
THIS COMPOSITE DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of the Offer, this Composite Document and/or the accompanying Form of Acceptance or the action to be taken, you should consult a licensed securities dealer or registered institution in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all of your shares in Future Data Group Limited, you should at once hand this Composite Document and the accompanying Form of Acceptance to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

This Composite Document should be read in conjunction with the accompanying Form of Acceptance, the contents of which form part of the terms of the Offer contained herein.

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this Composite Document and the accompanying Form of Acceptance, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Composite Document and the accompanying Form of Acceptance.

**VARIANT WEALTH
INVESTMENT DEVELOPMENT
LIMITED**
偉富投資發展有限公司
(Incorporated in the Republic of
Seychelles with limited liability)

**GORGEOUS REAL INVESTMENT
HOLDING LIMITED**
華置投資控股有限公司
(Incorporated in the British Virgin Islands
with limited liability)


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

COMPOSITE DOCUMENT RELATING TO MANDATORY UNCONDITIONAL CASH OFFER BY LEGO SECURITIES LIMITED FOR AND ON BEHALF OF THE JOINT OFFERORS TO ACQUIRE ALL THE ISSUED SHARES OF FUTURE DATA GROUP LIMITED (OTHER THAN THOSE ALREADY OWNED AND/OR AGREED TO BE ACQUIRED BY THE JOINT OFFERORS AND/OR THE JOINT OFFERORS' CONCERT PARTIES)

Financial Adviser to the Joint Offerors

 **Lego Corporate
Finance Limited**
力高企業融資有限公司

Independent Financial Adviser to the Independent Board Committee

ALTUS CAPITAL LIMITED

Unless the context otherwise requires, capitalised terms used in this cover page shall have the same meanings as those defined in the section headed "Definitions" in this Composite Document.

A letter from Lego Securities containing, among other things, details of the terms of the Offer is set out on pages 11 to 22 of this Composite Document.

A letter from the Board is set out on pages 23 to 30 of this Composite Document. A letter from the Independent Board Committee is set out on pages 31 to 32 of this Composite Document. A letter from the Independent Financial Adviser, containing its advice to the Independent Board Committee, is set out on pages 33 to 56 of this Composite Document.

The procedures for acceptance and settlement of the Offer and other related information are set out in Appendix I to this Composite Document and in the accompanying Form of Acceptance. Acceptance of the Offer should be received by the Registrar as soon as possible and in any event no later than 4:00 p.m. (Hong Kong time) on Wednesday, 26 October 2022 or such later time and/or the date as the Joint Offerors may determine and the Joint Offerors and the Company may jointly announce in accordance with the requirements under the Takeovers Code.

Any persons including, without limitation, custodians, nominees and trustees, who would, or otherwise intend to, forward this Composite Document and/or the accompanying Form of Acceptance to any jurisdiction outside Hong Kong should read the section headed "Important Notice" contained in this Composite Document before taking any action. It is the responsibility of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer, including the obtaining of any governmental, exchange control or other consents and any registration or filing which may be required or the compliance with other necessary formalities, or legal and regulatory requirements and the payment of any transfer or other taxes or other required payments due from such shareholder in respect of such jurisdictions. Overseas Shareholders are advised to seek professional advice on deciding whether to accept the Offer.

The Composite Document will remain on the websites of the Stock Exchange at <http://www.hkexnews.hk> and the Company at <http://www.futuredatagroup.com>.

5 October 2022

CHARACTERISTICS OF GEM

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

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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EXPECTED TIMETABLE

The expected timetable set out below is indicative only and may be subject to changes. Further announcement(s) will be jointly made by the Joint Offerors and the Company in the event of any changes to the timetable as and when appropriate. Unless otherwise specified, all references to time and date contained in this Composite Document and the Form of Acceptance refer to Hong Kong time and dates.

Event	Time and Date
	2022
Despatch date of this Composite Document and the Form of Acceptance (<i>Note 1</i>)	Wednesday, 5 October
Offer opens for acceptance (<i>Note 1</i>)	Wednesday, 5 October
Latest time and date for acceptance of the Offer (<i>Notes 2, 3 and 5</i>)	by 4:00 p.m. on Wednesday, 26 October
Closing Date (<i>Notes 3 and 5</i>)	Wednesday, 26 October
Announcement of the results of the Offer (or its extension or revision, if any) on the website of the Stock Exchange (<i>Notes 3 and 5</i>)	no later than 7:00 p.m. on Wednesday, 26 October
Latest date for posting of remittances for the amounts due in respect of valid acceptances received under the Offer (<i>Notes 4 and 5</i>)	Friday, 4 November

Notes:

1. The Offer, which is unconditional in all respects, is made on the date of posting of this Composite Document, and is capable of acceptance on and from that date until 4:00 p.m. on the Closing Date, unless the Joint Offerors revise or extend the Offer in accordance with the Takeovers Code. Acceptances of the Offer shall be irrevocable and not capable of being withdrawn, except in the circumstances set out in the paragraph headed “6. Right of Withdrawal” in Appendix I to this Composite Document.
2. Beneficial owners of Shares who hold their Shares in CCASS directly as an investor participant or indirectly via a broker or custodian participant should note the timing requirements (as set out in the paragraph headed “1. Procedures for Acceptance of The Offer” in Appendix I to this Composite Document) for causing instructions to be made to CCASS in accordance with the General Rules of CCASS and CCASS Operational Procedures.
3. In accordance with the Takeovers Code, the Offer must initially be open for acceptance for at least 21 days following the date on which this Composite Document is posted. The latest time and date for acceptance of the Offer is 4:00 p.m. on Wednesday, 26 October 2022 unless the Joint Offerors revise or extend the Offer in accordance with the Takeovers Code. An announcement in respect of the result of the Offer will be issued jointly by the Joint Offerors and the Company on the website of the Stock Exchange by 7:00 p.m. on the Closing Date stating whether the Offer has been extended, revised or expired. In the event that the Joint Offerors decide to revise or extend the Offer, all Independent Shareholders, whether or not they have already accepted the Offer,

EXPECTED TIMETABLE

will be entitled to accept the revised Offer under the revised terms. The revised Offer must be kept open for at least 14 days following the date on which the revised offer document(s) are posted and shall not close earlier than the Closing Date.

4. Remittances in respect of the cash consideration (after deducting the seller's ad valorem stamp duty in respect of acceptances of the Offer) payable for the Offer Shares tendered under the Offer will be despatched to the Independent Shareholders accepting the Offer by ordinary post at their own risk as soon as possible, but in any event within seven (7) Business Days following the date of receipt by the Registrar of all relevant documents required to render such acceptance complete and valid in accordance with the Takeovers Code.
5. The latest time and date for acceptance of the Offer and the latest date for posting of remittances for the amounts due under the Offer in respect of valid acceptances will not take effect if there is a tropical cyclone warning signal number 8 or above, or a "black rainstorm warning signal", or "extreme condition" caused by super typhoon, in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the latest date for acceptance of the Offer and the latest date for posting of remittances for the amounts due under the Offer in respect of valid acceptances. In such cases, the latest time for acceptance of the Offer will be rescheduled to 4:00 p.m. on the following Business Day and the date of posting of remittance will be rescheduled to the following Business Day which does not have either of those warnings or condition in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m. or such other day as the Executive may approve.

Save as mentioned above, if the latest time for acceptance of the Offer does not take effect on the date and time as stated above, the other dates mentioned above may be affected. The Joint Offerors and the Company will notify the Independent Shareholders by way of announcement(s) on any change to the expected timetable as soon as practicable.

IMPORTANT NOTICE

NOTICE TO THE OVERSEAS SHAREHOLDERS

The making of the Offer to persons with a registered address in jurisdictions outside Hong Kong may be prohibited or affected by the laws of the relevant jurisdictions. Overseas Shareholders who are citizens or residents or nationals of jurisdictions outside Hong Kong should inform themselves about and observe any applicable legal and regulatory requirements and, where necessary, seek independent legal advice in respect of the Offer.

It is the responsibility of any such person who wishes to accept the Offer to satisfy himself/herself/itself as to the full observance of the laws and regulations of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents and any registration or filing which may be required or the compliance with other necessary formalities or legal and regulatory requirements and the payment of any transfer or other taxes or other required payments due from him/her/it in respect of such jurisdiction.

Any acceptance by the Overseas Shareholders will be deemed to constitute a representation and warranty from such Overseas Shareholders to the Joint Offerors that the local laws and requirements have been complied with and such acceptance shall be lawful, valid and binding in accordance with all applicable laws. Such Overseas Shareholders should consult their respective professional advisers if in doubt.

The Joint Offerors, the Joint Offerors' Concert Parties, the Company, Lego Corporate Finance, Lego Securities, Altus Capital, the Registrar, their respective ultimate beneficial owners, directors, officers, agents, advisers and associates and any other person involved in the Offer shall be entitled to be fully indemnified and held harmless by such person for any taxes or duties as such person may be required to pay. Please see the paragraphs headed "Availability of the Offer to Overseas Shareholders" in the "Letter from Lego Securities" and "7. Overseas Shareholders" in Appendix I to this Composite Document for further details.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Composite Document contains forward-looking statements, which may be identified by words such as "believe", "expect", "anticipate", "intend", "plan", "seek", "estimate", "will", "would" or words of similar meaning, that involve risks and uncertainties, as well as assumptions. All statements other than statements of historical fact are statements that could be deemed forward-looking statements. The forward-looking statements included herein are made only as at the Latest Practicable Date. The Joint Offerors and the Company assume no obligation to correct or update the forward-looking statements or opinions contained in this Composite Document, except as required pursuant to applicable laws or regulations, including but not limited to the GEM Listing Rules and/or the Takeovers Code.

DEFINITIONS

In this Composite Document, unless otherwise defined or the context otherwise requires, the following expressions shall have the following meanings:

“Acquisition”	the purchase of the Sale Shares by the Joint Offerors from the Vendor pursuant to terms set out in the Sale and Purchase Agreement
“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“associate(s)”	has the meaning ascribed to it under the Takeovers Code
“Board”	the board of Directors
“Business Day(s)”	day(s) on which the Stock Exchange is open for the transaction of business
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Closing Date”	Wednesday, 26 October 2022, being the closing date of the Offer or if the Offer is extended, any subsequent closing date of the Offer as may be determined by the Joint Offerors and jointly announced by the Joint Offerors and the Company in accordance with the Takeovers Code
“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 (stock code: 8229)
“Completion”	completion of the sale and purchase of the Sale Shares in accordance with the terms and conditions of the Sale and Purchase Agreement, which took place on the Completion Date
“Completion Date”	the date on which Completion took place, being 28 September 2022

DEFINITIONS

“Composite Document”	this composite offer and response document jointly issued by the Joint Offerors and the Company to the Independent Shareholders in connection with the Offer in accordance with the Takeovers Code containing, among other things, details of the Offer (accompanied by the Form of Acceptance) and the respective letters of advice from the Independent Board Committee and the Independent Financial Adviser
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Consideration”	the purchase price for the sale and purchase of the Sale Shares under the Sale and Purchase Agreement, being an aggregate of HK\$59,225,000, which is equivalent to HK\$0.2875 per Sale Share
“Director(s)”	the director(s) of the Company
“Encumbrances”	any lien, pledge, encumbrance, charge (fixed or floating), mortgage, third party claim, debenture, option, right of pre-emption, right to acquire, assignment by way of security, trust arrangement for the purpose of providing security or other security interests of any kind, including retention arrangements or other encumbrances and any agreement to create any of the foregoing
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
“Form of Acceptance”	the form of acceptance and transfer of the Offer Shares in respect of the Offer accompanying this Composite Document
“Future Data HK”	Future Data Limited, being a company incorporated in Hong Kong with limited liability, and a wholly-owned subsidiary of the Company
“GEM”	GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited

DEFINITIONS

“Global Telecom”	Global Telecom Company Limited, being a company incorporated in Korea with limited liability, and a wholly-owned subsidiary of the Company
“Gorgeous Real Investment”	Gorgeous Real Investment Holding Limited (華置投資控股有限公司), a company incorporated in the British Virgin Islands with limited liability, which is beneficially wholly owned by Ms. Tao
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent board committee of the Board (comprising all of the three independent non-executive Directors as at the Latest Practicable Date, namely Mr. Wong Sik Kei, Mr. Sum Chun Ho and Mr. Yung Kai Tai) which has been established to advise the Independent Shareholders in connection with the terms of the Offer and as to the acceptance of the Offer
“Independent Financial Adviser” or “Altus Capital”	Altus Capital Limited, a corporation licensed by the SFC to carry out Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO, being the independent financial adviser appointed by the Company, with the approval of the Independent Board Committee, to advise the Independent Board Committee and the Independent Shareholders in connection with the Offer
“Independent Shareholder(s)”	Shareholder(s) other than the Joint Offerors and the Joint Offerors’ Concert Parties
“Independent Third Party(ies)”	party(ies) independent of and not connected with the Company and its connected persons
“Irrevocable Undertaking”	the irrevocable undertaking dated 4 September 2022 given by the Vendor to the Joint Offerors

DEFINITIONS

“Joint Announcement”	the announcement jointly published by the Joint Offerors and the Company dated 13 September 2022 in relation to, among other things, the Offer pursuant to Rule 3.5 of the Takeovers Code
“Joint Offerors”	collectively, Gorgeous Real Investment and Variant Wealth, being the purchasers of the Sale Shares and the joint offerors in relation to the Offer
“Joint Offerors’ Concert Parties”	party(ies) acting in concert and presumed to be acting in concert with the Joint Offerors as determined in accordance with the Takeovers Code (including Mr. GL Tao, Mr. J Tao and Ms. Tao)
“Korea”	the Republic of Korea
“KRW”	Korean won, the lawful currency of the Republic of Korea
“Last Trading Day”	2 September 2022, being the last trading day of the Shares on GEM immediately prior to the suspension of trading in the Shares pending the publication of the Joint Announcement
“Latest Practicable Date”	30 September 2022, being the latest practicable date prior to the printing of this Composite Document for ascertaining certain information contained herein
“Lego Corporate Finance”	Lego Corporate Finance Limited, a corporation licensed by the SFC to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the financial adviser to the Joint Offerors in respect of the Offer
“Lego Securities”	Lego Securities Limited, a corporation licensed by the SFC to carry out Type 1 (dealing in securities) regulated activity under the SFO, being the agent making the Offer for and on behalf of the Joint Offerors

DEFINITIONS

“Mr. GL Tao”	Mr. Tao Guolin, an executive Director, the sole ultimate beneficial owner and sole director of Variant Wealth (one of the Joint Offerors) and the brother of Mr. J Tao and Ms. Tao. Mr. Tao Guolin is one of the Joint Offerors’ Concert Parties and he held 22,917,327 Shares (representing approximately 5.73% of the total issued share capital of the Company) as at the Latest Practicable Date
“Mr. J Tao”	Mr. Tao Jian, the brother of Mr. GL Tao and Ms. Tao. Mr. Tao Jian is one of the Joint Offerors’ Concert Parties and he held 20,000,000 Shares (representing 5.00% of the total issued share capital of the Company) as at the Latest Practicable Date
“Mr. Phung”	Mr. Phung Nhuong Giang, an executive Director. He held approximately 18.14% of the issued shares of Asia Media Systems Pte. Ltd., the sole shareholder of the Vendor, as at the Latest Practicable Date
“Ms. Tao”	Ms. Tao Hongxia, the sole ultimate beneficial owner and sole director of Gorgeous Real Investment (one of the Joint Offerors) and the sister of Mr. GL Tao and Mr. J Tao. Ms. Tao is one of the Joint Offerors’ Concert Parties
“Offer”	the mandatory unconditional cash offer by Lego Securities for and on behalf of the Joint Offerors to acquire all the issued Shares (other than those already owned and/or agreed to be acquired by the Joint Offerors and the Joint Offerors’ Concert Parties) pursuant to Rule 26.1 of the Takeovers Code and in accordance with the terms and conditions set out in this Composite Document
“Offer Period”	has the meaning ascribed to it under the Takeovers Code, being the period commencing on 13 September 2022 (i.e. the date of the Joint Announcement) and ending on the Closing Date, or such other time and/or date to which the Offeror may decide to extend or revise the Offer in accordance with the Takeovers Code
“Offer Price”	the price of HK\$0.2875 per Offer Share at which the Offer is made in cash

DEFINITIONS

“Offer Share(s)”	all of the issued Share(s), other than those already owned and/or agreed to be acquired by the Joint Offerors and the Joint Offerors’ Concert Parties
“Overseas Shareholder(s)”	Independent Shareholder(s) whose address(es), as shown on the register of members of the Company, is/are outside Hong Kong as at the Latest Practicable Date
“PRC”	the People’s Republic of China
“Registrar”	Tricor Investor Services Limited, the Hong Kong branch share registrar and transfer office of the Company, located at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
“Relevant Period”	the period from 13 March 2022, being the date falling six months immediately preceding the commencement of the Offer Period, up to and including the Latest Practicable Date
“Sale and Purchase Agreement”	the sale and purchase agreement dated 4 September 2022 entered into between the Joint Offerors, as purchasers, and the Vendor, as vendor, in relation to the sale and purchase of the Sale Shares
“Sale Share(s)”	an aggregate of 206,000,000 Shares sold by the Vendor pursuant to the Sale and Purchase Agreement, representing 51.50% of the total number of issued Shares as at the Latest Practicable Date
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers

DEFINITIONS

“Undertaking Shares”	the 14,000,000 Shares (representing 3.50% of the total issued share capital of the Company as at the Latest Practicable Date) that the Vendor continues to hold upon Completion, being the subject of the Irrevocable Undertaking
“US\$”	United States dollars, the lawful currency of the United States of America
“Variant Wealth”	Variant Wealth Investment Development Limited (偉富投資發展有限公司), a company incorporated in the Republic of Seychelles with limited liability, which is beneficially wholly owned by Mr. GL Tao
“Vendor”	LiquidTech Limited, a company incorporated in the British Virgin Islands with limited liability and the entire issued share capital of the Vendor is beneficially owned by Asia Media Systems Pte. Ltd., which in turn is owned as to approximately 25.34% by Mr. Suh Seung Hyun, 22.71% by Mr. Lee Seung Han, 18.14% by Mr. Phung, 14.03% by Mr. Park Hyeoung Jun, 14.03% by Mr. Lee Sung Gue, 3.40% by Mr. Lee Je Eun and 2.35% by Ms. Marilyn Tang. As at the Latest Practicable Date, LiquidTech Limited held 14,000,000 Shares (representing 3.50% of the total number of issued Shares)
“%”	per cent

LETTER FROM LEGO SECURITIES



Room 301, 3/F, China Building
29 Queen's Road Central
Central, Hong Kong

5 October 2022

To the Independent Shareholders,

Dear Sir or Madam,

**MANDATORY UNCONDITIONAL CASH OFFER BY
LEGO SECURITIES LIMITED
FOR AND ON BEHALF OF THE JOINT OFFERORS
TO ACQUIRE ALL THE ISSUED SHARES OF
FUTURE DATA GROUP LIMITED
(OTHER THAN THOSE ALREADY OWNED AND/OR AGREED
TO BE ACQUIRED BY THE JOINT OFFERORS AND/OR
THE JOINT OFFERORS' CONCERT PARTIES)**

INTRODUCTION

References are made to (i) the Joint Announcement jointly published by the Joint Offerors and the Company dated 13 September 2022; (ii) the supplemental joint announcement published by the Company and the Joint Offerors dated 26 September 2022 in relation to the sale and purchase of the Sale Shares; and (iii) the joint announcement jointly published by the Joint Offerors and the Company dated 28 September 2022 in relation to, among other things, the Sale and Purchase Agreement, Completion and the Offer.

The Joint Offerors (as purchasers) and the Vendor (as vendor) entered into the Sale and Purchase Agreement on 4 September 2022, pursuant to which the Vendor agreed to sell, and the Joint Offerors agreed to acquire, the full legal and beneficial title and interest in the Sale Shares (being an aggregate of 206,000,000 Shares), representing 51.50% of the total issued share capital of the Company as at the date of the Joint Announcement, at a total consideration of HK\$59,225,000, which is equivalent to HK\$0.2875 per Sale Share. Completion took place on 28 September 2022.

Immediately following Completion and as at the Latest Practicable Date, the Joint Offerors, their respective ultimate beneficial owner, and the parties acting in concert with any of them were interested in a total of 248,917,327 Shares (comprising (i) 106,000,000 Shares held by Gorgeous Real Investment (one of the Joint Offerors and beneficially wholly owned by Ms. Tao); (ii) 100,000,000 Shares held by Variant Wealth (one of the Joint Offerors and beneficially wholly owned by Mr. GL Tao); (iii) 22,917,327 Shares held by Mr. GL Tao; and (iv) 20,000,000 Shares held by Mr. J Tao), representing approximately 62.23% of the total issued share capital of

LETTER FROM LEGO SECURITIES

the Company. Pursuant to Rule 26.1 of the Takeovers Code, upon Completion, the Joint Offerors are required to make a mandatory unconditional cash offer for all the issued Shares (other than those already owned and/or agreed to be acquired by the Joint Offerors and the Joint Offerors' Concert Parties). Lego Securities is, on behalf of the Joint Offerors, making the Offer in compliance with the Takeovers Code on the terms set out in this Composite Document.

