



FUTURE DATA

**FUTURE DATA GROUP LIMITED**

(Incorporated in the Cayman Islands with limited liability)

STOCK CODE: 8229

## 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 Main Board of 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 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 and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This report for which the directors (the “Directors”) of Future Data Group Limited (the “Company”), collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company and its subsidiaries (collectively refer to as the “Group”). The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.

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## Corporate Information

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Suh Seung Hyun (*Chairman*)

Mr. Phung Nhuong Giang  
(*Deputy Chairman*)

Mr. Lee Seung Han  
(*Chief Executive Officer*)

Mr. Ryoo Seong Ryul

#### Independent Non-executive Directors

Mr. Wong Sik Kei

Mr. Sum Chun Ho

Mr. Yung Kai Tai

### BOARD COMMITTEES

#### Audit Committee

Mr. Sum Chun Ho (*Chairman*)

Mr. Wong Sik Kei

Mr. Yung Kai Tai

#### Remuneration Committee

Mr. Wong Sik Kei (*Chairman*)

Mr. Phung Nhuong Giang

Mr. Yung Kai Tai

#### Nomination Committee

Mr. Yung Kai Tai (*Chairman*)

Mr. Phung Nhuong Giang

Mr. Wong Sik Kei

### COMPLIANCE OFFICER

Mr. Lee Seung Han

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN KOREA

14/F-15/F, Deokmyeong Building

Samseong-dong

625, Teheran-ro

Gangnam-gu

Seoul

Korea

### COMPANY SECRETARY

Ms. Ng Pui Fan

### AUTHORISED REPRESENTATIVES

Mr. Phung Nhuong Giang

Ms. Ng Pui Fan

### AUDITOR

BDO Limited

Certified Public Accountants

25/F, Wing On Centre

111 Connaught Road Central

Hong Kong

### COMPLIANCE ADVISER

Shenwan Hongyuan Capital (H.K.) Limited

Level 19

28 Hennessy Road

Hong Kong

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## LEGAL ADVISERS TO OUR COMPANY

*As to Hong Kong law:*

Michael Li & Co.  
Solicitors, Hong Kong  
19/F, Prosperity Tower  
39 Queen's Road Central  
Central, Hong Kong

*As to Korean law:*

Shin & Kim  
Attorneys-at-law, Korea  
8/F, State Tower Namsan  
100 Toegye-ro, Jung-gu  
Seoul, 04631, Korea

## REGISTERED OFFICE IN THE CAYMAN ISLANDS

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

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1002, 10/F  
Tung Wai Commercial Building  
No. 109-111 Gloucester Road  
Wan Chai, Hong Kong

## HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited  
Level 22, Hopewell Centre  
183 Queen's Road East  
Hong Kong

## PRINCIPAL BANK

Woori Bank  
51, Sogong-ro  
Jung-gu  
Seoul, 04632  
Korea

## COMPANY WEBSITE ADDRESS

[www.futuredatagroup.com](http://www.futuredatagroup.com)

## STOCK CODE

8229

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## Financial Highlights

For the three months ended 31 March 2018

- Unaudited revenue of the Group was HK\$102.3 million for the three months ended 31 March 2018, representing an increase of approximately HK\$11.5 million or 12.7%, as compared to the three months ended 31 March 2017.
- Unaudited loss after tax was HK\$1.2 million for the three months ended 31 March 2018, as compared to the profit after tax of approximately HK\$0.3 million for the three months ended 31 March 2017.
- Unaudited basic loss per share was 0.30 HK cents for the three months ended 31 March 2018 (three months ended 31 March 2017: unaudited basic earnings per share was 0.09 HK cents).
- The Board does not recommend the payment of a dividend for the three months ended 31 March 2018 (three months ended 31 March 2017: nil).

## Quarterly Results

The board of Directors of the Company (the "Board") presents the unaudited condensed consolidated results of the Group for the three months ended 31 March 2018, together with the comparative figures as follows:

### Condensed Consolidated Statements of Comprehensive Income

For the three months ended 31 March 2018

	Notes	Three months ended 31 March	
		2018 HK\$'000 (unaudited)	2017 HK\$'000 (unaudited)
Revenue	3	102,343	90,842
Cost of sales and services		(82,916)	(77,653)
<b>Gross profit</b>		<b>19,427</b>	<b>13,189</b>
Other income - net		1,074	1,691
Selling and administrative expenses		(21,244)	(14,254)
Finance costs		(189)	(88)
<b>(Loss)/profit before income tax</b>	4	<b>(932)</b>	<b>538</b>
Income tax expense	5	(249)	(190)
<b>(Loss)/profit for the period attributable to owners of the Company</b>		<b>(1,181)</b>	<b>348</b>
Other comprehensive income for the period			
<i>Items that will be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		715	2,802
Total other comprehensive income		715	2,802
<b>Total comprehensive (loss)/income for the period attributable to owners of the Company</b>		<b>(466)</b>	<b>3,150</b>
<b>(Loss)/earnings per share</b>			
Basic and Diluted (HK cents)	6	(0.30)	0.09

