINESS

During the three months ended 31 March 2021, none of the Directors or the controlling shareholders or their respective associates (as defined in the GEM Listing Rules) of the Company had an interest in a business which competed with or might compete with the business of the Group.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to fulfilling its responsibilities to its shareholders and protecting and enhancing shareholder value through solid corporate governance.

The Company’s corporate governance practices are based on the principles of good corporate governance as set out in the Corporate Governance Code and Corporate Governance Report in Appendix 15 to the GEM Listing Rules (the “**CG Code**”) and in relation to, among others, our Directors, Chairman and Chief Executive Officer, Board composition, the appointment, re-election and removal of Directors, their responsibilities and remuneration and communications with the shareholders of the Company.

To the best knowledge of the Board, the Company had complied with the code provisions in the CG Code during the three months ended 31 March 2021.

PURCHASE, SALE AND REDEMPTION OF THE COMPANY’S SECURITIES

The Company did not redeem any of its Shares listed on GEM nor did the Company or any of its subsidiaries purchase or sell any such Shares during the three months ended 31 March 2021.

AUDIT COMMITTEE

The Company established an audit committee (“**Audit Committee**”) with written terms of reference in compliance with Rule 5.28 of the GEM Listing Rules and paragraph C.3 of the CG Code. For the three months ended 31 March 2021, the Audit Committee consists of three independent non-executive Directors namely, Mr. Wong Sik Kei, Mr. Yung Kai Tai and Mr. Sum Chun Ho. Mr. Sum Chun Ho possesses the appropriate professional accounting qualifications and serves as the chairman of the Audit Committee.

The main duties of the Audit Committee are to assist the Board in reviewing the financial information and reporting process, risk management and internal control systems and the internal audit function, audit plan and relationship with external auditors, and arrangement to enable employees of the Company to raise, in confidence, concerns about possible improprieties in financial reporting, internal control or other matters of the Company. The Audit Committee had reviewed the unaudited quarterly results of the Company for the three months ended 31 March 2021.

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

Hong Kong, 7 May 2021

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

This announcement will remain on the “Latest Listed Company Information” page of the GEM website at www.hkgem.com for at least 7 days from the date of its publication and on the Company’s website at www.futuredatagroup.com.