This letter forms part of this Composite Document and sets out, among other things, principal terms of the Offer, together with the information on the Joint Offerors and the Joint Offerors' intention regarding the Group. Further details on the terms and procedures of acceptance of the Offer are set out in Appendix I to this Composite Document and the accompanying Form of Acceptance.

The Independent Shareholders are strongly advised to consider carefully the information contained in the "Letter from the Board", the "Letter from the Independent Board Committee" and the "Letter from the Independent Financial Adviser" as well as the appendices as contained in this Composite Document and to consult their professional advisers if in doubt before reaching a decision as to whether or not to accept the Offer.

THE OFFER

Lego Securities is making the Offer, for and on behalf of the Joint Offerors, to acquire all the Offer Shares in compliance with the Takeovers Code on the following basis:

For each Offer Share. HK\$0.2875 in cash

The Offer Price of HK\$0.2875 per Offer Share under the Offer is equal to the price per Sale Share paid by the Joint Offerors for the Sale Shares under the Sale and Purchase Agreement.

The Offer is unconditional in all respects.

As at the Latest Practicable Date, there were 400,000,000 Shares in issue and the Company did not have any outstanding options, derivatives, warrants or other securities convertible or exchangeable into Shares or which confer rights to require the issue of Shares and has not entered into any agreement for the issue of such options, derivatives, warrants or other securities which are convertible or exchangeable into Shares or which confer rights to require the issue of Shares.

The Offer is extended to all Shareholders other than the Joint Offerors and the Joint Offerors' Concert Parties in accordance with the Takeovers Code. The Offer Shares to be acquired under the Offer will be fully paid and free from all Encumbrances together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of this Composite Document.

LETTER FROM LEGO SECURITIES

The Company confirms that as at the Latest Practicable Date, (i) it had not declared any dividend that is not yet paid; and (ii) it did not have any intention to make, declare or pay any future dividend/make other distributions prior to the close of the Offer. If, after the date of despatch of the Composite Document, any dividend or other distribution is made or paid in respect of the Offer Shares, the Joint Offerors reserve the right to reduce the Offer Price by an amount equal to the net amount of such dividend or other distribution, in which case any reference in the Joint Announcement, the Composite Document or any other announcement or document to the Offer Price will be deemed to be a reference to the Offer Price as so reduced.

Comparison of value of the Offer Price

The Offer Price of HK\$0.2875 per Offer Share represents:

- (i) a premium of approximately 2.68% over the closing price of HK\$0.280 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a premium of approximately 63.35% over the closing price of HK\$0.1760 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a premium of approximately 70.93% over the average closing price of approximately HK\$0.1682 per Share, being the average closing price of the Shares as quoted on the Stock Exchange for the five consecutive trading days immediately prior to and including the Last Trading Day;
- (iv) a premium of approximately 71.64% over the average closing price of approximately HK\$0.1675 per Share, being the average closing price of the Shares as quoted on the Stock Exchange for the 10 consecutive trading days immediately prior to and including the Last Trading Day;
- (v) a premium of approximately 64.76% over the average closing price of approximately HK\$0.1745 per Share, being the average closing price of the Shares as quoted on the Stock Exchange for the 30 consecutive trading days immediately prior to and including the Last Trading Day;
- (vi) a discount of approximately 19.04% to the audited consolidated net assets per Share of approximately HK\$0.3551 as at 31 December 2021 as extracted from the annual report of the Company for the year ended 31 December 2021, which was calculated based on 400,000,000 Shares in issue as at the Latest Practicable Date; and
- (vii) a discount of approximately 5.64% to the unaudited consolidated net assets per Share of approximately HK\$0.3047 as at 30 June 2022 as extracted from the interim report of the Company for the six months ended 30 June 2022, which was calculated based on 400,000,000 Shares in issue as at the Latest Practicable Date.

LETTER FROM LEGO SECURITIES

Highest and lowest Share prices

During the Relevant Period, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.290 per Share on 14 September 2022 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.145 per Share on 1 June 2022.

Irrevocable undertakings for not accepting the Offer

Upon Completion, the Vendor continues to be the beneficial owner of 14,000,000 Shares, representing 3.50% of the total issued share capital of the Company as at the Latest Practicable Date. The number of the Sale Shares to be sold by the Vendor to the Joint Offerors was determined after arm's length negotiations between the Vendor and the Joint Offerors after taking into account the Joint Offerors' intention to acquire a controlling stake in the Company and the need to incentivise the shareholders of the Vendor to run the business of Global Telecom and Future Data HK. The Vendor is ultimately and beneficially owned as to approximately 25.34% by Mr. Suh Seung Hyun, 22.71% by Mr. Lee Seung Han, 18.14% by Mr. Phung, 14.03% by Mr. Park Hyeoung Jin, 14.03% by Mr. Lee Sung Gue, 3.40% by Mr. Lee Je Eun and 2.35% by Ms. Marilyn Tang. In particular, Mr. Suh Seung Hyun (being a director of Global Telecom), Mr. Phung (being a director of Future Data HK), and Mr. Lee Seung Han (being a director of both Global Telecom and Future Data HK), have extensive experience in the information and communications technology industry and are considered to be key persons in leading Global Telecom and Future Data HK and are considered to be essential for their growth and development. After due consideration, it is considered that the retention of 14,000,000 Shares, representing 3.50% of the total issued share capital of the Company as at the Latest Practicable Date, by the Vendor will provide an effective and practical means of maintaining the continuity and stability of the Group by establishing a long term and strategic alliance with the Vendor. The retention of such shareholding interests in the Company by the Vendor can also serve as an incentive to motivate the shareholders of the Vendor to create and focus on the shareholders' value of the Group and to retain each of Mr. Suh Seung Hyun, Mr. Lee Seung Han and Mr. Phung in the management level of the Group. It is also intended that Mr. Lee Seung Han will remain as an executive Director after the Offer.

On 4 September 2022, the Vendor gave the Irrevocable Undertaking to the Joint Offerors that in respect of the Undertaking Shares (i.e. the 14,000,000 Shares that the Vendor continues to hold as at the Latest Practicable Date), (i) it shall not accept the Offer or sell any of the Undertaking Shares to the Joint Offerors or the Joint Offerors' Concert Parties under the Offer; (ii) it shall not take any other action to make the Undertaking Shares available for acceptance under the Offer; and (iii) it shall hold the Undertaking Shares until, and shall not sell, transfer, dispose of or create or agree to create any encumbrance of or otherwise create any interests on the Undertaking Shares before, the close of the Offer. The Irrevocable Undertaking will cease only upon the close of the Offer.

LETTER FROM LEGO SECURITIES

Value of the Offer

As at the Latest Practicable Date, the Company had 400,000,000 Shares in issue. On the basis of the Offer Price being HK\$0.2875 per Offer Share, the total issued share capital of the Company would be valued at HK\$115,000,000.

Upon Completion, excluding (i) the 106,000,000 Shares held by Gorgeous Real Investment (one of the Joint Offerors and beneficially wholly owned by Ms. Tao); (ii) the 100,000,000 Shares held by Variant Wealth (one of the Joint Offerors and beneficially wholly owned by Mr. GL Tao); (iii) the 22,917,327 Shares held by Mr. GL Tao; and (iv) the 20,000,000 Shares held by Mr. J Tao, and assuming the Offer is accepted in full, save in respect of the 14,000,000 Shares which are subject to the Irrevocable Undertaking (i.e. the Undertaking Shares) and assuming that there is no change in the total issued share capital of the Company up to the close of the Offer, a total of 137,082,673 Shares (representing approximately 34.27% of the total issued share capital of the Company as at the Latest Practicable Date) will be subject to the Offer and the Offer is valued at approximately HK\$39,411,269 based on the Offer Price of HK\$0.2875 per Offer Share.

Confirmation of financial resources available for the Offer

Based on (i) the Offer Price of HK\$0.2875 per Offer Share; and (ii) 137,082,673 Shares being subject to the Offer after taking into account the 14,000,000 Shares which are subject to the Irrevocable Undertaking (i.e. the Undertaking Shares), the total maximum consideration of the Offer will be HK\$39,411,269. The total consideration payable under the Offer shall be payable in cash. The Joint Offerors intend to finance the consideration payable under the Offer by Gorgeous Real Investment's internal resources. It is intended that all the Shares to be acquired through the Offer will be held by Gorgeous Real Investment. Lego Corporate Finance, being the financial adviser to the Joint Offerors in respect of the Offer, is satisfied that as at the Latest Practicable Date sufficient financial resources are and will remain available to the Joint Offerors to satisfy the total consideration payable upon full acceptance of the Offer.

Effect of accepting the Offer

Acceptance of the Offer by any Independent Shareholder will be deemed to constitute a warranty by such person that all Offer Shares sold by such person under the Offer are free from all Encumbrances together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of this Composite Document.

The Offer will remain open for acceptance from the date of this Composite Document until 4:00 p.m. on the Closing Date. Acceptance of the Offer tendered by the Independent Shareholders shall be irrevocable and not capable of being withdrawn, except as otherwise permitted under the Takeovers Code, details of which are set out in paragraph headed "6. Right of Withdrawal" in Appendix I to this Composite Document.

LETTER FROM LEGO SECURITIES

Hong Kong stamp duty

In Hong Kong, seller's ad valorem stamp duty arising in connection with acceptance of the Offer will be payable by the relevant Independent Shareholders at a rate of 0.13% of (i) the market value of the Offer Shares; or (ii) the consideration payable by the Joint Offerors in respect of the relevant acceptance of the Offer, whichever is higher, and will be deducted from the cash amount payable by the Joint Offerors to the Independent Shareholders who accept the Offer.

The Joint Offerors will arrange for payment of the seller's ad valorem stamp duty on behalf of the Independent Shareholders accepting the Offer and will pay the buyer's ad valorem stamp duty in connection with the acceptance of the Offer and the transfer of the relevant Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

Payment

Payment in cash in respect of acceptance of the Offer will be made as soon as possible but in any event within seven (7) business days (as defined in the Takeovers Code) following the date on which the duly completed acceptance of the Offer is received. Relevant documents evidencing title in respect of such acceptance must be received by or on behalf of the Joint Offerors (or their agent) to render each such acceptance of the Offer complete and valid in accordance with Rule 20.1 and Note 1 to Rule 30.2 of the Takeovers Code.

No fractions of a Hong Kong cent will be payable and the amount of the consideration payable to a Shareholder who accepts the Offer will be rounded up to the nearest Hong Kong cent.

Taxation advice

Independent Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer. None of the Joint Offerors, the Joint Offerors' Concert Parties, the Company, Lego Corporate Finance, Lego Securities, Altus Capital, and (as the case may be) their respective ultimate beneficial owners, directors, officers, agents, associates, professional advisers or any other person involved in the Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

Availability of the Offer to Overseas Shareholders

To the extent practicable and permissible under applicable laws and regulations, the Joint Offerors intend to make the Offer available to all the Independent Shareholders, including those with registered addresses in a jurisdiction outside Hong Kong. The availability of the Offer to persons with a registered address in a jurisdiction outside Hong Kong may be affected by the laws of the relevant overseas jurisdictions. The making of the Offer to Overseas Shareholders may be prohibited or limited by the laws or regulations of the relevant jurisdictions. Such

LETTER FROM LEGO SECURITIES

Overseas Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements and, where necessary, seek legal advice. Overseas Shareholders who are residents, citizens or nationals outside Hong Kong should inform themselves about and observe, at their own responsibility, any applicable laws, regulations, requirements and restrictions in their own jurisdictions in connection with the acceptance of the Offer, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with the other necessary formalities and the payment of any issue, transfer or other taxes due from such Overseas Shareholders in respect of such jurisdiction.

Any acceptance by the Overseas Shareholders will be deemed to constitute a representation and warranty from such Overseas Shareholders to the Joint Offerors that the local laws and requirements have been complied with and such acceptance shall be lawful, valid and binding in accordance with all applicable laws. Such Overseas Shareholders should consult their respective professional advisers if in doubt.

DEALING AND INTERESTS IN THE COMPANY'S SECURITIES

Save for (i) the 22,917,327 Shares held by Mr. GL Tao which were acquired from Asia Media Systems Pte. Ltd. (the sole shareholder of the Vendor) in 2021; (ii) the 20,000,000 Shares held by Mr. J Tao which were acquired from Asia Media Systems Pte. Ltd. in 2021; and (iii) the Acquisition, none of the Joint Offerors, the ultimate beneficial owners of the Joint Offerors nor the parties acting in concert with any of them had dealt for value in nor owned any Shares, options, derivatives, warrants or other securities convertible into Shares during the Relevant Period.

Your attention is drawn to the shareholding structure of the Company as at the Latest Practicable Date as set out under the paragraph headed "Shareholding Structure of the Company" in the "Letter from the Board" in this Composite Document.

INFORMATION ON THE GROUP

The Company is an exempted company incorporated in the Cayman Islands with limited liability on 4 January 2016, the Shares of which have been listed on GEM since 8 July 2016. The principal activity of the Company is investment holding. The Group is principally 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.

Further information on the Group are set out in the paragraph headed "Information on the Group" in the "Letter from the Board" in this Composite Document.

LETTER FROM LEGO SECURITIES

INFORMATION ON THE JOINT OFFERORS

Variant Wealth (one of the Joint Offerors) is a company incorporated in the Republic of Seychelles with limited liability on 11 January 2021. It is an investment holding company. Save for the 100,000,000 Shares, it did not hold any assets/businesses as at the Latest Practicable Date. As at the Latest Practicable Date, Variant Wealth was beneficially wholly owned by Mr. GL Tao who is an executive Director and the sole director of Variant Wealth.

Gorgeous Real Investment (one of the Joint Offerors) is a company incorporated in the British Virgin Islands with limited liability on 23 June 2021. It is an investment holding company. Save for the 106,000,000 Shares, it did not hold any assets/businesses as at the Latest Practicable Date. As at the Latest Practicable Date, Gorgeous Real Investment was beneficially wholly owned by Ms. Tao who is the sole director of Gorgeous Real Investment.

Mr. GL Tao, is the sole beneficial owner and the sole director of Variant Wealth. He is an executive Director and the brother of Mr. J Tao and Ms. Tao (please refer to below for her biography). Mr. GL Tao obtained his bachelor's degree in business administration, majoring in marketing, from Beijing University of Technology (北京工業大學) in Beijing of the PRC in July 2001. Mr. GL Tao has extensive experience in trading and commerce as well as the real estate industry. He had served in a number of companies, including Jinke Property Group Co., Ltd. (金科地產集團股份有限公司) (a company listed on the Shenzhen Stock Exchange (stock code: 000656)) with his last position being the deputy head of the supervisory committee, Chongqing Runtong Commerce Co., Ltd.* (重慶潤通商貿有限公司) as the chairman of the board of directors and Chongqing Xinshili Investment Company Limited* (重慶新實力投資有限公司) as a supervisor. He has been the president of Chongqing Home Furnishing Industry Chamber of Commerce (重慶市家居行業商會) since December 2015.

Ms. Tao, is the sole beneficial owner and the sole director of Gorgeous Real Investment. She is the sister of Mr. GL Tao and Mr. J Tao. Ms. Tao obtained her bachelor's degree from Southwest Institute of Technology* (西南工學院) (currently known as Southwest University of Science and Technology (西南科技大學)) in Chongqing of the PRC in June 1996. Ms. Tao has extensive experience in supply chain-related and real estate-related multi-industry management. She had served in a number of companies, including Jinke Property Group Co., Ltd. (金科地產集團股份有限公司) (a company listed on the Shenzhen Stock Exchange (stock code: 000656)) with her last position being the person in charge of the procurement centre, Chongqing Hongtao Culture Media Co., Ltd.* (重慶虹淘文化傳媒有限公司) as the chairlady of the board of directors, Chongqing Hongtai Real Estate Co., Limited* (重慶市宏泰房地產公司) as the cooperative resources general manager, Chongqing Jianglong Construction Group* (重慶市江龍建設集團) as the general manager of the cost control department and Chongqing City Hongtao Investment Company Limited* (重慶市虹淘投資股份有限公司) as the chairlady of the board of directors.

LETTER FROM LEGO SECURITIES

THE JOINT OFFERORS' INTENTION ON THE GROUP

Following the close of the Offer, it is the intention of the Joint Offerors that the Group will continue with its existing principal business. The Joint Offerors do not intend to introduce any major changes to the existing operations and business of the Group immediately after close of the Offer and will neither redeploy nor dispose of any of the assets (including fixed assets) of the Group other than in the ordinary course of business. As at the Latest Practicable Date, the Joint Offerors did not have any intention, understanding, negotiation, arrangement, and agreements (formal or informal, express or implied) to downsize or dispose of any existing business or assets of the Group.

Nevertheless, following the close of the Offer, the Joint Offerors will conduct a detailed review on the existing principal operations and business, and the financial position of the Group for the purpose of formulating business plans and strategies for the Group's long-term business development and will explore other business opportunities for the Group. Subject to the results of the review, and should suitable investment or business opportunities arise, the Joint Offerors may consider whether any assets and/or business acquisitions or disposals by the Group will be appropriate in order to enhance its growth. Any acquisition or disposal of the assets or business of the Group, if any, will be in compliance with the GEM Listing Rules and the Takeovers Code.

As at the Latest Practicable Date, no investment or business opportunity had been identified nor had any of the Joint Offerors entered into any agreement, arrangement, understanding or negotiation in relation to (a) the injection of any assets or business into the Group; or (b) the disposal of any assets or business of the Group.

Save for the proposed change(s) to the composition of the Board as mentioned below, as at the Latest Practicable Date, the Joint Offerors had no plan to terminate the employment of any other employees or other personnel of the Group. However, the Joint Offerors reserve the right to make any changes that they deem necessary or appropriate to the benefit of the Group.

PROPOSED CHANGE TO THE BOARD COMPOSITION OF THE COMPANY

As at the Latest Practicable Date, the Board comprised Mr. Suh Seung Hyun, Mr. Phung, Mr. Lee Seung Han, Mr. Ryoo Seong Ryul and Mr. GL Tao as the executive Directors; and Mr. Wong Sik Kei, Mr. Sum Chun Ho and Mr. Yung Kai Tai as the independent non-executive Directors.

In compliance with Rule 7 of the Takeovers Code, it is intended that all of the existing Directors as at the Latest Practicable Date, except Mr. GL Tao and Mr. Lee Seung Han, will resign from the Board with effect from 31 October 2022 or a date no earlier than the date of the close of the Offer or at the earliest time permitted under the Takeovers Code, whichever is the later.

The Joint Offerors intend to nominate new Directors to the Board to facilitate the business operation, management and strategy of the Group. The Joint Offerors intend to appoint new

LETTER FROM LEGO SECURITIES

Directors with effect not earlier than such date as permitted under the Takeovers Code (i.e. with effect from immediately after the posting of this Composite Document) or such later date as the Joint Offerors consider to be appropriate. It is currently intended that the following individuals will be appointed as new Directors: (i) Ms. Tao as an executive Director; and (ii) Mr. Chan Kin Ming, Mr. Lam Chi Cheung Albert and Mr. Yu Wing Chung as independent non-executive Directors, in compliance with the Takeovers Code and the GEM Listing Rules. Further announcement(s) (including the biographies of the new Directors) will be made immediately after their appointments.

PUBLIC FLOAT AND MAINTENANCE OF THE LISTING STATUS OF THE COMPANY

The Stock Exchange has stated that if, at the close of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares, are held by the public, or if the Stock Exchange believes that:

- (i) a false market exists or may exist in the trading of the Shares; or
- (ii) there are insufficient Shares in public hands to maintain an orderly market,

it will consider exercising its discretion to suspend dealings in the Shares.

The Joint Offerors intend the Company to remain listed on GEM of the Stock Exchange. Each of the Company, the Directors, the Joint Offerors, the sole director of each of the Joint Offerors and the new Directors to be appointed has undertaken to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares after the close of the Offer.

Immediately following Completion and as at the Latest Practicable Date, the Joint Offerors, their respective ultimate beneficial owner, and the Joint Offerors' Concert Parties were interested in an aggregate of 248,917,327 Shares (comprising (i) 106,000,000 Shares held by Gorgeous Real Investment (one of the Joint Offerors and beneficially wholly owned by Ms. Tao); (ii) 100,000,000 Shares held by Variant Wealth (one of the Joint Offerors and beneficially wholly owned by Mr. GL Tao); (iii) 22,917,327 Shares held by Mr. GL Tao; and (iv) 20,000,000 Shares held by Mr. J Tao), representing approximately 62.23% of the entire issued share capital of the Company.

The Company will make an application to the Stock Exchange for a temporary waiver from strict compliance with Rule 11.23(7) of the GEM Listing Rules in case less than 25% of the issued share capital of the Company will be held by the public upon the close of the Offer. In this connection, the Joint Offerors will, as soon as practicable, dispose of such number of Shares either directly in the market or through a placing agent to be appointed by the Joint Offerors to ensure that the public float requirement under the GEM Listing Rules can be met.

Further announcement(s) regarding the restoration of public float will be made by the Company as and when appropriate.

LETTER FROM LEGO SECURITIES

COMPULSORY ACQUISITION

The Joint Offerors do not intend to avail themselves of any powers of compulsory acquisition of any Shares outstanding after the close of the Offer.

ACCEPTANCE AND SETTLEMENT

Your attention is drawn to the further details regarding further terms and conditions of the Offer, the procedures for acceptance and settlement and the acceptance period as set out in Appendix I to this Composite Document and the accompanying Form of Acceptance.

GENERAL

This Composite Document has been prepared for the purposes of complying with the laws of Hong Kong, the Takeovers Code and the GEM Listing Rules and the information disclosed may not be the same as which would have been disclosed if this Composite Document had been prepared in accordance with the laws of jurisdictions outside Hong Kong.

To ensure equality of treatment of all Independent Shareholders, those Independent Shareholders who hold Shares as nominee on behalf of more than one beneficial owner should, as far as practicable, treat the holding of such beneficial owner separately. It is essential for the beneficial owners of the Shares whose investments are registered in the names of nominees to provide instructions to their nominees of their intentions with regard to the Offer.

Attention of the Overseas Shareholders is drawn to paragraph headed “7. Overseas Shareholders” in Appendix I to this Composite Document. All communications, notices, Form of Acceptance, Share certificate(s), transfer receipt(s), other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) and remittances to settle the consideration payable under the Offer to be delivered by or sent to or from the Independent Shareholders will be delivered by or sent to or from them, or their designated agents, by ordinary post at their own risk, and none of the Company, the Joint Offerors and the Joint Offerors’ Concert Parties, Lego Corporate Finance, Lego Securities, Altus Capital and any of their respective ultimate beneficial owners, directors, officers, agents and associates nor other parties involved in the Offer accepts any liability for any loss in postage or any other liabilities that may arise as a result thereof. Further details have been set out in Appendix I to this Composite Document and in the accompanying Form of Acceptance.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this Composite Document and the accompanying Form of Acceptance, which form part of this Composite Document. You are reminded to carefully read the “Letter from the Board”, the “Letter from the Independent Board Committee” and the “Letter from the Independent Financial Adviser” and other information about the Group, which are set out in this Composite Document before deciding whether or not to accept the Offer.

LETTER FROM LEGO SECURITIES

In considering what action to take in connection with the Offer, you should consider your own tax or financial position and if you are in any doubt, you should consult your professional advisers.

Yours faithfully,
For and on behalf of
Lego Securities Limited
Kelvin Li
Director

* *For identification purposes only*

LETTER FROM THE BOARD



FUTURE DATA

FUTURE DATA GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8229)

Executive Directors:

Mr. Suh Seung Hyun (*Chairman*)
Mr. Phung Nhuong Giang (*Deputy Chairman*)
Mr. Lee Seung Han (*Chief Executive Officer*)
Mr. Ryoo Seong Ryul (*Chief Financial Officer*)
Mr. Tao Guolin

Independent non-executive Directors:

Mr. Wong Sik Kei
Mr. Sum Chun Ho
Mr. Yung Kai Tai

Registered office in the Cayman Islands:

Cricket Square, Hutchins Drive
P.O. Box 2681, Grand Cayman
KY1-1111 Cayman Islands

*Head office and principal place of
business in Korea:*

Unit 801–809, 822, Mulla SK V1
Center 10, Seonyu-ro 9-gil
Yeongdeungpo-gu, Seoul, Korea

Principal place of business in Hong Kong:

Suite 1507–08, 15/F
Two Chinachem Exchange Square
338 King's Road
North Point, Hong Kong

5 October 2022

To the Independent Shareholders:

Dear Sir/Madam,

**MANDATORY UNCONDITIONAL CASH OFFER BY
LEGO SECURITIES LIMITED
FOR AND ON BEHALF OF THE JOINT OFFERORS
TO ACQUIRE ALL THE ISSUED SHARES OF
FUTURE DATA GROUP LIMITED
(OTHER THAN THOSE ALREADY OWNED AND/OR AGREED
TO BE ACQUIRED BY THE JOINT OFFERORS AND/OR
THE JOINT OFFERORS' CONCERT PARTIES)**

INTRODUCTION

References are made to (i) the Joint Announcement jointly published by the Joint Offerors and the Company dated 13 September 2022; (ii) the supplemental joint announcement jointly

LETTER FROM THE BOARD

published by the Joint Offerors and the Company dated 26 September 2022; and (iii) the joint announcement jointly published by the Joint Offerors and the Company dated 28 September 2022 in relation to, among others, the Sale and Purchase Agreement, Completion and the Offer.

The Board was informed by the Vendor that on 4 September 2022, the Joint Offerors (as purchasers) and the Vendor (as vendor) entered into the Sale and Purchase Agreement, pursuant to which the Vendor agreed to sell, and the Joint Offerors agreed to acquire, the full legal and beneficial title and interest in the Sale Shares (being an aggregate of 206,000,000 Shares, representing 51.50% of the total issued share capital of the Company as at the Latest Practicable Date), at a total Consideration of HK\$59,225,000, which is equivalent to HK\$0.2875 per Sale Share in the following manner:

- (i) the Vendor shall sell, and Variant Wealth shall purchase, 100,000,000 Sale Shares (representing 25.00% of the total issued share capital of the Company as at the Latest Practicable Date) at a cash consideration of HK\$28,750,000; and
- (ii) the Vendor shall sell, and Gorgeous Real Investment shall purchase, 106,000,000 Sale Shares (representing 26.50% of the total issued share capital of the Company as at the Latest Practicable Date) at a cash consideration of HK\$30,475,000.

Completion took place on 28 September 2022. Prior to Completion, save for the 22,917,327 Shares held by Mr. GL Tao and the 20,000,000 Shares held by Mr. J Tao, representing approximately 5.73% and 5.00% of the total issued share capital of the Company, respectively, none of the Joint Offerors and the Joint Offerors' Concert Parties owned, controlled or had direction over any Shares or voting rights of the Company or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company. Immediately following Completion and as at the Latest Practicable Date, the Joint Offerors and the Joint Offerors' Concert Parties were interested in an aggregate of 248,917,327 Shares, representing approximately 62.23% of the total issued share capital of the Company, comprising (i) 106,000,000 Shares held by Gorgeous Real Investment (one of the Joint Offerors and beneficially wholly owned by Ms. Tao); (ii) 100,000,000 Shares held by Variant Wealth (one of the Joint Offerors and beneficially wholly owned by Mr. GL Tao); (iii) 22,917,327 Shares held by Mr. GL Tao; and (iv) 20,000,000 Shares held by Mr. J Tao.

As at the Latest Practicable Date, there were 400,000,000 Shares in issue. The Company did not have any outstanding options, derivatives, warrants or other securities which were convertible or exchangeable into Shares or which confer rights to require the issue of Shares and had not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares or which confer rights to require the issue of Shares. As at the Latest Practicable Date, the Company had no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in issue other than the Shares.

LETTER FROM THE BOARD

Pursuant to Rule 2.1 of the Takeovers Code, a board which receives an offer or which is approached with a view to an offer being made, must, in the interests of shareholders, establish an independent committee of the board to make a recommendation (i) as to whether the offer is, or is not, fair and reasonable; and (ii) as to the acceptance of such offer.

The Independent Board Committee, comprising all of the three independent non-executive Directors, namely Mr. Wong Sik Kei, Mr. Sum Chun Ho and Mr. Yung Kai Tai, has been established in accordance with Rule 2.1 of the Takeovers Code to advise the Independent Shareholders as to whether the terms of the Offer are fair and reasonable and as to the acceptance of the Offer.

Altus Capital Limited, a corporation licensed by the SFC to carry out Type 4 (advising on securities), Type 6 (advising on corporate finance), and Type 9 (asset management) regulated activities under the SFO, has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in connection with the Offer and in particular as to whether the Offer is, or is not, fair and reasonable and as to its acceptance. The appointment of the Independent Financial Adviser has been approved by the Independent Board Committee.

The purpose of this Composite Document (of which this letter forms part) is to provide you with, among other things, (i) further information relating to the Group, the Joint Offerors and the Offer; (ii) the letter from Lego Securities containing details of the Offer; (iii) the letter from the Independent Board Committee containing its recommendations to the Independent Shareholders in relation to the Offer; and (iv) the letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders on whether the terms of the Offer are fair and reasonable so far as the Independent Shareholders are concerned and on acceptance in respect of the Offer.

You are advised to read the “Letter from the Independent Board Committee” addressed to the Independent Shareholders, the “Letter from the Independent Financial Adviser” and the additional information contained in the appendices to this Composite Document carefully before taking any action in respect of the Offer.

PRINCIPAL TERMS OF THE OFFER

The Offer

As disclosed in the section headed “Letter from Lego Securities” in this Composite Document, Lego Securities is making the Offer for and on behalf of the Joint Offerors in compliance with the Takeovers Code on the following basis:

For each Offer Share. HK\$0.2875 in cash

LETTER FROM THE BOARD

The Offer Price of HK\$0.2875 per Offer Share under the Offer is equal to the price per Sale Share paid by the Joint Offerors for the Sale Shares under the Sale and Purchase Agreement.

The Offer is extended to all Shareholders other than the Joint Offerors and the Joint Offerors' Concert Parties in accordance with the Takeovers Code. The Offer Shares to be acquired under the Offer will be fully paid and free from all Encumbrances together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of despatch of this Composite Document.

The Company confirms that as at the Latest Practicable Date, (i) it had not declared any dividend that is not yet paid; and (ii) it did not have any intention to make, declare or pay any future dividend/make other distributions prior to the close of the Offer. If, after the Latest Practicable Date, any dividend or other distribution is made or paid in respect of the Offer Shares, the Joint Offerors reserve the right to reduce the Offer Price by an amount equal to the net amount of such dividend or other distribution.

The Offer is unconditional in all respects.

Further details of the Offer

Further details of the Offer are set out in the section headed "Letter from Lego Securities" in this Composite Document and the additional information contained in the appendices to this Composite Document and the accompanying Form of Acceptance.

INFORMATION ON THE GROUP

The Company is an exempted company incorporated in the Cayman Islands with limited liability on 4 January 2016, the Shares of which have been listed on GEM of the Stock Exchange since 8 July 2016. The principal activity of the Company is investment holding. The Group is principally 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.

Your attention is drawn to the financial information and general information of the Group as set out in Appendix II and Appendix III respectively to this Composite Document.

LETTER FROM THE BOARD

SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company (i) immediately prior to Completion; and (ii) immediately following Completion and as at the Latest Practicable Date:

Shareholders	Immediately prior to Completion		Immediately following Completion and as at the Latest Practicable Date	
	Number of Shares	Approximate % of issued Shares	Number of Shares	Approximate % of issued Shares
The Joint Offerors and the Joint Offerors' Concert Parties				
– Variant Wealth (<i>Note 1</i>)	–	–	100,000,000	25.00
– Gorgeous Real Investment (<i>Note 2</i>)	–	–	106,000,000	26.50
– Mr. GL Tao	22,917,327	5.73	22,917,327	5.73
– Mr. J Tao	20,000,000	5.00	20,000,000	5.00
Subtotal	42,917,327	10.73	248,917,327	62.23
The Vendor (<i>Note 3</i>)	220,000,000	55.00	14,000,000	3.50
Public Shareholders	137,082,673	34.27	137,082,673	34.27
Total	<u>400,000,000</u>	<u>100.00</u>	<u>400,000,000</u>	<u>100.00</u>

Notes:

- Variant Wealth is beneficially wholly owned by Mr. GL Tao, an executive Director.
- Gorgeous Real Investment is beneficially wholly owned by Ms. Tao.
- The Vendor is wholly owned by Asia Media Systems Pte. Ltd. (“AMS”) which in turn is owned by Mr. Suh Seung Hyun, Mr. Lee Seung Han, Mr. Phung, Mr. Park Hyeoung Jin, Mr. Lee Sung Gue, Mr. Lee Je Eun and Ms. Marilyn Tang as to approximately 25.34%, 22.71%, 18.14%, 14.03%, 14.03%, 3.40% and 2.35%, respectively. Ms. Marilyn Tang is the owner of approximately 2.35% of the issued shares of AMS and the spouse of Mr. Phung. As such, Mr. Phung is deemed to be interested in all the Shares in which Ms. Marilyn Tang is interested under Part XV of the SFO. Mr. Suh Seung Hyun, Mr. Lee Seung Han, Mr. Phung are executive Directors.
- Certain percentage figures included in the above table are subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

LETTER FROM THE BOARD

INFORMATION ON THE JOINT OFFERORS AND THEIR INTENTIONS IN RELATION TO THE COMPANY

Your attention is drawn to the paragraphs headed “Information on the Joint Offerors” and “The Joint Offerors’ intention on the Group” in the “Letter from Lego Securities” in this Composite Document.

INTENTIONS OF THE JOINT OFFERORS REGARDING THE GROUP

Your attention is drawn to the paragraphs headed “The Joint Offerors’ intention on the Group” in the “Letter from Lego Securities” in this Composite Document.

The Board is aware of the Joint Offerors’ intention to continue the employment of the existing management and employees of the Group (except for the proposed change(s) to the composition of the Board at a time no earlier than that permitted under the GEM Listing Rules and the Takeovers Code or such later time as the Joint Offerors consider to be appropriate). The Board is aware that, following the close of the Offer, it is the intention of the Joint Offerors that the Group will continue with its existing principal business. The Joint Offerors do not intend to introduce any major changes to the existing operations and business of the Group immediately after close of the Offer and will neither redeploy nor dispose of any of the assets (including fixed assets) of the Group other than in the ordinary course of business. The Board is aware that following the close of the Offer, the Joint Offerors will conduct a detailed review on the existing principal operations and business, and the financial position of the Group for the purpose of formulating business plans and strategies for the Group’s long-term business development and will explore other business opportunities for the Group. Subject to the results of the review, and should suitable investment or business opportunities arise, the Joint Offerors may consider whether any assets and/or business acquisitions or disposals by the Group will be appropriate in order to enhance its growth. Any acquisition or disposal of the assets or business of the Group, if any, will be in compliance with the GEM Listing Rules and the Takeovers Code.

The Board is aware that, as at the Latest Practicable Date, no investment or business opportunity had been identified nor had any of the Joint Offerors entered into any agreement, arrangement, understanding or negotiation in relation to (a) the injection of any assets or business into the Group; or (b) the disposal of any assets or business of the Group.

The Board is also aware that, save for the proposed change(s) to the composition of the Board as mentioned below, as at the Latest Practicable Date, the Joint Offerors had no plan to terminate the employment of any other employees or other personnel of the Group. However, the Joint Offerors reserve the right to make any changes that they deem necessary or appropriate to the benefit of the Group.

The Board is aware of the intention of the Joint Offerors in respect of the Group and its employees and is willing to render reasonable cooperation with the Joint Offerors which is in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

PROPOSED CHANGE TO THE BOARD COMPOSITION OF THE COMPANY

As at the Latest Practicable Date, the Board comprised Mr. Suh Seung Hyun, Mr. Phung, Mr. Lee Seung Han, Mr. Ryoo Seong Ryul and Mr. GL Tao as the executive Directors; and Mr. Wong Sik Kei, Mr. Sum Chun Ho and Mr. Yung Kai Tai as the independent non-executive Directors.

It is intended that all of the existing Directors as at the Latest Practicable Date, except Mr. GL Tao and Mr. Lee Seung Han, will resign from the Board with effect from 31 October 2022 or a date no earlier than the date of the close of the Offer or at the earliest time permitted under the Takeovers Code, whichever is the later.

The Board is aware that the Joint Offerors intend to nominate new Directors to the Board to facilitate the business operation, management and strategy of the Group after the date on which this Composite Document is posted or such other date as permitted under the Takeovers Code. It is currently intended that the following individuals will be appointed as new Directors: (i) Ms. Tao as an executive Director; and (ii) Mr. Chan Kin Ming, Mr. Lam Chi Cheung Albert and Mr. Yu Wing Chung as independent non-executive Directors, in compliance with the Takeovers Code and the GEM Listing Rules.

Your attention is drawn to the paragraph headed “Proposed change to the Board composition of the Company” in the “Letter from Lego Securities” in this Composite Document.

Further announcement(s) (including the biographies of the new Directors) will be made immediately after their appointments.

PUBLIC FLOAT AND MAINTENANCE OF THE LISTING STATUS OF THE COMPANY

Your attention is drawn to the paragraph headed “Public float and maintenance of the listing status of the Company” in the “Letter from Lego Securities” in this Composite Document.

The Board noted the Joint Offerors’ intention to maintain the listing of the Shares on the Stock Exchange. Each of the Company, the Directors, the Joint Offerors, the sole director of each of the Joint Offerors and the new Directors to be appointed to the Board, will undertake to the Stock Exchange to take appropriate steps to ensure that not less than 25% of the issued share capital of the Company will continue to be held by the public at all material times.

The Stock Exchange has stated that if, at the close of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares, are held by the public, or if the Stock Exchange believes that:

- (i) a false market exists or may exist in the trading of the Shares; or
- (ii) there are insufficient Shares in public hands to maintain an orderly market,

it will consider exercising its discretion to suspend dealings in the Shares.

LETTER FROM THE BOARD

RECOMMENDATION

The Independent Board Committee, comprising all of the three independent non-executive Directors, namely Mr. Wong Sik Kei, Mr. Sum Chun Ho and Mr. Yung Kai Tai, has been established in accordance with Rule 2.1 of the Takeovers Code to advise the Independent Shareholders as to whether the terms of the Offer are fair and reasonable and as to the acceptance of the Offer.

Altus Capital Limited, a corporation licensed by the SFC to carry out Type 4 (advising on securities), Type 6 (advising on corporate finance), and Type 9 (asset management) regulated activities under the SFO, has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in connection with the Offer and in particular as to whether the Offer is, or is not, fair and reasonable and as to its acceptance. The appointment of the Independent Financial Adviser has been approved by the Independent Board Committee.

Your attention is drawn to (i) the “Letter from the Independent Board Committee” on pages 31 to 32 of this Composite Document, which sets out its recommendation to the Independent Shareholders as to whether the terms of the Offer are or are not fair and reasonable so far as the Independent Shareholders are concerned, and as to the acceptance thereof; and (ii) the “Letter from the Independent Financial Adviser” on pages 33 to 56 of this Composite Document, which sets out its advice and recommendation to the Independent Board Committee and the Independent Shareholders as to whether the terms of the Offer are, or are not, fair and reasonable so far as the Independent Shareholders are concerned, and as to the acceptance thereof, and the principal factors considered by it in arriving at its advice and recommendation.

The Independent Shareholders are urged to read those letters carefully before taking any action in respect of the Offer.

ADDITIONAL INFORMATION

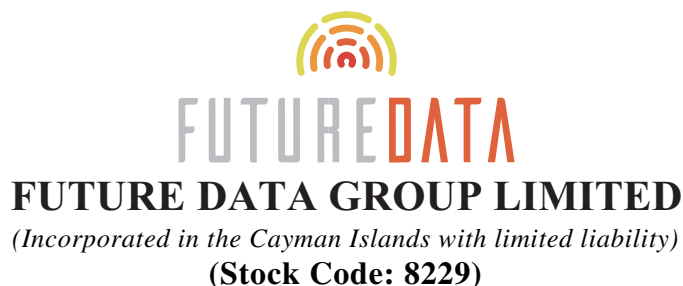
You are advised to read this Composite Document together with the accompanying Form of Acceptance in respect of the acceptance and settlement procedures of the Offer. Your attention is also drawn to the additional information contained in the appendices to this Composite Document.

In considering what action to take in connection with the Offer, you should consider your own tax positions, if any, and, in case of any doubt, consult your professional advisers.

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

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Set out below is the text of the letter of recommendation from the Independent Board Committee in respect of the Offer which has been prepared for the purpose of inclusion in this Composite Document.



5 October 2022

To the Independent Shareholders

Dear Sir/Madam,

**MANDATORY UNCONDITIONAL CASH OFFER BY
LEGO SECURITIES LIMITED
FOR AND ON BEHALF OF THE JOINT OFFERORS
TO ACQUIRE ALL THE ISSUED SHARES OF
FUTURE DATA GROUP LIMITED
(OTHER THAN THOSE ALREADY OWNED AND/OR
AGREED TO BE ACQUIRED BY THE JOINT OFFERORS AND/OR
THE JOINT OFFERORS' CONCERT PARTIES)**

We refer to the composite offer and response document dated 5 October 2022 jointly issued and despatched by the Joint Offerors and the Company (the “**Composite Document**”), of which this letter forms part. Unless the context otherwise requires, capitalised terms used in this letter shall have the same meanings as those defined in the Composite Document.

We have been appointed by the Board to constitute the Independent Board Committee to consider the terms of the Offer and to advise you as to whether, in our opinion, the terms of the Offer are fair and reasonable so far as the Independent Shareholders are concerned, and as to the acceptance of the Offer after taking into account the advice from the Independent Financial Advisor. Altus Capital Limited has been appointed as the Independent Financial Adviser to advise us in this respect. Details of its advice and the principal factors taken into consideration in arriving at its recommendation are set out in the section headed “Letter from the Independent Financial Adviser” on pages 33 to 56 of this Composite Document.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

We also wish to draw your attention to the “Letter from the Board”, the “Letter from Lego Securities” and the additional information set out in the appendices to this Composite Document and the accompanying Form of Acceptance in respect of the Offer and the acceptance and settlement procedures for the Offer.

RECOMMENDATION

Having considered the terms of the Offer, and taking into account the advice and recommendation from the Independent Financial Adviser, we consider that the terms of the Offer are fair and reasonable so far as the Independent Shareholders are concerned and therefore we recommend the Independent Shareholders to accept the Offer.

However, for those Independent Shareholders who are considering to realise all or part of their holdings in the Shares, they should closely monitor the market price and liquidity of the Shares during the Offer Period. Should the market price of the Shares exceed the Offer Price during the Offer Period, and the sale proceeds (net of transaction costs) exceed the net proceeds receivable under the Offer, the Independent Shareholders may wish to consider selling their Shares in the market instead of accepting the Offer.

In any case, the Independent Shareholders are strongly advised that the decision to realise or to hold their investment is subject to individual circumstances and investment objectives. If in doubt, the Independent Shareholders should consult their own professional advisers for advice. Furthermore, the Independent Shareholders who wish to accept the Offer are recommended to read carefully the procedures for accepting the Offer as detailed in this Composite Document and the accompanying Form of Acceptance.

Yours faithfully,

For and on behalf of the
Independent Board Committee of
Future Data Group Limited

Mr. Wong Sik Kei
Independent
non-executive Director

Mr. Sum Chun Ho
Independent
non-executive Director

Mr. Yung Kai Tai
Independent
non-executive Director

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the text of a letter of advice from Altus Capital Limited, the Independent Financial Adviser to the Independent Board Committee in respect of the Offer for the purpose of inclusion in the Composite Document.

ALTUS

Altus Capital Limited
21 Wing Wo Street
Central, Hong Kong

5 October 2022

To the Independent Board Committee

Future Data Group Limited
Suite 1507–08, 15/F
Two Chinachem Exchange Square
338 King's Road
North Point, Hong Kong

Dear Sir or Madam,

**MANDATORY UNCONDITIONAL CASH OFFER BY
LEGO SECURITIES LIMITED
FOR AND ON BEHALF OF THE JOINT OFFERORS
TO ACQUIRE ALL THE ISSUED SHARES OF
FUTURE DATA GROUP LIMITED
(OTHER THAN THOSE ALREADY OWNED AND/OR AGREED
TO BE ACQUIRED BY THE JOINT OFFERORS AND/OR
THE JOINT OFFERORS' CONCERT PARTIES)**

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee in connection with the Offer. Our aforesaid appointment has been approved by the Independent Board Committee pursuant to Rule 2.1 of the Takeovers Code. Details of the Offer are set out in the "Letter from the Board" contained in the Composite Document dated 5 October 2022, of which this letter forms part. Terms used in this letter shall have the same meanings as those defined in the Composite Document unless the context requires otherwise.

THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee (comprising all three independent non-executive Directors, namely, Mr. Wong Sik Kei, Mr. Sum Chun Ho and Mr. Yung Kai Tai) has been

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

established by the Company in accordance with Rules 2.1 and 2.8 of the Takeovers Code to give a recommendation to the Independent Shareholders as to whether the terms of the Offer are fair and reasonable and as to the acceptance of the Offer.

THE INDEPENDENT FINANCIAL ADVISER

As the Independent Financial Adviser with respect to the Offer, our role is to advise the Independent Board Committee in respect of the Offer and as to whether the terms of the Offer are fair and reasonable and as to acceptance of the Offer pursuant to Rule 2.1 of the Takeovers Code.

We (i) are not associated or connected, financial or otherwise, with the Company or the Joint Offerors, their respective controlling shareholders or any parties acting, or presumed to be acting, in concert with any of them; and (ii) have not acted as the financial adviser or independent financial adviser in relation to any transaction of the Company or the Joint Offerors, their respective controlling shareholders or any parties acting in concert with any of them in the last two years prior to the date of the Composite Document.

Pursuant to Rule 17.96 of the GEM Listing Rules and Rule 2 of the Takeovers Code, and given that (i) remuneration for our engagement to opine on the Offer is at market level and not conditional upon the outcome of the Offer; (ii) no arrangement exists whereby we shall receive any fees or benefits from the Company (other than our said remuneration) or the Joint Offerors, their respective controlling shareholders or any parties acting in concert with any of them; and (iii) our engagement is on normal commercial terms and approved by the Independent Board Committee, we are independent of the Company or the Joint Offerors, their respective controlling shareholders or any parties acting in concert with any of them and can act as the Independent Financial Adviser to the Independent Board Committee in respect of the Offer.

BASIS OF OUR ADVICE

In formulating our opinion, we have reviewed, amongst others (i) the Composite Document; (ii) the annual reports of the Company for the years ended 31 December 2020 and 2021 respectively (the “**2020 Annual Report**” and the “**2021 Annual Report**”); and (iii) the interim report of the Company for the six months ended 30 June 2022 (the “**2022 Interim Report**”).

We have relied on the statements, information, opinions and representations contained or referred to in the Composite Document and/or provided to us by the Company, the Directors and the management of the Company (collectively the “**Management**”). We have assumed that all statements, information, opinions and representations contained or referred to in the Composite Document and/or provided to us were true, accurate and complete in all material aspects at the time they were made and continued to be so as at the Latest Practicable Date. The Company will notify the Shareholders of any material changes to information contained or referred to in the Composite Document as soon as practicable in accordance with Rule 9.1 of the Takeovers Code.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Shareholders will also be informed as soon as practicable when there are any material changes to the information contained or referred to herein as well as changes to our opinion, if any, after the Latest Practicable Date.

We have no reason to believe that any statements, information, opinions or representations relied on by us in forming our opinion is untrue, inaccurate or misleading, nor are we aware of any material facts the omission of which would render the statements, information, opinions or representations provided to us untrue, inaccurate or misleading. We have assumed that all the statements, information, opinions and representations for matters relating to the Group contained or referred to in the Composite Document, and information relating to the Company provided to us by the Company and the Management have been reasonably made after due and careful enquiry. We have relied on such statements, information, opinions and representations and consider that we have been provided with and have reviewed sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not conducted any independent investigation into the business, financial conditions and affairs or the future prospects of the Group.

We have not considered the taxation implications on Shareholders arising from acceptance or non-acceptance of the Offer, if any, and therefore we will not accept responsibility for any tax effect or liability that may potentially be incurred by the Shareholders as a result of the Offer. In particular, Shareholders who are subject to Hong Kong or overseas taxation on dealings in securities are urged to seek their own professional advisers on tax matters.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our advice for the Offer, we have considered the following principal factors and reasons:

1. Background and financial information of the Group

1.1 Background of the Group

The Group is principally engaged in the provision of (i) integration of systems with network connectivity, cloud computing and security elements; (ii) maintenance services; and (iii) cybersecurity services in Korea and Hong Kong.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

1.2 Historical financial performance of the Group

Set out below is a summary of (i) the audited consolidated financial information of the Group for the financial years ended 31 December 2019 (“**FY2019**”), 2020 (“**FY2020**”) and 2021 (“**FY2021**”) respectively, which has been extracted from the 2020 Annual Report and the 2021 Annual Report; and (ii) the unaudited consolidated financial information of the Group for the six months ended 30 June 2021 (“**1H FY2021**”) and 2022 (“**1H FY2022**”) respectively, which has been extracted from the 2022 Interim Report.

	FY2019	FY2020	FY2021	1H FY2021	1H FY2022
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Audited)	(Audited)	(Audited)	(Unaudited)	(Unaudited)
Results					
Revenue	646,470	679,053	720,569	341,383	271,492
Gross profit	87,029	76,922	84,288	41,261	24,159
Net profit/(loss) for the year/period	4,041	7,513	8,690	10,645	(9,781)
Earnings/(Loss) per Share (HK\$) (Notes 1 and 2)	0.0101	0.0188	0.0217	0.0266	(0.0245)
Dividend per Share (HK\$)	Nil	Nil	Nil	Nil	Nil
					As at
		As at 31 December			30 June
	2019	2020	2021		2022
	HK\$'000	HK\$'000	HK\$'000		HK\$'000
	(Audited)	(Audited)	(Audited)		(Unaudited)
Assets and liabilities					
Total assets	300,591	300,065	354,078		260,324
Total liabilities	170,443	156,697	212,041		138,435
Net assets	130,148	143,368	142,037		121,889
Net tangible assets (Note 3)	108,760	127,739	130,413		112,110
Gearing (%) (Note 4)	17.1%	24.2%	64.7%		60.8%
Net asset value per Share (HK\$)	0.3253	0.3584	0.3551		0.3047
Net tangible asset value per Share (HK\$) (Notes 1 and 5)	0.2719	0.3193	0.3260		0.2803

Source: 2020 Annual Report, 2021 Annual Report and 2022 Interim Report

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Notes:

1. As at 31 December 2019, 2020 and 2021 and as at 30 June 2021 and 30 June 2022, there were 400,000,000 Shares in issue.
2. Earnings/(loss) per Share is derived by dividing the net profit/(loss) for the year/period and divided with the number of Shares in issue during the year.
3. The net tangible assets of the Group refers to the net assets of the Group less any intangible assets and goodwill. The intangible assets of the Group were mainly acquired during the three years ended 31 December 2019 for three distinct software platforms with cyber security, big data and internet of things features.
4. The Group expresses its gearing ratio as a percentage of total debt over total equity.
5. Net tangible asset value per Share is derived by dividing the net tangible assets of the Group with the number of Shares in issue as at the last day of the financial year/period.

FY2020 vs FY2019

The Group recorded an increase in revenue by 5.0% to HK\$679.1 million for FY2020 when compared to HK\$646.5 million achieved in FY2019. The growth in revenue was mainly attributable to the expanding operations in Korea and Hong Kong, in particular, with the increase in revenue driven by the demand for services among the three business segments of the Group (namely system integration segment, maintenance services segment and cybersecurity services segment).

Gross profit shrank by 11.6% from HK\$87.0 million for FY2019 to HK\$76.9 million for FY2020. In terms of gross profit margin, the ratio decreased from 13.5% in FY2019 to 11.3% in FY2020. The decrease was resulted from the acceptance of low margin system integration projects with strategic customers. Despite the lower gross profit, the Group posted profit after tax for FY2020 of HK\$7.5 million, representing an 85.9% increase compared to HK\$4.0 million for FY2019 due to the reasons mentioned above.

As at 31 December 2020, the Group recorded HK\$300.1 million in total assets which was slightly lower than that as at 31 December 2019 of HK\$300.6 million. The Group's cash position stood at HK\$96.2 million as at 31 December 2020 as compared to HK\$116.1 million as at 31 December 2019.

The Group's total liabilities decreased by 8.0% from HK\$170.4 million as at 31 December 2019 to HK\$156.7 million as at 31 December 2020. The decrease was due to a decrease in trade and other payables despite an increase in bank borrowings. The Group's net assets stood at HK\$143.4 million as at 31 December 2020 which was higher than HK\$130.1 million as at 31 December 2019. The Group's net tangible assets amounted to HK\$127.7 million as at 31 December 2020 which was higher than HK\$108.8 million as at 31 December 2019.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As at 31 December 2020, the gearing ratio increased to 24.2% (as at 31 December 2019: 17.1%).

As at 31 December 2020, the Group has outstanding capital commitments of KRW6,284,080,000 (equivalent to approximately HK\$44.5 million) mainly related to the agreements entered for properties¹ purchase in Korea which was not provided for in the Group's financial statements. For more details relating to the acquisition of the properties, please refer to note 20 to the consolidated financial statements of 2020 Annual Report.

FY2021 vs FY2020

The Group recorded a growth in revenue by 6.1% to HK\$720.6 million and profit increased by 15.7% to HK\$8.7 million for FY2021.

The growth in revenue was mainly attributable to the continual expansion of operations in Korea and Hong Kong in spite of the challenges gave rise under COVID-19, in particular, with the increase in revenue driven by the strong demand for services among the three business segments of the Group (as described above) and more sizeable contracts were awarded to sustain revenue growth.

The Group's gross profit increased by 9.6% from HK\$76.9 million for FY2020 to HK\$84.3 million for FY2021. In terms of gross profit margin, the margin was relatively stable and increased slightly by 0.4 percentage points to 11.7% for FY2021. The Group posted profit after tax for the year of HK\$8.7 million in FY2021, representing a 15.7% growth compared to FY2020 due to the reasons mentioned above.

As at 31 December 2021, the Group recorded HK\$354.1 million in total assets which was HK\$54.0 million higher than that as at 31 December 2020 of HK\$300.1 million. This was resulted from increase in trade and other receivables and cash and cash equivalents to HK\$110.2 million and HK\$123.1 million respectively. The Group's cash position stood at HK\$123.1million as at 31 December 2021 as compared to HK\$96.2 million as at 31 December 2020.

The Group's total liabilities increased by 35.3% from HK\$156.7 million as at 31 December 2020 to HK\$212.0 million as at 31 December 2021. The increase

¹ The purchased properties are located at 12, 12-1, Dangsang-dong 1-ga, Yeongdeungpo-gu, Seoul, Korea comprising of 17 office units, of which 6 office units were sold by the Group. The construction of the Think Factory Industrial Cluster, of which the properties form part, commenced in May 2020 and the expected date of occupancy of the Think Factory Industrial Cluster will be in or around October 2022. The properties shall be used for businesses which are permitted to move into the Knowledge Industry Center under the Industrial Cluster Act (i.e. manufacturing, knowledge, information and communications and support facilities). The Group plans to sell the properties by the transfer of its status or rights under the agreements relating to the acquisition. Details of the acquisition are set out in the circular of the Company dated 13 November 2020.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

was mainly due to (i) the increase in bank borrowings of HK\$53.4 million, of which HK\$10.0 million for the payment of deposits for acquisition of investment properties¹ (please refer to note 20 to the consolidated financial statements of 2021 Annual Report), HK\$5.8 million as a loan to ultimate holding company; and (ii) a loan of HK\$5.0 million from a shareholder (please refer to note 26 to the consolidated financial statements of 2021 Annual Report). The Group's net assets of HK\$142.0 million as at 31 December 2021 was comparable to the amount of HK\$143.4 million as at 31 December 2020. The Group's net tangible assets amounted to HK\$130.4 million as at 31 December 2021 which was slightly higher than HK\$127.7 million as at 31 December 2020.

As at 31 December 2021, the gearing ratio increased to 64.7% (as at 31 December 2020: 24.2%).

As at 31 December 2021, the Group has outstanding capital commitments of KRW4,713,060,000 (equivalent to approximately HK\$30.9 million) related to the agreements entered for properties¹ purchase in Korea which was not provided for in the Group's financial statements. For more details relating to the acquisition of the properties, please refer to note 20 to the consolidated financial statements of 2021 Annual Report.

1H FY2022 vs 1H FY2021

For 1H FY2022, the Group posted a revenue of HK\$271.5 million which represented a decrease by 20.5% when compared to a revenue of HK\$341.4 million for 1H FY2021. Such decrease was principally due to the effect of translation of reporting currency. Eliminating the effect of translation of reporting currency, the decrease of revenue by 12.9% from Korean Won ("KRW") 47.2 billion for 1H FY2021 to KRW41.1 billion for 1H FY2022 was moderated.

The Group's gross profit decreased by 41.4% from HK\$41.3 million for 1H FY2021 to HK\$24.2 million for 1H FY2022. During the period, the Group was facing the pressure of employee costs increment in information technology industry, unfavourable exchange rate movement of KRW against United States dollars and relatively low margin projects obtained from strategic customers in Korea, which boosted up the cost of sales and services at a rate higher than revenue. The Group posted loss for the period of HK\$9.8 million for 1H FY2022, a reversal from a profit position of HK\$10.6 million in 1H FY2021.

As at 30 June 2022, the Group recorded HK\$260.3 million in total assets which was HK\$93.8 million lower than that as at 31 December 2021 of HK\$354.1 million. This resulted mainly due to decrease in cash and cash equivalents resulted from the cash used in operating activities and trade and other

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

receivables. The Group's cash position stood at HK\$57.4 million as at 30 June 2022 as compared to HK\$123.1 million as at 31 December 2021.

Of the abovementioned cash position of the Group, please note that on 6 August 2021, the Board had resolved to revise the proposed use of the net proceeds from the placing. The Directors believed that the use of the proceeds should be appropriately adjusted to better adapt and cope with the current market conditions and economic environment. The Board considered the reallocation and change in use of proceeds would be more in line with the current business needs of the Group and would enable the Group to deploy its financial resources in a more efficient and effective manner. As at 30 June 2022, the remaining unutilised net proceeds of approximately HK\$12.8 million raised from the placing conducted in June/July 2016 was allocated for the setting up of an office and recruiting in Asian countries.

The Group's total liabilities decreased by 34.7% from HK\$212.0 million as at 31 December 2021 to HK\$138.4 million as at 30 June 2022. The significant decrease was mainly due to the repayment of trade and other payables (about HK\$45.9 million) and bank borrowings (net change about HK\$17.2 million). The Group's net assets stood at HK\$121.9 million as at 30 June 2022 as compared to HK\$142.0 million as at 31 December 2021. The Group's net tangible assets amounted to HK\$112.1 million as at 30 June 2022 which was lower than HK\$130.4 million as at 31 December 2021.

As at 30 June 2022, the gearing ratio decreased to 60.8% (as at 31 December 2021: 64.1%).

As at 30 June 2022, the Group has outstanding capital commitments of approximately KRW4.0 billion (equivalent to approximately HK\$25.7 million) related to the agreements entered for properties¹ purchase in Korea which was not provided for in the Group's financial statements. As described in note 13(a) of the notes to the condensed consolidated interim financial statements of the 2022 Interim Report, in accordance with the sales and purchase agreements of the acquisition of properties in Korea dated 14 May 2020, Global Telecom Company Limited, a wholly-owned subsidiary of the Company, applied for loans from a financial institution designated by the vendor for the intermediate payments, and the interest on bank loans was borne by the vendor until the date of occupancy. The bank loans are denominated in KRW, interest bearing at 6-month COFIX plus 3.36% per annum, unsecured and due to be settled on or before 31 January 2023. As at the Latest Practicable Date, the Management is considering options to refinance such loans and no decision has been made.

1.3 Dividends

During the three years ended 31 December 2021 and the six months ended 30 June 2022, no dividend had been recommended or declared.

1.4 Outlook

Taking into account the following:

- (i) the Group is principally engaged in the provision of (i) integration of systems with network connectivity, cloud computing and security elements; (ii) maintenance services; and (iii) cybersecurity services in Korea and Hong Kong;
- (ii) in January 2022, the Ministry of Science and ICT in Korea announced the “Digital New Deal Action Plan 2022”, whereby the Korea government intended to speed up digital transformation and allocate investments in different aspects, including but not limited to integration of data, network, artificial intelligent to facilitate the development of the internet application²;
- (iii) the Ministry of Science and ICT in Korea also announced the “Strategic Plan to Foster Data Protection Industry” in 2022 to cultivate the data protection industry by creating new market of data protection, supporting the commercialisation of new and leading data protection technologies and products and strengthen the data protection industry fundamental³;
- (iv) according to the Ministry of Science and ICT of Korea, the Korea’s data protection market has recorded an average annual growth rate of 8.4% between 2018 to 2020, and the global data protection market is expected to grow at an average annual rate of 9.4% by 2024³;
- (v) according to the 2021 Policy Address, Hong Kong government has been supporting the development of information technology industry over the years and will continue to support and increase funding for the information technology sector and promote application of digital technology in business

² Ministry of Science and ICT. (January. 2022). Korea’s Digital New Deal 2.0 Action Plan 2022. <https://www.msit.go.kr/eng/bbs/view.do?sCode=eng&mId=4&mPid=2&pageIndex=&bbsSeqNo=42&nttSeqNo=626&searchOpt=ALL&searchTxt>

³ Ministry of Science and ICT. (February. 2022). MSIT to announce ‘Strategic Plan to Foster Data Protection Industry’. <https://www.msit.go.kr/eng/bbs/view.do?sCode=eng&mId=4&mPid=2&pageIndex=4&bbsSeqNo=42&nttSeqNo=637&searchOpt=ALL&searchTxt>

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processes and operations. It is noted that the Hong Kong government had made over HK\$130 billion investment over four years to promote innovation and technology development⁴,

we believe that these supportive government policies may benefit the Group.

As the Group has recorded a loss in the first half in 2022, though the Management expects their order book is increasing and the situation is improving, the Management will cautiously manage its business operations against the uncertainties ahead as a result of the COVID-19 pandemic and geo-political tensions by implementing tight cost control and closely monitoring the potential impacts arising from the pressure of increasing interest rate in the United States in developing business strategies.

In view of the above, the Management believes and we concur that there exist certain uncertainties on the prospect and outlook of the Group despite the supportive government policies and the growing demand for the types of services provided by companies like the Group.

In addition, as disclosed in the “Letter from the Board” of the Composite Document, upon Completion, the Vendor continued to be the beneficial owner of 14,000,000 Shares, representing 3.50% of the issue share capital of the Company as at the Latest Practicable Date.

Since Mr. Suh Seung Hyun (being a director of Global Telecom), Mr. Phung (being a director of Future Data HK), and Mr. Lee Seung Han (being a director of both Global Telecom and Future Data HK), have extensive experience in the information and communications technology industry and are considered to be key persons in leading Global Telecom and Future Data HK, they are considered to be essential for the growth and development of these companies. We are of the view that the retention of 14,000,000 Shares by the Vendor is a gesture of maintaining the continuity and stability of the Group. However, Independent Shareholders should note that the Irrevocable Undertaking provided by the Vendor (i) not to accept the Offer; (ii) not to sell the Undertaking Shares to the Joint Offerors or the Joint Offerors’ Concert Parties; and (iii) not to sell the Undertaking Shares before the close of the Offer will cease to be effective upon the close of the Offer. Furthermore, as mentioned in the paragraph headed “4. Trading liquidity of the Shares” below, the trading volume of the Shares recorded during the Pre-Announcement Period was generally low, and there is no assurance that the higher trading volume recorded during the Post-Announcement Period will sustain after the close of the Offer, any attempt to dispose the aforesaid 14,000,000 Shares by the Vendor in large lot(s) after the close of the Offer may exert downward pressure on the market price of the Shares.

⁴ The Chief Executive’s 2021 Policy Address (October, 2021).

2. Background information of the Joint Offerors

2.1 *The Joint Offerors*

Variant Wealth (one of the Joint Offerors) is a company incorporated in the Republic of Seychelles with limited liability on 11 January 2021. It is an investment holding company and does not hold any assets/businesses as at the Latest Practicable Date. As at the Latest Practicable Date, Variant Wealth is beneficially wholly owned by Mr. GL Tao who is an executive Director and the sole director of Variant Wealth.

Gorgeous Real Investment (one of the Joint Offerors) is a company incorporated in the British Virgin Islands with limited liability on 23 June 2021. It is an investment holding company and does not hold any assets/businesses as at the Latest Practicable Date. As at the Latest Practicable Date, Gorgeous Real Investment is beneficially wholly owned by Ms. Tao who is the sole director of Gorgeous Real Investment.

Mr. GL Tao, is the sole beneficial owner and the sole director of Variant Wealth. He is an executive Director and the brother of Mr. J Tao and Ms. Tao. Mr. GL Tao obtained his bachelor's degree in business administration, majoring in marketing, from Beijing University of Technology (北京工業大學) in Beijing of the PRC in July 2001. Mr. GL Tao has extensive experience in trading and commerce as well as the real estate industry. He had served in a number of companies, including Jinke Property Group Co., Ltd (金科地產集團股份有限公司) (a company listed on the Shenzhen Stock Exchange (stock code: 000656)) with his last position being the deputy head of the supervisory committee, Chongqing Runtong Commerce Co., Ltd.* (重慶潤通商貿有限公司) as the chairman of the board of directors and Chongqing Xinshili Investment Company Limited* (重慶新實力投資有限公司) as a supervisor. He has been the president of Chongqing Home Furnishing Industry Chamber of Commerce (重慶市家居行業商會) since December 2015.

Ms. Tao, is the sole beneficial owner and the sole director of Gorgeous Real Investment. She is the sister of Mr. GL Tao and Mr. J Tao. Ms. Tao obtained her bachelor's degree from Southwest Institute of Technology* (西南工學院) (currently known as Southwest University of Science and Technology* (西南科技大學)) in Chongqing of the PRC in June 1996. Ms. Tao has extensive experience in supply chain-related and real estate-related multi-industry management. She had served in a number of companies, including Jinke Property Group Co., Ltd (金科地產集團股份有限公司) (a company listed on the Shenzhen Stock Exchange (stock code: 000656)) with her last position being the person in charge of the procurement centre, Chongqing Hongtao Culture Media Co., Ltd.* (重慶虹淘文化傳媒有限公司) as chairlady of the board of directors, Chongqing Hongtai Real Estate Co., Limited* (重慶市宏泰房地產公司) as the cooperative resources general manager, Chongqing Jianglong Construction Group* (重慶市江龍建設集團) as the general manager of the cost control department and Chongqing City Hongtao Investment Company Limited* (重慶市虹淘投資股份有限公司) as the chairlady of the board of directors.

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Prior to Completion, save for (i) the 22,917,327 Shares held by Mr. GL Tao; and (ii) the 20,000,000 Shares held by Mr. J Tao, representing approximately 5.73% and 5.00% of the total issued share capital of the Company, respectively, none of the Joint Offerors, their respective ultimate beneficial owner and sole director (being Mr. GL Tao and Ms. Tao), and the parties acting in concert with any of the Joint Offerors is interested in any Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company.

Immediately following Completion and as at the Latest Practicable Date, the Joint Offerors and the Joint Offerors' Concert Parties were interested in an aggregate of 248,917,327 Shares, representing approximately 62.23% of the total issued share capital of the Company, comprising (i) 106,000,000 Shares held by Gorgeous Real Investment (one of the Joint Offerors and beneficially wholly owned by Ms. Tao); (ii) 100,000,000 Shares held by Variant Wealth (one of the Joint Offerors and beneficially wholly owned by Mr. GL Tao); (iii) 22,917,327 Shares held by Mr. GL Tao; and (iv) 20,000,000 Shares held by Mr. J Tao.

Having considered that (i) Mr. GL Tao, the sole beneficial owner and the sole director of one of the Joint Offerors, is an Executive Director since 25 August 2021 and involves in determining the business strategy of the Group; (ii) Ms. Tao, the sole beneficial owner and the sole director of Gorgeous Real Investment, the sister of Mr. GL Tao and Mr. J Tao, has possessed general management experience; and (iii) Mr. Lee Seung Han, who have extensive experience in the information and communications technology industry, will remain as an executive Director after the Offer, we believe they possess the experience to manage the business of the Group upon the close of the Offer. However, their experience is not a primary factor which we have taken into account when considering whether to accept or not to accept the Offer.

2.2 The Joint Offerors' intention in relation to the Company and composition of the Board

It is the intention of the Joint Offerors to continue with the Group's existing principal business. In particular, the Joint Offerors have no intention to (i) introduce any major changes to the existing operations and business of the Group immediately after the close of the Offer; (ii) discontinue the employment of any employees or other personnel of the Group or to make significant changes to any employment; or (iii) dispose of or re-deploy any of the assets (including the fixed assets) of the Group other than those in its ordinary and usual course of business. As at the Latest Practicable Date, the Joint Offerors did not have any intention, understanding, negotiation, arrangement, and agreements (formal or informal, express or implied) to downsize or dispose of any existing business or assets of the Group.

Following the closing of the Offer, the Joint Offerors intend to conduct a detailed review on the existing principal operations and business, and the financial position of the Group with a view to formulate business plans and strategies for the Group's long term business development and will explore other business opportunities for the Group. Subject to the results of the review, and should suitable investment or business opportunities arise, the Joint Offerors may consider whether any assets and/or business acquisitions or disposals by the Group will be appropriate in order to enhance its growth. Any acquisition or disposal of the assets or business of the Group, if any, will be in compliance with the GEM Listing Rules and the Takeovers Code.

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As at the Latest Practicable Date, no investment or business opportunity has been identified nor has any of the Joint Offerors entered into any agreement, arrangement, understanding or negotiation in relation to (a) the injection of any assets or business into the Group; or (b) the disposal of any assets or business of the Group.

2.3 Proposed change to the Board composition of the Company

As at the Latest Practicable Date, the Board comprises Mr. Suh Seung Hyun, Mr. Phung, Mr. Lee Seung Han, Mr. Ryoo Seong Ryul and Mr. GL Tao as the executive Directors; and Mr. Wong Sik Kei, Mr. Sum Chun Ho and Mr. Yung Kai Tai as the independent nonexecutive Directors.

It is intended that all of the existing Directors, except Mr. GL Tao and Mr. Lee Seung Han, will resign from the Board with effect from 31 October 2022 or a date no earlier than the date of the close of the Offer or at the earliest time permitted under the Takeovers Code, whichever is the later.

The Joint Offerors intend to nominate new Directors to the Board to facilitate the business operation, management and strategy of the Group after the date on which the Composite Document is posted or such other date as permitted under the Takeovers Code. As mentioned in the “Letter from the Board” of the Composite Document, it is currently intended that the following individuals will be appointed as new Directors: (i) Ms. Tao as an executive Director; and (ii) Mr. Chan Kin Ming, Mr. Lam Chi Cheung Albert and Mr. Yu Wing Chung as independent non-executive Directors, in compliance with the Takeovers Code and the GEM Listing Rules. Further announcement(s) (including the biographies of the new Directors) will be made immediately after their appointments.

2.4 Listing status of the Company and public float

The Joint Offerors intend to maintain the listing status of the Company on the Stock Exchange following the close of the Offer. Pursuant to the GEM Listing Rules, if upon the close of the Offer, less than 25% of the issued Shares are held by the public or if the Stock Exchange believes that: (i) a false market exists or may exist in the trading of the Shares; or (ii) there are insufficient Shares in public hands to maintain an orderly market, the Stock Exchange will consider exercising its discretion to suspend trading in the Shares until a level of sufficient public float is attained. Each of the Company, the Directors, the Joint Offerors, the sole director of each of the Joint Offerors and the new Directors to be appointed will undertake to the Stock Exchange to take appropriate steps to ensure that not less than 25% of the issued share capital of the Company will continue to be held by the public at all material times.

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Independent Shareholders should note that while the Joint Offerors presently has no intention to introduce any major changes to the existing operations and business of the Group, there is no assurance whether such intention may evolve following the abovementioned review of the Group's structure, operation and business and by extension altering the Group's outlook discussed under the paragraph headed "1.4 Outlook" above.

3. The Share Offer Price

To assess the fairness and reasonableness of the Offer Price, we have considered the following factors.

3.1 The Offer Price comparison

The Offer Price of HK\$0.2875 per Offer Share represents:

- (a) a premium of approximately 2.68% over the closing price of HK\$0.280 per Share as quoted on the Stock Exchange on 30 September 2022, being the Latest Practicable Date;
- (b) a premium of approximately 63.35% over the closing price of HK\$0.1760 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (c) a premium of approximately 70.93% over the average closing price of HK\$0.1682 per Share, being the average closing price of the Shares as quoted on the Stock Exchange for the five consecutive trading days immediately prior to and including the Last Trading Day;
- (d) a premium of approximately 71.64% over the average closing price of approximately HK\$0.1675 per Share, being the average closing price of the Shares as quoted on the Stock Exchange for the 10 consecutive trading days immediately prior to and including the Last Trading Day;
- (e) a premium of approximately 64.76% over the average closing price of approximately HK\$0.1745 per Share, being the average closing price of the Shares as quoted on the Stock Exchange for the 30 consecutive trading days immediately prior to and including the Last Trading Day;
- (f) a premium of approximately 70.12% over the average closing price of approximately HK\$0.1690 per Share, being the average closing price of the Shares as quoted on the Stock Exchange for the 90 consecutive trading days immediately prior to and including the Last Trading Day;
- (g) a premium of approximately 44.18% over the average closing price of approximately HK\$0.1994 per Share, being the average closing price of the Shares as quoted on the Stock Exchange for the 180 consecutive trading days immediately prior to and including the Last Trading Day;

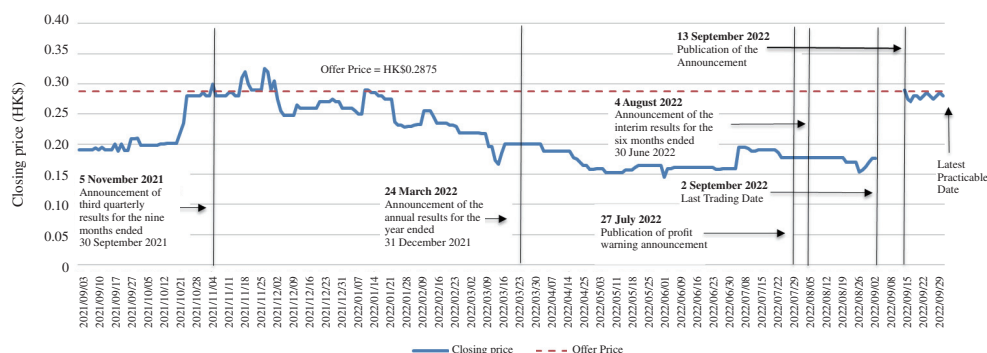
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- (h) a discount of approximately 19.04% to the audited consolidated net assets per Share of approximately HK\$0.3551 as at 31 December 2021 as extracted from the 2021 Annual Report, which was calculated based on 400,000,000 Shares in issue as at the Latest Practicable Date;
- (i) a discount of approximately 11.82% to the consolidated net tangible assets per Share of approximately HK\$0.3260 as at 31 December 2021 as extracted from the 2021 Annual Report, which was calculated based on 400,000,000 Shares in issue as at the Latest Practicable Date;
- (j) a discount of approximately 5.64% to the unaudited consolidated net assets per Share of approximately HK\$0.3047 as at 30 June 2022 as extracted from the 2022 Interim Report, which was calculated based on 400,000,000 Shares in issue as at the Latest Practicable Date; and
- (k) a premium of approximately 2.57% to the consolidated net tangible assets per Share of approximately HK\$0.2803 as at 30 June 2022 as extracted from the 2022 Interim Report, which was calculated based on 400,000,000 Shares in issue as at the Latest Practicable Date.

From the above, the Offer Price represents a premium over the recent market trading price and a moderate discount to the Group's net asset value and net tangible asset value based on its recent financial reports. We have conducted further analysis on the fairness and reasonableness of the Offer Price as presented below.

3.2 Historical price performance of the Shares

The chart below illustrates the historical closing prices of Shares in the past year from 3 September 2021 to the Last Trading Day ("**Pre-Announcement Period**") and subsequent to that up to the Latest Practicable Date ("**Post-Announcement Period**") (collectively, the "**Review Period**"). We are of the view that a period of approximately one year is adequate to illustrate the recent price movements of the Shares, which reflects the prevailing market sentiment, for conducting a reasonable comparison between the closing prices of the Shares and the Offer Price.



Source: The website of the Stock Exchange (www.hkex.com.hk)

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During the Pre-Announcement Period, the lowest and highest closing prices of the Shares were HK\$0.145 per Share recorded on 1 June 2022 and HK\$0.325 per Share recorded on 29 November 2021 respectively. The Offer Price, being HK\$0.2875 per Offer Share, is within the aforesaid range of the closing prices of the Shares. The average daily closing price per Share over the Review Period was approximately HK\$0.2142 per Share, and the Offer Price represents a premium of approximately 34.22% over such average of closing prices.

As illustrated in the graph above, the Offer Price is well above the closing prices of the Shares throughout the Pre-Announcement Period, except occasionally (i) on 5 November 2021 – HK\$0.30, the date of the announcement of third quarterly results of the Group for the nine months ended 30 September 2021, (ii) between 18 November 2021 to 2 December 2021 – range between HK\$0.29 to HK\$0.325, and (iii) on 12 and 13 January 2022 – HK\$0.29. The Directors and the senior management confirmed that they were not aware of any reasons which might cause the closing prices of the Shares to rise and/or maintain at the aforesaid level. In addition, we are not aware of any peculiar reasons to support the then closing prices recorded above the Offer Price.

As at the Last Trading Day, the closing price of the Shares was HK\$0.176 per Share. From 5 September 2022 to 13 September 2022, trading in the Shares was suspended pending the publication of the Announcement. When trading in the Shares resumed on 14 September 2022, the Shares closing price surged to its highest of HK\$0.29 per Share on 14 September 2022, which was likely caused by the publication of the Announcement. During the Post-Announcement Period, the closing prices of the Shares had been trading just slightly above or below the Offer Price and closed at HK\$0.28 per Share as at the Latest Practicable Date. It should be noted that despite the closing price of the Shares during the Post-Announcement Period was slightly higher or lower than Offer Price, there is no assurance that the price of the Shares will sustain at the same level during and after the Offer Period.

Considering the fact that the Offer Price is above the closing prices of the Shares throughout the majority of the Review Period and represents a premium of approximately 34.22% to the average daily closing price per Share over the Review Period, we are of the view that the Offer Price is fair and reasonable from the point of view of the historical trading prices of the Shares.

Shareholders should note that the information set out above is not an indication of the future performance of the Shares and that the price of the Shares may increase or decrease during the period between the Latest Practicable Date and the close of the Offer.

3.3 *Comparable analysis*

In assessing the fairness and reasonableness of the Offer Price, despite the Company was loss-making during the six months ended 30 June 2022, the Company recorded net profit for a consecutive of six full financial years since listing in July 2016, we have considered the valuation of the Group based on such price. We have performed analysis on the price-to-book ratio (the “**P/B Ratio(s)**”) and the price-to-earnings ratio (the “**P/E Ratio(s)**”), being common parameters in assessing a company’s value, of companies which are listed on the Stock Exchange and are engaged in similar business of the Group for comparison purpose (“**Comparable(s)**”).

According to the 2021 Annual Report, the net tangible assets of the Group was approximately HK\$130.4 million as at 31 December 2021. As our review shows that (i) the net tangible assets of all the Comparables ranged from approximately HK\$50 million to HK\$500 million, which can be considered as typical operating scale of small-medium enterprises; and (ii) the principal activities of all the Comparables (including the Company) are of similar nature, we believe that P/B Ratios is an appropriate benchmark for comparison purpose.

We have also considered the price-to-sales ratio (“**P/S Ratio**”) analysis but have noted characteristics which caused difficulties in such analysis. While all Comparable Companies are engaged in provision of system integration service, composition of their revenue may differ significantly. In particular, the Company derives its revenue from both service fees and procurement of hardware/software, while some Comparables may derive revenue principally from service fees. In general, hardware/software procurement involves less value added element (hence lower profit margins) but will result in elevated sales figures. As information on Comparables’ proportion of sales from services fees and procurement are not readily available, we are of the view that P/S Ratio analysis cannot be reasonably conducted.

We have set the following selection criteria for the purpose of identifying Comparables:

- (i) the shares of which are listed on the Stock Exchange and of comparable size to the Company with closing market capitalisation as at the Last Trading Day range between HK\$60 million and HK\$180 million (the Company’s implied market capitalisation based on the Offer Price is HK\$115 million; while the closing market capitalisation on the Last Trading Day was approximately HK\$70.4 million); and
- (ii) over 80% of revenue is derived from system integration and maintenance services and related IT solution services.

Based on the above criteria, we have identified 8 Comparables.

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Independent Shareholders should note that despite the aforesaid criteria, the business, the scale of operations, trading prospects, location of projects and capital structure of the Group are not exactly the same as those of the Comparables, and we have not conducted any in-depth investigation into the businesses and operations of the Comparables. Notwithstanding the above, the list of Comparables is exhaustive and is sufficient for us to form a view on the fairness and reasonableness of the Offer Price. Details of the Comparables are summarised below:

Stock code	Company name	Principal businesses	Market capitalisation ⁽¹⁾ (HK\$ million)	Net profit ⁽²⁾ (HK\$ million)	P/E Ratio ⁽³⁾ (times)	Net asset value ⁽⁴⁾ (HK\$ million)	P/B Ratio ⁽⁵⁾
465	Futong Technology Development Holdings Limited	The company is principally engaged in provision of enterprise IT infrastructure products, services and solutions, cloud computing products and intelligent digitalised application products principally in the PRC.	105.8	(81.4)	NA	479.7	0.22
1087	InvesTech Holdings Limited	The company is principally engaged in provision of network system integration including the provision of network infrastructure solutions, network professional services and smart office software solutions, and the network equipment rental business principally in the PRC.	76.2	(20.4)	NA	129.8	0.59
1808	Enterprises Development Limited	The company is principally engaged in the provision of integrated business software solutions principally in the PRC.	111.8	(26.7)	NA	200.5	0.56
1949	Platt Nera International Limited	The company provides IT solutions to Thai financial institutions, government departments and agencies predominantly in administrative, telecommunications and utilities sectors, and the sale of equipment in Thailand.	100.0	(6.2)	NA	98.7	1.01

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Stock code	Company name	Principal businesses	Market capitalisation ⁽¹⁾ (HK\$ million)	Net profit ⁽²⁾ (HK\$ million)	P/E Ratio ⁽³⁾ (times)	Net asset value ⁽⁴⁾ (HK\$ million)	P/B Ratio ⁽⁵⁾
8033	Vodatel Networks Holdings Limited	The company is principally engaged in the design, supply, implementation and maintenance of turnkey solutions in the areas of IT, networks and surveillance and in the development of customised software for its customers in Macao, Hong Kong and the PRC.	106.6	(6.3)	NA	184.5	0.58
8045	Jiangsu NandaSoft Technology Company Limited	The company is principally engaged in sales of computer hardware and software products, trading business of information technology related products and equipment, provision of information technology training services, developing, manufacturing and marketing of network security software, internet application software, education software and business application software, provision of system integration services, research and development of medical and pharmaceutical equipment, provision of services in relation to building installation and information system integration and properties investments in the PRC.	88.4	(44.8)	NA	210.9	0.42
8178	China Information Technology Development Limited	The company is principally engaged in provision of system integration and related support services, provision of IT infrastructure solutions and maintenance services, money lending, rental of properties and securities trading in Hong Kong and the PRC.	72.1	(90.3)	NA	343.0	0.21

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Stock code	Company name	Principal businesses	Market capitalisation ⁽¹⁾ (HK\$ million)	Net profit ⁽²⁾ (HK\$ million)	P/E Ratio ⁽³⁾ (times)	Net asset value ⁽⁴⁾ (HK\$ million)	P/B Ratio ⁽⁵⁾
8319	Expert Systems Holdings Limited	The company is principally engaged in provision of IT infrastructure solutions whereby the Group assesses, designs and implements IT infrastructure solutions in Hong Kong and the PRC.	80.3	15.2	5.28	53.5	1.50
				Maximum	NA		1.50
				Minimum	NA		0.21
				Mean	5.28		0.64
				Median	NA		0.57
8229	The Company	The Company is principally engaged in the provision of (i) integration of systems with network connectivity, cloud computing and security elements; (ii) maintenance services; and (iii) cybersecurity services in Korea and Hong Kong	115 ⁽⁶⁾	7.25	15.86 ⁽⁶⁾	130.4	0.88

Source: The website of the Stock Exchange (www.hkex.com.hk)

Notes:

- (1) Calculated based on the closing share price and number of Shares in issue as at the Latest Practicable Date sourced from the website of the Stock Exchange.
- (2) The net profit attributable to shareholders of the Comparables are extracted from their respective latest published annual reports prior to the Latest Practicable Date. Where applicable, for illustrative purpose, RMB has been translated into HK\$ with exchange rates of RMB1 to HK\$1.12 and THB1 to HK\$0.21 respectively as quoted from The Hong Kong Association of Banks as at the Latest Practicable Date.
- (3) P/E Ratios of the Comparables are calculated based on their respective market capitalisation as at the Latest Practicable Date (calculated based on their respective closing prices multiplied by the total number of issued shares as at the Latest Practicable Date), divided by the net profit attributable to shareholders extracted from their respective latest published annual reports prior to the Latest Practicable Date. Where applicable, for illustrative purpose, RMB has been translated into HK\$ with exchange rates of RMB1 to HK\$1.12 and THB1 to HK\$0.21 respectively as quoted from The Hong Kong Association of Banks as at the Latest Practicable Date.
- (4) Net asset value of the Comparables and the Company refer to their respective net tangible assets (calculated based on their respective net assets minus the intangible assets and/or goodwill) extracted from their respective latest published annual reports prior to the Latest Practicable Date.

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- (5) P/B Ratio is calculated based on the market capitalisation and net asset value as described in notes 1 and 4 above.
- (6) The implied market capitalisation and P/E Ratio of the Company are calculated based on the Offer Price.

As shown in the table above, the valuation of the Company based on the implied market capitalisation arrived at using the Offer Price translates into an implied P/E Ratio of approximately 15.86 times.

It is observed that only one of the Comparables (Expert System Holdings Limited) recorded net profit for the year ended 31 March 2022 (i.e. as extracted from the latest published annual report of this company prior to the Latest Practicable Date) and derived a P/E Ratio of 5.28 times, while we noted that (i) all the Comparables recorded loss for the six months ended 30 June 2022; (ii) the Group also recorded a loss during the six months ended 30 June 2022 for the first time after recording net profits for six consecutive financial years since listing in July 2016, due to the reasons described in paragraph “1.2 Historical financial performance of the Group – 1H FY2022 vs 1H FY2021” above; and (iii) all the Comparables, including the Company, viewed their respective business outlook cautiously due to the impact arising from the COVID-19 pandemic and geo-political tensions on the global economy. The above prevalent loss situations are consistent with our observations of the recent phenomenon that companies engaging in provision of system integration service have been facing various business and operational challenges under difficult and/or competitive environment since the beginning of 2020, and this applies to the Comparable Companies as well as the Group.

We believe there being only one Comparable Company having P/E Ratio available for comparison reflects the above recent phenomenon and does not impede our analysis. Hence, we believe that the abovementioned P/E Ratio is a relevant reference for the Independent Shareholders when considering, among other factors, whether to accept or not to accept the Offer; in particular, the implied P/E Ratio of the Company of approximately 15.86 times is well above the Comparable P/E Ratio of approximately 5.28 times.

Meanwhile, as illustrated in the table above, the P/B Ratios of the Comparables range from approximately 0.21 times to 1.50 times, with the mean and median being approximately 0.64 times and 0.57 times respectively. The P/B Ratio of the Company was approximately 0.88 times which is within the range of the Comparables, and is higher than the mean and median of the Comparables.

Based on the above, from the perspective of market comparable analysis, we are of the view that the Offer Price is fair and reasonable.

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4. Trading liquidity of the Shares

We have conducted a review on the trading liquidity of the Shares and set out below is the average daily trading volume of the Shares on a monthly basis and the respective percentage of the average daily trading volume of the Shares as compared to the total number of issued Shares and Shares held by the public during the Review Period.

Month	Average daily trading volume (number of Shares)	Average daily trading volume as a percentage to the total number of issued Shares ⁽¹⁾	Average daily trading volume as a percentage to the total number of issued Shares held by public Shareholders ⁽²⁾
3 to 30 September 2021	811,842	0.2030%	0.5922%
October 2021	218,611	0.0547%	0.1595%
November 2021	444,545	0.1111%	0.3243%
December 2021	98,181	0.0245%	0.0716%
January 2022	16,904	0.0042%	0.0123%
February 2022	16,176	0.0040%	0.0118%
March 2022	32,826	0.0082%	0.0239%
April 2022	2,222	0.0006%	0.0016%
May 2022	81,250	0.0203%	0.0593%
June 2022	42,380	0.0106%	0.0309%
July 2022	54,750	0.0137%	0.0399%
August 2022	7,391	0.0018%	0.0054%
1 and 2 September 2022	62,500	0.0156%	0.0456%
14 to 30 September 2022 ⁽³⁾	3,213,846	0.8035%	2.3445%

Source: The website of the Stock Exchange (www.hkex.com.hk)

Notes:

- (1) Based on the total number of issued Shares as at each month end.
- (2) Based on 137,082,673 Shares, the total number of issued Shares held by the public Shareholders as at the Latest Practicable Date. For the purpose of this table, public Shareholders refer to the Shareholders other than the Joint Offerors and the Join Offerors' Concert Parties as well as the Vendor. For more details, please refer to the paragraph headed "Shareholding structure of the Company" in the "Letter from the Board" of the Composite Document.
- (3) The suspension period of trading (from 5 to 13 September 2022) is excluded for the calculation of the average daily trading volume of the Shares.

As illustrated in the above table, the percentage of average daily trading volume to the total number of issued Shares ranged from approximately 0.0006% to 0.2030%. When

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compared to the total number of Shares held by public Shareholders, the percentage ranged from approximately 0.0016% to 0.5922%. The average daily trading volume of the Shares during the Pre-Announcement Period was approximately 148,902 Shares, representing approximately 0.0372% of the total number of issued Shares and approximately 0.1086% of the total number of Shares held by public Shareholders as at the Latest Practicable Date.

The statistics in the above table show that the trading volume of the Shares had been generally low during the Pre-Announcement Period. We noted that the liquidity of the Shares improved only after the publication of the Announcement, between 14 to 30 September 2022, in which the average daily trading volume was approximately 3,213,846 Shares, representing approximately 2.34% of the total number of Shares held by public Shareholders, indicating that, without the Offer, the Shares were generally illiquid in the open market and that the higher level of trading volume may not be sustainable after the Offer Period.

In view of the above, the Offer provides an opportunity for Independent Shareholders to realise their investment in the Company for cash at the fixed Offer Price regardless of the number of Shares they hold without exerting downward pressure on the market price of the Shares.

RECOMMENDATION

In summary, having considered the following principal factors and reasons:

- (i) the recent business performance of the Group as shown in the results for the six months ended 30 June 2022 and the Management views the business outlook cautiously despite the order book is increasing as described in the paragraph headed “1.4 Outlook” above;
- (ii) the Offer Price is above the closing prices of the Shares throughout the majority of the Review Period and represents a premium of approximately 34.22% to the average daily closing price per Share over the Review Period;
- (iii) the Offer Price represents a slight discount of approximately 2.51% to the consolidated net tangible asset value per Share of approximately HK\$0.2803 as at 30 June 2022 as extracted from the 2022 Interim Report, which was calculated based on 400,000,000 Shares in issue as at the Latest Practicable Date;
- (iv) the trading volume of the Shares had been generally low during the Pre-Announcement Period and the Offer provides an opportunity for Independent Shareholders to realise their investment in the Company for cash at the fixed Offer Price regardless of the number of Shares they hold without exerting downward pressure on the market price of the Shares;

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- (v) from the perspective of market comparable analysis, despite only one Comparable Company has a P/E Ratio available (as explained in the paragraph headed “3.3. Comparable analysis” above), the implied P/E Ratio of the Company calculated based on the Offer Price is well above the P/E Ratio of the Comparable; and
- (vi) from the perspective of market comparable analysis, the P/B Ratio of the Company is within the range of the Comparables and higher than the mean and median of the Comparables,

we consider that the terms of the Offer are fair and reasonable and accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to accept the Offer.

The Independent Shareholders who intend to accept the Offer are reminded to closely monitor the market price and the liquidity of the Shares during the Offer Period for acceptance and should, having regard to their own circumstances and investment objectives, consider selling the Shares in the open market, instead of accepting the Offer, if the net proceeds from the sale of such Shares would be higher than that receivable under the Offer.

Yours faithfully,
For and on behalf of
Altus Capital Limited
Jeanny Leung
Executive Director

Ms. Jeanny Leung (“Ms. Leung”) is a Responsible Officer of Altus Capital Limited licensed to carry on Type 6 (advising on corporate finance) regulated activity under the SFO and permitted to undertake work as a sponsor. She is also a Responsible Officer of Altus Investments Limited licensed to carry on Type 1 (dealing in securities) regulated activity under the SFO. Ms. Leung has over 30 years of experience in corporate finance advisory and commercial field in Greater China, in particular, she has participated in sponsorship work for initial public offerings and acted as financial adviser or independent financial adviser in various corporate finance transactions.

* *For identification purposes only*

1. PROCEDURES FOR ACCEPTANCE OF THE OFFER

To accept the Offer, you should complete and sign the accompanying Form of Acceptance in accordance with the instructions printed thereon, which form part of the terms of the Offer.

- (a) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are in your name, and you wish to accept the Offer in respect of your Shares (whether in full or in part), you must send the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof), by post or by hand, to the Registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong marked “Future Data Group Limited – General Offer” on the envelope as soon as possible but in any event so as to reach the Registrar by no later than 4:00 p.m. on the Closing Date or such later time and/or date as the Joint Offerors may determine and the Joint Offerors and the Company may jointly announce with the consent of the Executive in accordance with the Takeovers Code.
- (b) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are in the name of a nominee company or a name other than your own, and you wish to accept the Offer in respect of your Shares (whether in full or in part), you must either:
 - (i) lodge your share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares with the nominee company, or other nominee, and with instructions authorising it to accept the Offer on your behalf and requesting it to deliver the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares to the Registrar by no later than 4:00 p.m. on the Closing Date; or
 - (ii) arrange for the Shares to be registered in your name by the Company through the Registrar, and deliver the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares to the Registrar by no later than 4:00 p.m. on the Closing Date; or

- (iii) if your Shares have been lodged with your licensed securities dealer/registered institution in securities/custodian bank through CCASS, instruct your licensed securities dealer/registered institution in securities/custodian bank to authorise HKSCC Nominees Limited to accept the Offer on your behalf on or before the deadline set by HKSCC Nominees Limited. In order to meet the deadline set by HKSCC Nominees Limited, you should check with your licensed securities dealer/registered institution in securities/custodian bank for the timing on the processing of your instruction, and submit your instruction to your licensed securities dealer/registered institution in securities/custodian bank as required by them; or
 - (iv) if your Shares have been lodged with your investor participant's account maintained with CCASS, give your instruction via the CCASS Phone System or CCASS Internet System on or before the deadline set by HKSCC Nominees Limited.
- (c) If you have lodged transfer(s) of any of your Shares for registration in your name and have not yet received your share certificate(s), and you wish to accept the Offer in respect of your Shares, you should nevertheless complete and sign the Form of Acceptance and deliver it to the Registrar together with the transfer receipt(s) duly signed by yourself. Such action will constitute an irrevocable authority to the Joint Offerors and/or Lego Securities and/or their respective agent(s) to collect from the Company or the Registrar on your behalf the relevant share certificate(s) when issued and to deliver such share certificate(s) to the Registrar on your behalf and to authorise and instruct the Registrar to hold such share certificate(s), subject to the terms and conditions of the Offer, as if it was/they were delivered to the Registrar with the Form of Acceptance.
- (d) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are not readily available and/or is/are lost, as the case may be, and you wish to accept the Offer in respect of your Shares, the Form of Acceptance should nevertheless be completed, signed and delivered to the Registrar together with a letter stating that you have lost one or more of your share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares or that it is/they are not readily available. If you find such document(s) or if it/they become(s) available, the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares should be forwarded to the Registrar as soon as possible thereafter. If you have lost the share certificate(s) and/or transfer receipt(s) and/or other document(s) of title in respect of your Shares, you should also write to the Registrar for a letter of indemnity which, when completed in accordance with the instructions given should be provided to the Registrar. The Joint

Offerors shall have the absolute discretion to decide whether any Shares in respect of which the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title is/are not readily available and/or is/are lost will be taken up by the Joint Offerors.

- (e) Acceptance of the Offer will be treated as valid only if the completed and signed Form of Acceptance is received by the Registrar by no later than 4:00 p.m. on the Closing Date or such later time and/or date as the Joint Offerors may determine and the Joint Offerors and the Company may jointly announce with the consent of the Executive in accordance with the Takeovers Code and the Registrar has recorded that the Form of Acceptance and any relevant documents as required by Note 1 to Rule 30.2 of the Takeovers Code have been so received, and is:
 - (i) accompanied by the relevant share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares and, if that/those share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) is/are not in your name, such other documents (e.g. a duly stamped transfer of the relevant Share(s) in blank or in favour of the acceptor executed by the registered holder) in order to establish your right to become the registered holder of the relevant Shares; or
 - (ii) from a registered Shareholder or his/her personal representative (but only up to the amount of the registered holding and only to the extent that the acceptance relates to the Shares which are not taken into account under another sub-paragraph of this paragraph (e)); or
 - (iii) certified by the Registrar or the Stock Exchange.
- (f) If the Form of Acceptance is executed by a person other than the registered Independent Shareholder, appropriate documentary evidence of authority (for example, grant of probate or certified copy of a power of attorney) to the satisfaction of the Registrar must be produced.
- (g) In Hong Kong, seller's ad valorem stamp duty payable by the Shareholders who accept the Offer and calculated at a rate of 0.13% of the market value of the Offer Shares or the consideration payable by the Joint Offerors in respect of the relevant acceptances of the Offer, whichever is the higher, will be deducted from the amount payable by the Joint Offerors to the relevant Shareholders on the acceptance of the Offer. The Joint Offerors will arrange for payment of the seller's ad valorem stamp duty on behalf of the Shareholders who accept the Offer and will pay the buyer's ad

valorem stamp duty in connection with the acceptance of the Offer and the transfer of the Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

- (h) No acknowledgement of receipt of any Form of Acceptance, share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) will be given.

2. SETTLEMENT UNDER THE OFFER

Provided that a valid Form of Acceptance and the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the relevant Shares as required by Note 1 to Rule 30.2 of the Takeovers Code are complete and in good order in all respects and have been received by the Registrar by no later than 4:00 p.m. on the Closing Date or such later time and/or date as the Joint Offerors may determine and the Joint Offerors and the Company may jointly announce with the consent of the Executive in accordance with the Takeovers Code, a cheque for the amount (rounding up to the nearest Hong Kong cent) representing the cash consideration due to each of the Independent Shareholders who accepts the Offer less seller's ad valorem stamp duty in respect of the Offer Shares tendered by him/her/it under the Offer will be despatched to such Independent Shareholder by ordinary post at its/his/her own risk as soon as possible but in any event within seven (7) Business Days following the date on which all the relevant documents which render such acceptance complete and valid are received by the Registrar in accordance with the Takeovers Code.

Settlement of the consideration to which any accepting Independent Shareholder is entitled under the Offer will be implemented in full in accordance with its terms of the Offer (save with respect of the payment of the seller's ad valorem stamp duty in respect of the Offer) without regard to any lien, right of set-off, counterclaim or other analogous right to which the Joint Offerors may otherwise be, or claim to be, entitled against such Independent Shareholder.

No fraction of a Hong Kong cent will be payable and the amount of cash consideration payable to an Independent Shareholder who accepts the Offer will be rounded up to the nearest Hong Kong cent.

3. ACCEPTANCE PERIOD AND REVISIONS

- (a) Unless the Offer has previously been revised or extended with the consent of the Executive, to be valid, the Form of Acceptance must be received by the Registrar in accordance with the instructions printed thereon by 4:00 p.m. on the Closing Date. The Offer is unconditional.

- (b) The Joint Offerors and the Company will jointly publish an announcement on the Stock Exchange's website no later than 7:00 p.m. on the Closing Date stating the results of the Offer and whether the Offer has been extended, revised or has expired.
- (c) If the Offer is extended, the Joint Offerors and the Company will jointly issue an announcement in relation to any extension of the Offer, which will state either the next closing date or, a statement that the Offer will remain open until further notice. In the latter case, at least fourteen (14) days' notice in writing must be given, before the Offer is closed, to those Independent Shareholders who have not accepted the Offer.
- (d) If, in the course of the Offer, the Joint Offerors revise the terms of the Offer, all Independent Shareholders, whether or not they have already accepted the Offer, will be entitled to accept the revised Offer under the revised terms. A revised Offer must be kept open for at least fourteen (14) days following the date on which the revised Offer document is posted.
- (e) If the Closing Date is extended, any reference in this Composite Document and in the Form of Acceptance to the Closing Date shall, except where the context otherwise requires, be deemed to refer to the Closing Date of the Offer as so extended.
- (f) Any acceptance of the relevant revised Offer shall be irrevocable unless and until the Independent Shareholders who accept the Offer become entitled to withdraw their acceptance under the paragraph headed "6. Right of Withdrawal" below and duly do so.

4. NOMINEE REGISTRATION

To ensure equality of treatment of all Independent Shareholders, those registered Independent Shareholders who hold Shares as nominee on behalf of more than one beneficial owner should, as far as practicable, treat the holding of such beneficial owner separately. It is essential for the beneficial owners of the Shares whose investments are registered in the names of nominees to provide instructions to their nominees of their intentions with regard to the Offer.

5. ANNOUNCEMENT

- (a) As required by Rule 19 of the Takeovers Code, by 6:00 p.m. (or such later time as the Executive may in exceptional circumstances permit) on the Closing Date, the Joint Offerors must inform the Executive and the Stock Exchange of their decision in relation to the expiry, revision or extension of the Offer. The Joint Offerors must publish an announcement in accordance with the requirements of the GEM Listing Rules on the Stock Exchange's website by 7:00 p.m. on the Closing Date stating the results of the Offer and whether the Offer has been revised, extended, or has expired. The announcement will state the following:
- (i) the total number of Offer Shares and rights over the Offer Shares for which acceptances of the Offer have been received;
 - (ii) the total number of Shares and rights over Shares held, controlled or directed by the Joint Offerors or the Joint Offerors' Concert Parties before the Offer Period;
 - (iii) the total number of Shares and rights over Shares acquired or agreed to be acquired during the Offer Period by the Joint Offerors or the Joint Offerors' Concert Parties;
 - (iv) details of any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company which the Joint Offerors or the Joint Offerors' Concert Parties have borrowed or lent (save for any borrowed Shares which have been either on lent or sold); and
 - (v) the percentages of the issued share capital of the Company and the percentages of voting rights of the Company represented by these numbers.
- (b) In computing the total number of Shares represented by acceptances as of the Closing Date, only valid acceptances that are completed and in good order, and which have been received by the Registrar no later than 4:00 p.m. on the Closing Date, being the latest time and date for acceptance of the Offer, shall be included.
- (c) As required under the Takeovers Code, all announcements in relation to the Offer which the Executive and the Stock Exchange have confirmed that they have no further comments, will be made in accordance with the requirements of the Takeovers Code and the GEM Listing Rules, where appropriate.

6. RIGHT OF WITHDRAWAL

- (a) Acceptance of the Offer tendered by the Independent Shareholders shall be irrevocable and cannot be withdrawn, except in the circumstances set out in paragraph (b) below. Where a right of withdrawal becomes available, an acceptor may withdraw his/her/its

acceptance of the Offers by lodging a notice in writing signed by the acceptor (or his/her/its agent duly appointed in writing and evidence of whose appointment is produced together with the notice) to the Registrar.

- (b) If the Joint Offerors are unable to comply with the requirements set out in the paragraph headed “5. Announcement” above, the Executive may, pursuant to Rule 19.2 of the Takeovers Code, require that the Independent Shareholders who have tendered acceptances of the Offer be granted a right of withdrawal on terms that are acceptable to the Executive until the requirements set out in that paragraph are met.

In such case, if the Independent Shareholder(s) withdraw(s) their acceptance(s), the Joint Offerors shall, as soon as possible but in any event within ten (10) days thereof, return by ordinary post the share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the Shares lodged with the Form(s) of Acceptance to the relevant Independent Shareholder(s).

7. OVERSEAS SHAREHOLDERS

The making of the Offer to the Overseas Shareholders may be affected by the laws of the relevant jurisdictions in which they are resident. The Overseas Shareholders should observe any applicable legal or regulatory requirements. The Overseas Shareholders should obtain appropriate legal advice regarding the implications of the Offer in the relevant jurisdictions with a view to observing any applicable legal or regulatory requirements. It is the responsibility of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection therewith, including but not limited to the obtaining of any governmental, exchange control or other consents and any registration or filing which may be required and the compliance with all other necessary formalities or regulatory or legal requirements. The Overseas Shareholders will also be fully responsible for the payment of any transfer or other taxes and duties by the accepting Overseas Shareholders payable in respect of all relevant jurisdictions. The Joint Offerors and the Joint Offerors’ Concert Parties, the Company, Lego Corporate Finance, Lego Securities, Altus Capital, the Registrar, their respective ultimate beneficial owners, directors, officers, advisers, associates, agents and any persons involved in the Offer shall be entitled to be fully indemnified and held harmless by the Overseas Shareholders for any taxes and duties they may be required to pay.

Acceptance of the Offer by the Overseas Shareholders will constitute a representation and warranty by such person that the local laws and requirements have been complied with and such person is permitted under all applicable laws and regulations to receive and accept the Offer, and any revision thereof, and such acceptance shall be valid and binding in accordance with all applicable laws and regulations. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited will give, or be subject to, any of the above representation and warranty. The Overseas Shareholders should consult their professional advisers if in doubt.

8. HONG KONG STAMP DUTY AND TAX IMPLICATIONS

Sellers' Hong Kong ad valorem stamp duty on acceptances of the Offer at a rate of 0.13% of the market value of the Offer Shares or the consideration payable by the Joint Offerors in respect of the relevant acceptances of the Offer, whichever is the higher, will be deducted from the amount payable by the Joint Offerors to the relevant Shareholders on the acceptance of the Offer. The Joint Offerors will arrange for payment of the seller's ad valorem stamp duty on behalf of the Shareholders who accept the Offer and will pay the buyer's ad valorem stamp duty in connection with the acceptance of the Offer and the transfer of the Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

Independent Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of their acceptance of the Offer. It is emphasised that none of the Joint Offerors and the Joint Offerors' Concert Parties, the Company, Lego Corporate Finance, Lego Securities, Altus Capital, the Registrar, their respective ultimate beneficial owners, directors, officers, advisers, associates, agents or any persons involved in the Offer is in a position to advise the Independent Shareholders on their individual tax implications nor accepts responsibility for any taxation effects on, or liabilities of, any person or persons as a result of their acceptance or rejection of the Offer.

9. GENERAL

- (a) All communications, notices, Forms of Acceptance, share certificates, transfer receipts, other documents of title and/or any satisfactory indemnity or indemnities required in respect thereof and remittances to settle the consideration payable under the Offer to be delivered by or sent to or from the Independent Shareholders will be delivered by or sent to or from them, or their designated agents, by ordinary post at their own risk, and none of the Company, the Joint Offerors and the Joint Offerors' Concert Parties, Lego Corporate Finance, Lego Securities, Altus Capital and any of their respective agents nor the Registrar or other parties involved in the Offer accepts any liability for any loss in postage or any other liabilities that may arise as a result thereof.
- (b) The provisions set out in the Form of Acceptance form part of the terms and conditions of the Offer.
- (c) The accidental omission to despatch this Composite Document and/or Form of Acceptance or any of them to any person to whom the Offer is made will not invalidate the Offer in any way.
- (d) The Offer is and all acceptances will be, governed by and construed in accordance with the laws of Hong Kong.

- (e) Due execution of the Form of Acceptance will constitute an authority to the Joint Offerors and/or Lego Securities and/or such person or persons as any of them may direct, to complete and execute any document on behalf of the person or persons accepting the Offer and to do any other act that may be necessary or expedient for the purposes of vesting in the Joint Offerors and/or such person or persons as it may direct the Shares in respect of which such person or persons has accepted the Offer.
- (f) Acceptance of the Offer by any person or persons will be deemed to constitute a representation and warranty by such person or persons to the Joint Offerors and Lego Securities that the Shares are sold to the Joint Offerors free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights attached to them as at the Latest Practicable Date or subsequently becoming attached to them, including the right to receive in full all dividends and other distributions, if any, declared, made or paid on or after the date on which the Offer is made, being the date of despatch of this Composite Document. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited will give, or be subject to, any of the above representation and warranty.
- (g) Reference to the Offer in this Composite Document and in the Form of Acceptance shall include any extension or revision thereof.
- (h) This Offer is made in accordance with the Takeovers Code.
- (i) In making their decision, the Independent Shareholders must rely on their own examination of the Joint Offerors, the Group and the terms of the Offer, including the merits and risks involved. The contents of this Composite Document, including any general advice or recommendation contained herein together with the Form of Acceptance, shall not be construed as any legal or business advice on the part of the Company, the Joint Offerors and the Joint Offerors' Concert Parties, Lego Corporate Finance, Lego Securities, Altus Capital, the Registrar or any of their respective ultimate beneficial owners, directors, officers, agents or associates or any other persons involved in the Offer. The Independent Shareholders should consult their own professional advisers for professional advice.
- (j) Unless otherwise expressly stated in this Composite Document and/or the Form of Acceptance, no person other than the Joint Offerors and the accepting Independent Shareholders may enforce any terms of the Offer that will arise out of complete and valid acceptances under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong).
- (k) The English texts of this Composite Document and the Form of Acceptance shall prevail over their respective Chinese texts for the purpose of interpretation in case of inconsistency.

1. SUMMARY OF FINANCIAL INFORMATION OF THE GROUP

The following is a summary of (i) the unaudited consolidated financial results of the Group for the six months ended 30 June 2021 and 2022 as extracted from the interim report of the Company for the six months ended 30 June 2022 (the “**Interim Report 2022**”); and (ii) the audited consolidated financial results of the Group for each of the three years ended 31 December 2019, 2020 and 2021 as extracted from the annual report of the Company for the year ended 31 December 2019 (the “**Annual Report 2019**”), the annual report of the Company for the year ended 31 December 2020 (the “**Annual Report 2020**”), and the annual report of the Company for the year ended 31 December 2021 (the “**Annual Report 2021**”).

	For the six months		For the year ended 31 December		
	ended 30 June		2021	2020	2019
	2022	2021			
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(unaudited)	(unaudited)	(audited)	(audited)	(audited)
Revenue	271,492	341,383	720,569	679,053	646,470
Cost of sales and services	(247,333)	(300,122)	(636,281)	(602,131)	(559,441)
Gross profit/(loss)	24,159	41,261	84,288	76,922	87,029
Other income	871	2,740	2,484	6,558	4,974
Selling and administrative expenses	(35,137)	(31,671)	(70,260)	(73,707)	(86,297)
Finance costs	(464)	(421)	(808)	(746)	(1,445)
(Loss)/profit before income tax	(10,571)	(11,909)	15,704	9,027	4,261
Income tax credit/(expenses)	790	(1,264)	(7,014)	(1,514)	(220)
	(9,781)	10,645	8,690	7,513	4,041
(Loss)/profit for the period/year					
Attributable to:					
– Owners of the Company	(8,570)	10,849	7,250	7,876	4,373
– Non-controlling interests	(1,211)	(204)	1,440	(363)	(332)
	(9,781)	10,645	8,690	7,513	4,041

	For the six months		For the year ended 31 December		
	ended 30 June		2021	2020	2019
	2022	2021	2021	2020	2019
	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (audited)	HK\$'000 (audited)	HK\$'000 (audited)
(Loss)/earnings per share attributable to owners of the Company					
Basic and Diluted					
(HK cents)	(2.14)	2.71	1.81	1.97	1.09
Total comprehensive (expense)/income for the period	(20,148)	7,017	1,331	13,220	(1,011)
Attributable to:					
– Owners of the Company	(18,944)	7,225	(2,771)	13,583	(679)
– Non-controlling interests	(1,204)	(208)	1,440	(363)	(332)
	(20,148)	7,017	1,331	13,220	(1,011)
Total dividend	–	–	–	–	–
Dividend per Share	–	–	–	–	–

Save as disclosed above, there were no items of income or expense which are material in respect of the financial statements of the Group for the six months ended 30 June 2022 and each of the three years ended 31 December 2019, 2020 and 2021.

The auditors of the Company for the three financial years ended 31 December 2019, 2020 and 2021 were BDO Limited. The auditors' reports issued by BDO Limited in respect of the audited consolidated financial statements of the Group for each of the three years ended 31 December 2019, 2020 and 2021 did not contain any modified opinion, emphasis of matter or material uncertainty related to going concern.

There was no change in the Group's accounting policy during the three years ended 31 December 2021 which would result in the figures in its consolidated financial statements being not comparable to a material extent.

2. CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP

The Company is required to set out or refer to in this Composite Document the consolidated statements of financial position, consolidated statements of cash flows and any other primary statements as shown in the consolidated financial statements of the Group for each of the three years ended 31 December 2019, 2020 and 2021 and the six months ended 30 June 2022, together with the significant accounting policies and any points from the notes to the relevant published financial statements which are of major relevance to the appreciation of the above financial statements.

The audited consolidated financial statements of the Group for the year ended 31 December 2019 are set out from pages 56 to 144 in the Annual Report 2019 which was published on 31 March 2020. The Annual Report 2019 is available on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.futuredatagroup.com) and is accessible via the following hyperlink:

<https://www1.hkexnews.hk/listedco/listconews/gem/2020/0331/2020033101172.pdf>

The audited consolidated financial statements of the Group for the year ended 31 December 2020 are set out from pages 56 to 151 in the Annual Report 2020 which was published on 30 March 2021. The Annual Report 2020 is available on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.futuredatagroup.com) and is accessible via the following hyperlink:

<https://www1.hkexnews.hk/listedco/listconews/gem/2021/0330/2021033001230.pdf>

The audited consolidated financial statements of the Group for the year ended 31 December 2021 are set out from pages 56 to 149 in the Annual Report 2021 which was published on 30 March 2022. The Annual Report 2021 is available on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.futuredatagroup.com) and is accessible via the following hyperlink:

<https://www1.hkexnews.hk/listedco/listconews/gem/2022/0330/2022033000982.pdf>

The unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2022 are set out from pages 5 to 23 in the Interim Report 2022 which was published on 12 August 2022. The Interim Report 2022 is available on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.futuredatagroup.com) and is accessible via the following hyperlink:

<https://www1.hkexnews.hk/listedco/listconews/gem/2022/0812/2022081200946.pdf>

3. STATEMENT OF INDEBTEDNESS

As at the close of business on 31 August 2022, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this Composite Document, details of the Group's indebtedness are as follows:

	As at 31 August 2022 <i>HK\$'000</i> (Unaudited)
Current liabilities	
Lease liabilities	1,786
Bank borrowings	17,968
	<u>19,754</u>
Non-current liabilities	
Lease liabilities	2,092
Bank borrowings	18,415
Loan from a shareholder	4,900
	<u>25,407</u>
	<u><u>45,161</u></u>

Lease liabilities

As at 31 August 2022, the Group had lease liabilities of approximately HK\$4 million.

Bank borrowings

As at 31 August 2022, the Group had outstanding unsecured bank borrowings of approximately HK\$36 million. There are no material covenants relating to the Group's outstanding debts.

As at 31 August 2022, the Group had total available banking facilities of approximately HK\$82 million, of which approximately HK\$36 million was utilised and approximately HK\$46 million was unrestricted and unutilised. The Group had not experienced any difficulty in obtaining bank borrowings to finance its operations as at the Latest Practicable Date.

Contingent liability

As at 31 August 2022, the Group had no significant contingent liabilities.

Disclaimers

Save as disclosed above and apart from the intra-group liabilities, at the close of business on 31 August 2022, the Group did not have any outstanding mortgages, charges, debentures, loan capital, bank overdrafts, loans or other similar indebtedness, finance leases or hire purchase commitments, liabilities under acceptance (other than under normal trade bills) or acceptance credits, debt securities (whether issued and outstanding or authorised or otherwise created but unissued), guarantees or other material contingent liabilities. The Directors confirmed that there had been no material changes in the indebtedness and contingent liabilities of the Group since 31 August 2022, up to and including the Latest Practicable Date.

4. MATERIAL CHANGE

Save and except as disclosed below, the Directors confirm that there has been no material changes in the financial or trading position or outlook of the Group subsequent to 31 December 2021, being the date to which the latest audited consolidated financial statements of the Group were made up, and up to the Latest Practicable Date:

- (a) the Group recorded a loss for the period of HK\$9.8 million for the six months ended 30 June 2022. This was attributable to (i) the decrease in revenue from both Korea and Hong Kong businesses; (ii) the adverse effect of translation of reporting currency for KRW-denominated businesses into HK\$ due to the unfavourable exchange rate movement of KRW against HK\$; (iii) employee costs increment in information technology industry; and (iv) relatively low margin projects obtained from strategic customers in Korea. It is noted that KRW had continued to weaken against HK\$ from 1 July 2022 up to the Latest Practicable Date; and
- (b) the Group's unsecured bank borrowings as at 30 June 2022 had decreased by approximately 20.6% as compared to the balance recorded as at 31 December 2021. Unsecured bank borrowings had further decreased as at 31 August 2022 as reported in the section headed "3. Statement of Indebtedness" in this appendix.

1. RESPONSIBILITY STATEMENT

This Composite Document includes particulars given in compliance with the Takeovers Code for the purpose of giving information with regard to the Offer, the Joint Offerors and the Group.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this Composite Document (other than information relating to the Joint Offerors and the Joint Offerors' Concert Parties) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this Composite Document (other than those expressed by each of the sole director of the Joint Offerors in their capacity as such) have been arrived at after due and careful consideration and there are no other facts not contained in this Composite Document, the omission of which would make any statement in this Composite Document misleading.

2. SHARE CAPITAL

The authorised and issued share capital of the Company of HK\$0.01 each as at the Latest Practicable Date were as follows:

<i>Authorised share capital:</i>	<i>HK\$</i>
<u>5,000,000,000</u> Shares	<u>50,000,000</u>
<i>Issued and fully paid share capital:</i>	
<u>400,000,000</u> Shares	<u>4,000,000</u>

All the existing issued Shares are fully paid up or credited as fully paid and rank *pari passu* in all respects with each other, including the rights as to voting, dividends and capital. The Shares are listed on the Stock Exchange and none of the securities of the Company is listed or dealt in on any other stock exchange and no such listing or permission to deal is being or is proposed to be sought.

Since 31 December 2021 (being the date to which the Company's latest published audited consolidated financial statements were made up) and up to and including the Latest Practicable Date, no Shares had been issued by the Company.

As at the Latest Practicable Date, the Company had no outstanding convertible securities, options, warrants, derivatives or any other conversion rights in issue affecting the Shares.

3. MARKET PRICE

The table below shows the closing price of the Shares as quoted on the Stock Exchange on (i) the last trading day of the Stock Exchange for each calendar month during the Relevant Period; (ii) the Last Trading Day; and (iii) the Latest Practicable Date:

Date	Closing price per Share (HK\$)
31 March 2022	0.200
29 April 2022	0.159
31 May 2022	0.165
30 June 2022	0.159
29 July 2022	0.178
31 August 2022	0.170
2 September 2022 (being the Last Trading Day) (<i>Note</i>)	0.176
30 September 2022 (being the Latest Practicable Date)	0.280

Note: Trading of Shares was suspended from 5 September 2022 to 13 September 2022 pending the release of the Joint Announcement.

During the Relevant Period, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.290 per Share on 14 September 2022 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.145 per Share on 1 June 2022.

4. DISCLOSURE OF INTERESTS

(a) Interests and short positions of the Directors and chief executive of the Company

As at the Latest Practicable Date, save as disclosed below, none of the Directors nor the chief executive of the Company had or was deemed to be interested in any interests or short positions in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which are required (a) to be 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 they were deemed or taken to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to Rule 5.46 to 5.67 of the GEM Listing Rules; or (d) to be disclosed in this Composite Document pursuant to the Takeovers Code.

Name of Director	Nature of interest	Number of Shares held/ interested	Approximate percentage shareholding (Note 2)
Mr. GL Tao	Beneficial owner	22,917,327	5.73%
	Interest in controlled corporation (Note 1)	100,000,000	25%
Mr. Suh Seung Hyun	Interest in controlled corporation (Note 2)	14,000,000	3.50%
Mr. Lee Seung Han	Interest in controlled corporation (Note 2)	14,000,000	3.50%
Mr. Phung	Interest in controlled corporation (Note 2)	14,000,000	3.50%

Notes:

- These 100,000,000 Shares are held by Variant Wealth, which is beneficially wholly owned by Mr. GL Tao. As such, Mr. GL Tao is deemed, or taken to be, interested in all the Shares held by Variant Wealth under Part XV of the SFO.
- These 14,000,000 Shares are held by the Vendor, which is wholly-owned by Asia Media Systems Pte. Ltd. (“AMS”) which in turn is owned by Mr. Suh Seung Hyun, Mr. Lee Seung Han, Mr. Phung, Mr. Park Hyeoung Jin, Mr. Lee Sung Gue, Mr. Lee Je Eun and Ms. Marilyn Tang as to approximately 25.34%, 22.71%, 18.14%, 14.03%, 14.03%, 3.40% and 2.35%, respectively. Ms. Marilyn Tang is the owner of approximately 2.35% of the issued shares of AMS and the spouse of Mr. Phung. As such, Mr. Phung is deemed to be interested in all the Shares in which Ms. Marilyn

Tang is interested under Part XV of the SFO. Accordingly, each of Mr. Suh Seung Hyun, Mr. Lee Seung Han, Mr. Phung is deemed, or taken to be, interested in all the Shares held by the Vendor under Part XV of the SFO.

3. The percentage is calculated on the basis of 400,000,000 Shares as at the Latest Practicable Date.

(b) Interests and short positions of substantial Shareholders

As at the Latest Practicable Date, according to the register kept by the Company pursuant to section 336 of the SFO, and so far as is known to the Director or chief executive of the Company, the following persons (other than a Director or chief executive of the Company) had 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, who was, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

Shareholder(s)	Capacity	Number of Shares held/ interested	Approximate percentage shareholding (Note 4)
Gorgeous Real Investment (Note 1)	Beneficial owner	106,000,000	26.50%
Ms. Tao (Note 1)	Interest in controlled corporation	106,000,000	26.50%
Variant Wealth (Note 2)	Beneficial owner	100,000,000	25.00%
Ms. Han Lerong (Note 3)	Interest of spouse	122,917,327	30.73%
Mr. Tao Jian	Beneficial owner	20,000,000	5.00%

Notes:

- Gorgeous Real Investment is beneficially wholly owned by Ms. Tao. As such, she is deemed, or taken to be, interested in the 106,000,000 Shares held by Gorgeous Real Investment under Part XV of the SFO.
- Variant Wealth is beneficially wholly owned by Mr. GL Tao, an executive Director.
- Ms. Han Lerong is the spouse of Mr. GL Tao. As such, she is deemed, or taken to be, interested in all the Shares in which Mr. GL Tao is interested under Part XV of the SFO.
- The percentage is calculated on the basis of 400,000,000 Shares as at the Latest Practicable Date.

Save as disclosed above, as at the Latest Practicable Date, the Company has not been notified of any other person (other than the Directors and chief executives of the Company) who had, or was deemed to have, an interest or short position in the Shares and/or underlying Shares which fell to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or pursuant to section 336 of the SFO, which would have to be recorded in the register referred to therein, or the Takeovers Code.

5. ADDITIONAL DISCLOSURE OF SHAREHOLDINGS AND DEALINGS PURSUANT TO THE TAKEOVERS CODE

The Directors confirm that, during the Relevant Period and up to (and including) the Latest Practicable Date:

- (i) save for the Sale Shares disposed of by the Vendor and acquired by the Joint Offerors pursuant to the Sale and Purchase Agreement, the Directors did not have any dealing in any Shares, warrants, options, derivatives and securities carrying conversion or subscription rights into Shares;
- (ii) none of the Company nor the Directors had any dealings in the shares, warrants, options, derivatives and securities carrying conversion or subscription rights into shares of the Joint Offerors;
- (iii) none of the Company nor any of the Directors was interested in any shares of the Joint Offerors or any convertible securities, warrants, options, or derivatives in respect of any shares of the Joint Offerors;
- (iv) none of the subsidiaries of the Company or the pension funds of the Company or any member of the Group or any persons who is presumed to be acting in concert with the Company by virtue of class (5) of the definition of “acting in concert” under the Takeovers Code or who is an associate of the Company by virtue of class (2) of the definition of “associate” under the Takeovers Code (excluding exempt principal traders and exempt fund managers) owned or controlled any securities, convertible securities, warrants, options or derivatives in respect of any Shares or securities of the Company;
- (v) save for the Irrevocable Undertaking, no person had any arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code with the Company or with any person who is presumed to be acting in concert with the Company by virtue of classes (1), (2), (3) and (5) of the definition of “acting in concert” under the Takeovers Code or who is an associate of the Company by virtue of classes (2), (3) and (4) of the definition of “associate” under the Takeovers Code and no person who had such an arrangement had any dealings in any Shares, warrants, options, derivatives and securities carrying conversion or subscription rights into Shares;

- (vi) no Shares, convertible securities, warrants, options or derivatives of the Company were managed on a discretionary basis by fund managers (other than exempt fund managers, if any) connected with the Company, and no such person had dealt in the Shares or any convertible securities, warrants, options or derivatives in respect of any Shares;
- (vii) none of the Company or the Directors had borrowed or lent any Shares or any convertible securities, warrants, options or derivatives or relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in respect of any Shares; and
- (viii) save for Mr. GL Tao, who is an executive Director and a sole director of one of the Joint Offerors, and Mr. Suh Seung Hyun, Mr. Lee Seung Han and Mr. Phung, who are interested in the Undertaking Shares subject to the terms under the Irrevocable Undertaking, none of the Directors held any beneficial shareholdings in the Company which would otherwise entitle them to accept or reject the Offer.

6. ARRANGEMENT AFFECTING DIRECTORS

As at the Latest Practicable Date:

- (i) no benefit (other than statutory compensation) was or would be given to any Director as compensation for loss of office or otherwise in connection with the Offer;
- (ii) there was no agreement or arrangement between any Director and any other person which was conditional on or dependent upon the outcome of the Offer or otherwise connected with the Offer; and
- (iii) save for the Sale and Purchase Agreement, there was no material contracts entered into by the Joint Offerors in which any Director has a material personal interest.

7. DIRECTORS' SERVICE AGREEMENTS

As at the Latest Practicable Date, save as disclosed below, none of the Directors had entered into any service agreement and/or letter of appointment with the Company or any of its subsidiaries or associated companies which (i) (including both continuous and fixed term contracts) have been entered into or amended within 6 months before the commencement of the date of the Joint Announcement and up to the Latest Practicable Date; (ii) are continuous contracts with notice period of 12 months or more; or (iii) are fixed term contracts with more than 12 months to run irrespective of the notice period.

Director	Commencement date	Term of service	Amount of remuneration payable under the service agreement	Amount of variable remuneration/fee (e.g. commission on profit) payable under the service agreement
<i>Executive Directors</i>				
Mr. Suh Seung Hyun	8 July 2016	three years	HK\$96,000 per year (Note 1)	N/A
	8 July 2019	three years	HK\$210,000 per year (Note 2)	N/A
Mr. Phung	8 July 2016	three years	HK\$845,000 per year (Note 3)	N/A
	8 July 2019	three years	HK\$840,000 per year (Note 4)	N/A
Mr. Lee Seung Han	8 July 2016	three years	HK\$96,000 per year (Note 5)	N/A
	8 July 2019	three years	HK\$300,000 per year (Note 6)	N/A
Mr. Ryoo Seong Ryul	8 July 2016	three years	HK\$96,000 per year (Note 7)	N/A
	8 July 2019	three years	HK\$120,000 per year	N/A
Mr. GL Tao	25 August 2021	three years	HK\$120,000 per year (Note 8)	N/A

Director	Commencement date	Term of service	Amount of remuneration payable under the service agreement	Amount of variable remuneration/fee (e.g. commission on profit) payable under the service agreement
<i>Independent Non-executive Directors</i>				
Mr. Wong Sik Kei	8 July 2016	three years	HK\$96,000 per year (Note 9)	N/A
	8 July 2019	three years	HK\$120,000 per year	N/A
	8 July 2022	three years	HK\$120,000 per year	N/A
Mr. Sum Chun Ho	2 November 2016	three years	HK\$96,000 per year (Note 10)	N/A
	2 November 2019	three years	HK\$120,000 per year	N/A
Mr. Yung Kai Tai	15 June 2017	three years	HK\$120,000 per year	N/A
	15 June 2020	three years	HK\$120,000 per year	N/A

Notes:

1. The remuneration of Mr. Suh Seung Hyun was adjusted on 1 January 2017 to HK\$300,000 per year.
2. As a cost control measure to mitigate the potential impact of the novel coronavirus disease (the “COVID-19”), the remuneration of Mr. Suh Seung Hyun was adjusted on 8 July 2019 to HK\$210,000 per year.
3. The remuneration of Mr. Phung was adjusted on 1 January 2017 to HK\$1,200,000 per year.
4. As a cost control measure to mitigate the potential impact of the COVID-19, the remuneration of Mr. Phung was adjusted on 8 July 2019 to HK\$840,000 per year. Mr. Phung’s remuneration has subsequently resumed to HK\$1,200,000 per year since 1 January 2021.
5. The remuneration of Mr. Lee Seung Han was adjusted on 1 January 2017 to HK\$300,000 per year.
6. As a cost control measure to mitigate the potential impact of the COVID-19, the remuneration of Mr. Lee Seung Han was adjusted on 1 February 2020 to HK\$210,000 per year.
7. The remuneration of Mr. Ryoo Seong Ryul was adjusted on 1 January 2017 to HK\$120,000 per year.
8. The remuneration of Mr. GL Tao was adjusted on 1 November 2021 to HK\$720,000 per year.
9. The remuneration of Mr. Wong Sik Kei was adjusted on 1 January 2017 to HK\$120,000 per year.
10. The remuneration of Mr. Sum Chun Ho was adjusted on 1 January 2017 to HK\$120,000 per year.

8. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration or claims which would materially and adversely affect the operations of the Group and no litigation, arbitration or claims which would materially and adversely affect the operations of the Group was known to the Directors to be pending or threatened by or against any members of the Group.

9. MATERIAL CONTRACTS

Save as disclosed below, there were no contract (not being contracts entered into in the ordinary course of business carried on or intended to be carried on by the Group) which was entered into by the members of the Group within two years immediately preceding the date on which the Offer Period commenced and up to the Latest Practicable Date:

1. The loan agreement dated 15 October 2020, entered into between Global Telecom, as lender and Asia Media Systems Pte. Ltd., as borrower, pursuant to which Global Telecom agreed to provide Asia Media Systems Pte. Ltd. a loan facility of US\$1,150,000 (equivalent to approximately HK\$8,912,500 as at the date of the loan agreement) for a term of two years at an interest rate of 6.9% per annum.
2. The disposal agreements dated 8 December 2020, and entered into between Global Telecom, as seller, and LeeHanNS Co., Ltd.* (“**LeeHan**”), as purchaser, pursuant to which Global Telecom agreed to transfer all of its rights and obligations under the relevant Think Factory Agreements in respect of three of the properties located at 12, 12-1, Dongsan-dong 1-ga, Yeongdeungpo-gu, Seoul, Korea, with a total floor area of approximately 230.53 square metres, to LeeHan for a total purchase price of KRW473,960,000 (equivalent to approximately HK\$3,128,000 as at the date of the disposal agreements).
3. The disposal agreements dated 8 December 2020, and entered into between Global Telecom, as seller, and i-Cloud Co, Ltd.* (“**i-Cloud**”), as purchaser, pursuant to which Global Telecom agreed to transfer all of its rights and obligations under the relevant Think Factory Agreements in respect of three of the properties located at 12, 12-1, Dongsan-dong 1-ga, Yeongdeungpo-gu, Seoul, Korea, with a total floor area of approximately 223.47 square metres, to i-Cloud for a total purchase price of KRW461,586,000 (equivalent to approximately HK\$3,046,000 as at the date of the disposal agreements).

10. EXPERT'S QUALIFICATION AND CONSENT

The following is the name and qualification of the expert who has given its opinions and advice which are contained or referred to in this Composite Document:

Name	Qualification
Altus Capital Limited	a corporation licensed to carry out Type 4 (advising on securities), Type 6 (advising on corporate finance), and Type 9 (asset management) regulated activities under the SFO, being the Independent Financial Adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in connection with the Offer

As at the Latest Practicable Date, the above expert did not have any shareholding, directly or indirectly, in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

The above expert has given and has not withdrawn its written consent to the issue of this Composite Document, with the inclusion of the references to its name and/or its opinion in the form and context in which they are included.

As at the Latest Practicable Date, the above expert did not have any direct or indirect interest in any asset which had been acquired, or disposed of by, or leased to any member of the Group, or was proposed to be acquired, or disposed of by, or leased to any member of the Group since 31 December 2021, the date to which the latest published audited consolidated financial statements of the Group were made up.

11. MISCELLANEOUS

As at the Latest Practicable Date:

- (a) the registered office of the Company is situated at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands;
- (b) the principal place of business of the Company in Hong Kong is Suite 1507-08, 15/F Two Chinachem Exchange Square 338 King's Road North Point, Hong Kong;
- (c) the head office and principal place of business of the Company in Korea is Unit 801-809, 822 Mulla SK V1 Center 10, Seonyu-ro 9-gil Yeongdeungpo-gu, Seoul, Korea;
- (d) the Company's branch share registrar and transfer office in Hong Kong is Tricor Investor Services Limited whose registered address is situated at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong;

- (e) the registered address of Altus Capital is situated at 21 Wing Wo Street, Central, Hong Kong; and
- (f) in case of inconsistency, the English text of this Composite Document and the accompanying Form of Acceptance shall prevail over their Chinese text for the purpose of interpretation.

12. DOCUMENTS ON DISPLAY

Copies of the following documents are available for inspection (i) on the website of the Company (www.futuredatagroup.com); and (ii) on the website of the SFC (www.sfc.hk), from the date of this Composite Document up to and including the date of closing of the Offer:

- (a) the amended and restated memorandum of association and amended and restated articles of association of the Company;
- (b) the Annual Report 2019;
- (c) the Annual Report 2020;
- (d) the Annual Report 2021;
- (e) the Interim Report 2022;
- (f) the letter from Lego Securities, the text of which is set out in this Composite Document;
- (g) the letter from the Board, the text of which is set out in this Composite Document;
- (h) the letter from the Independent Board Committee containing its advice to the Independent Shareholders, the text of which is set out in this Composite Document;
- (i) the letter from Altus Capital, the Independent Financial Adviser, containing its advice to the Independent Board Committee and the Independent Shareholders, the text of which is set out in this Composite Document;
- (j) the service agreements referred to in the paragraph headed “7. Directors’ Service Agreements” in this appendix;

- (k) the material contracts referred to in the paragraph headed “9. Material Contracts” in this appendix;
- (l) the letter of consent referred to under the paragraph headed “10. Expert’s Qualification and Consent” in this appendix; and
- (m) the Irrevocable Undertaking.

* *The English name is a translation of its Korean name and is included in this Composite Document for identification purposes only and should not be regarded as the official English translation of such Korean names or words.*

1. RESPONSIBILITY STATEMENT

This Composite Document includes particulars given in compliance with the Takeovers Code for the purpose of giving information with regard to the Offer, the Joint Offerors and the Group.

The sole director of each of the Joint Offerors (being Mr. GL Tao and Ms. Tao) jointly and severally accepts full responsibility for the accuracy of the information contained in this Composite Document (other than the information relating to the Group and the Vendor (excluding Mr. GL Tao)), and confirms, having made all reasonable enquiries, that to the best of his/her knowledge, opinions expressed in this Composite Document (other than those expressed by the Directors (excluding Mr. GL Tao)) have been arrived at after due and careful consideration and there are no other facts not contained in this Composite Document and the omission of which would make any statement contained in this Composite Document misleading.

2. MARKET PRICES

The table below shows the closing prices of the Shares quoted on the Stock Exchange on (i) the last day on which trading took place in each of the calendar months during the Relevant Period; (ii) the Last Trading Day; and (iii) the Latest Practicable Date:

Date	Closing price per Share HK\$
31 March 2022	0.200
29 April 2022	0.159
31 May 2022	0.165
30 June 2022	0.159
29 July 2022	0.178
31 August 2022	0.170
2 September 2022 (being the Last Trading Day)	0.176
30 September 2022 (being the Latest Practicable Date)	0.280

During the Relevant Period, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.290 per Share on 14 September 2022 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.145 per Share on 1 June 2022.

APPENDIX IV GENERAL INFORMATION OF THE JOINT OFFERORS

3. DISCLOSURE OF INTERESTS IN SHARES

As at the Latest Practicable Date, details of interests in the Shares, underlying Shares, debentures or other relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code) of the Company held or controlled by the Joint Offerors and their respective ultimate beneficial owner, parties acting in concert with any of them and the sole director of each of the Joint Offerors were as follows:

Name of Shareholder	Capacity	Number of Shares	Approximate percentage of interest in the Company's share capital
Variant Wealth (<i>Note 1</i>)	Beneficial owner	100,000,000	25.00%
Gorgeous Real Investment (<i>Note 2</i>)	Beneficial owner	106,000,000	26.50%
Mr. GL Tao (<i>Note 1</i>)	Beneficial owner	22,917,327	5.73%
	Interest of controlled corporation	100,000,000	25.00%
Ms. Tao (<i>Note 2</i>)	Interest of controlled corporation	106,000,000	26.50%
Mr. J Tao (<i>Note 3</i>)	Beneficial owner	20,000,000	5.00%

Notes:

1. Variant Wealth is beneficially wholly owned by Mr. GL Tao, who is deemed to be interested in 100,000,000 Shares held by Variant Wealth under the SFO. Mr. GL Tao is the sole director of Variant Wealth.
2. Gorgeous Real Investment is beneficially wholly owned by Ms. Tao, who is deemed to be interested in 106,000,000 Shares held by Gorgeous Real Investment under the SFO. Ms. Tao is the sole director of Gorgeous Real Investment.
3. Mr. GL Tao, Ms. Tao and Mr. J Tao are siblings. Mr. J Tao is one of the Joint Offerors' Concert Parties.

Save as disclosed above, (i) as at the Latest Practicable Date, none of the Joint Offerors, their respective ultimate beneficial owner, their respective sole director (being Mr. GL Tao and Ms. Tao), and the Joint Offerors' Concert Parties owned, controlled or had any other interest in any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company; and (ii) save for the Acquisition, none of the Joint Offerors, the respective ultimate beneficial owner of the Joint Offerors nor the parties acting in concert with any of them had dealt for value in nor owned any Shares, options, derivatives, warrants or other securities convertible into Shares during the Relevant Period.

4. DEALING AND INTERESTS IN THE COMPANY'S SECURITIES AND OTHER ARRANGEMENTS

As at the Latest Practicable Date:

- (i) save for (i) the Sale Shares acquired by the Joint Offerors; (ii) the 22,917,327 Shares held by Mr. GL Tao which were acquired from Asia Media Systems Pte. Ltd. (the sole shareholder of the Vendor) in 2021; and (iii) the 20,000,000 Shares held by Mr. J Tao which were acquired from Asia Media Systems Pte. Ltd. in 2021, none of the Joint Offerors, their respective ultimate beneficial owner and/or parties acting in concert with any of them held, owned or had control or direction over any voting rights or rights over the Shares or convertible securities, options, warrants or derivatives in respect of such securities of the Company;
- (ii) there was no outstanding derivative in respect of the securities in the Company which was owned, controlled or directed by, or had been entered into by the Joint Offerors, their respective ultimate beneficial owner and/or any parties acting in concert with any of them;
- (iii) save for the Sale and Purchase Agreement and the Irrevocable Undertaking, none of the Joint Offerors and/or the Joint Offerors' Concert Parties had any arrangement (whether by way of option, indemnity or otherwise) of the kind referred to in Note 8 to Rule 22 of the Takeovers Code with any person in relation to the shares of the Joint Offerors;
- (iv) save for the Sale and Purchase Agreement and the Irrevocable Undertaking, there was no arrangement (whether by way of option, indemnity or otherwise) of the kind referred to in Note 8 to Rule 22 of the Takeovers Code which existed between the Joint Offerors and/or the Joint Offerors' Concert Parties and/or any other associate of the Joint Offerors and any other person;
- (v) save for the Sale and Purchase Agreement and the Irrevocable Undertaking, there was no agreement or arrangement to which any of the Joint Offerors is a party which relates to the circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Offer;
- (vi) save for the Irrevocable Undertaking, none of the Joint Offerors, their respective ultimate beneficial owner and/or parties acting in concert with any of them had received any irrevocable commitment(s) to accept or reject the Offer;
- (vii) none of the Joint Offerors, their respective ultimate beneficial owner and/or parties acting in concert with any of them had borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company;

APPENDIX IV GENERAL INFORMATION OF THE JOINT OFFERORS

- (viii) there was no agreement, arrangement or understanding that any securities acquired in pursuance of the Offer would be transferred, charged or pledged to any other persons;
- (ix) save for the Sale and Purchase Agreement and the Irrevocable Undertaking, there was no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between the Joint Offerors, their respective ultimate beneficial owner and/or parties acting in concert with any of them on the one hand, and the Vendor and/or parties acting in concert with any of it on the other hand;
- (x) save for the Sale and Purchase Agreement and the Irrevocable Undertaking, there was no understanding, arrangement or agreement or special deal (as defined under Rule 25 of the Takeovers Code) between (i) any Shareholder; and (ii)(a) the Joint Offerors, their respective ultimate beneficial owner and/or any party acting in concert with any of them or (ii)(b) the Company, its subsidiaries or associated companies;
- (xi) save for the Consideration paid by the Joint Offerors to the Vendor under the Sale and Purchase Agreement, there was no other consideration, compensation or benefit in whatever form paid or to be paid by the Joint Offerors, their respective ultimate beneficial owner or any parties acting in concert with any of them to the Vendor or any party acting in concert with it in connection with the sale and purchase of the Sale Shares;
- (xii) save for the Sale and Purchase Agreement and the Irrevocable Undertaking, there was no agreement, arrangement or understanding (including any compensation arrangement) between the Joint Offerors, their respective ultimate beneficial owner or any person acting in concert with any of them and any of the Directors, recent directors of the Company, Shareholders or recent shareholders of the Company having any connection with or dependence upon the Offer;
- (xiii) no benefit (other than statutory compensation) was or would be given to any Director as compensation for loss of office or otherwise in connection with the Offer;
- (xiv) no relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company was managed on a discretionary basis by any fund managers or principal traders connected with the Joint Offerors and/or the Joint Offerors' Concert Parties, and no such person had dealt in any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company during the Relevant Period; and
- (xv) there were no conditions to which the Offer is subject to.

Save for the Acquisition, none of the Joint Offerors, the respective ultimate beneficial owners of the Joint Offerors nor the parties acting in concert with any of them had dealt for value in nor owned any Shares, options, derivatives, warrants or other securities convertible into Shares during the Relevant Period.

5. QUALIFICATIONS AND CONSENTS OF EXPERTS

The following are the qualifications of the experts who have given opinions or advice which are contained or referred to in this Composite Document:

Name	Qualification
Lego Corporate Finance Limited	a corporation licensed by the SFC to carry out Type 6 (advising on corporate finance) regulated activity under the SFO
Lego Securities Limited	a corporation licensed by the SFC to carry out Type 1 (dealing in securities) regulated activity under the SFO

Each of the above experts has given and has not withdrawn their respective written consent to the issue of this Composite Document with the inclusion of the text of its letter, advice and/or references to its name, in the form and context in which they appear herein.

6. MISCELLANEOUS

- (a) The registered office of Variant Wealth is situated at 306 Victoria House, Victoria, Mahé, Seychelles.
- (b) The registered office of Gorgeous Real Investment is situated at the office of Corporate Registrations Limited of Sea Meadow House, Blackburne Highway (P.O. Box 116), Road Town, Tortola, British Virgin Islands.
- (c) The correspondence address of Variant Wealth and Mr. GL Tao, being the sole director of Variant Wealth and a principal member of the Joint Offerors' Concert Parties is Room 1703, Office Tower, Convention Plaza, No. 1 Harbour Road, Wan Chai, Hong Kong.
- (d) The correspondence address of Gorgeous Real Investment and Ms. Tao, being the sole director of Gorgeous Real Investment and a principal member of the Joint Offerors' Concert Parties is Room 1703, Office Tower, Convention Plaza, No. 1 Harbour Road, Wan Chai, Hong Kong.
- (e) The correspondence address of Mr. J Tao, being a principal member of the Joint Offerors' Concert Parties is Room 1703, Office Tower, Convention Plaza, No. 1 Harbour Road, Wan Chai, Hong Kong.
- (f) The main business address of Lego Corporate Finance is situated at Room 1601, 16/F, China Building, 29 Queen's Road Central, Central, Hong Kong.

- (g) The main business address of Lego Securities is situated at Room 301, 3/F, China Building, 29 Queen's Road Central, Central, Hong Kong.
- (h) Variant Wealth is a company incorporated in the Republic of Seychelles with limited liability on 11 January 2021.
- (i) Gorgeous Real Investment is a company incorporated in the British Virgin Islands with limited liability on 23 June 2021.
- (j) The English text of this Composite Document and the accompanying Form of Acceptance shall prevail over their respective Chinese texts, in case of any inconsistency.

7. DOCUMENTS ON DISPLAY

Copies of the following documents are available for inspection (i) on the website of the SFC (<http://www.sfc.hk>); and (ii) on the website of the Company (<http://www.futuredatagroup.com>) from the date of this Composite Document up to and including the Closing Date:

- (a) the memorandum and articles of association of Variant Wealth;
- (b) the memorandum and articles of association of Gorgeous Real Investment;
- (c) the annual report of the Company for the year ended 31 December 2019;
- (d) the annual report of the Company for the year ended 31 December 2020;
- (e) the annual report of the Company for the year ended 31 December 2021;
- (f) the interim report of the Company for the six months ended 30 June 2022;
- (g) the letter from Lego Securities, the text of which is set out on pages 11 to 22 of this Composite Document;
- (h) the written consents referred to under the paragraph headed "5. Qualifications and Consents of Experts" in this appendix;
- (i) the Sale and Purchase Agreement; and
- (j) the Irrevocable Undertaking.