# Condensed Consolidated Statements of Changes in Equity

For the three months ended 31 March 2018

	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000	Investment revaluation reserve HK\$'000	Research and development reserve HK\$'000	Foreign exchange reserve HK\$'000	Legal reserve HK\$'000	Retained earnings HK\$'000	Total equity HK\$'000
At 1 January 2018 (audited)	4,000	41,598	13,855	532	3,674	2,979	1,995	69,573	138,206
Loss for the period	-	-	-	-	-	-	-	(1,181)	(1,181)
Exchange differences arising on translation of foreign operations	-	-	-	-	-	715	-	-	715
At 31 March 2018 (unaudited)	4,000	41,598	13,855	532	3,674	3,694	1,995	68,392	137,740
At 1 January 2017 (audited)	4,000	46,198	13,855	501	3,674	(9,804)	1,530	65,454	125,408
Profit for the period	-	-	-	-	-	-	-	348	348
Exchange differences arising on translation of foreign operations	-	-	-	-	-	2,802	-	-	2,802
At 31 March 2017 (unaudited)	4,000	46,198	13,855	501	3,674	(7,002)	1,530	65,802	128,558



## 1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 4 January 2016 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as revised and consolidated) of the Cayman Islands and its shares have been listed on GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 8 July 2016 ("Listing Date"). The Company's registered office is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The Company's principal place of business is located at Room 1002, 10/F, Tung Wai Commercial Building, 109-111 Gloucester Road, Wan Chai, Hong Kong.

The principal places of the Group's business are located at 14th – 15th Floor, Deokmyeong Building, Samseong-dong, 625, Teheran-ro, Gangnam-gu, Seoul, Korea and at the aforementioned address in Hong Kong.

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

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements for the three months ended 31 March 2018 have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants and the applicable disclosure requirements of Chapter 18 of the Rules (the "GEM Listing Rules") Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited ("Stock Exchange").

The accounting policies and methods of computation used in the preparation of the unaudited condensed consolidated financial statements for the three months ended 31 March 2018 are consistent with those adopted in the annual financial statements for the year ended 31 December 2017. The condensed consolidated financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2017.

The functional currencies of the Company's principal operating subsidiaries are South Korean Won ("KRW"), and Hong Kong Dollars ("HK\$"). As the Company's shares (the "Shares") are listed on GEM of the Stock Exchange, the directors consider that it is more appropriate to adopt HK\$ as the Group's presentation currency.

# Notes to the Unaudited Condensed Consolidated Financial Statements

For the three months ended 31 March 2018

On 1 January 2018, the Group has adopted all new and revised HKFRSs, amendments and interpretations that are effective from that date and are relevant to its operations. The adoption of these new/revised HKFRSs, amendments and interpretations does not result in changes to the Group's accounting policies and has no material effect on the amounts reported for the current or prior period.

## 3. REVENUE AND SEGMENT INFORMATION

The Group's business is organised into two segments:

- (i) system integration; and
- (ii) maintenance services

Segment revenue and profit contribution are:

### (a) Business Segments:

	Three months ended 31 March					
	2018			2017		
	System integration	Maintenance services	Total	System integration	Maintenance services	Total
	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)
Total segment revenue	75,918	26,425	102,343	72,985	17,857	90,842
Gross profit/segment results	9,010	10,417	19,427	10,074	3,115	13,189
Other income - net			1,074			1,691
Selling and administrative expenses			(21,244)			(14,254)
Finance costs			(189)			(88)
(Loss)/profit before income tax			(932)			538
Income tax expense			(249)			(190)
(Loss)/profit for the period			(1,181)			348

(b) Geographic information:

	Three months ended 31 March	
	2018	2017
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Korea	95,780	90,004
Hong Kong	6,563	838
	102,343	90,842

(c) Revenue analysis:

An analysis of Group's revenue is as follows:

	Three months ended 31 March	
	2018	2017
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
System integration:		
– Revenue from system integration services	75,918	72,147
– Revenue from sales of software	–	838
	75,918	72,985
Maintenance services:		
– Revenue from system maintenance services	19,862	17,857
– Revenue from cyber security services	6,563	–
	26,425	17,857
	102,343	90,842

# Notes to the Unaudited Condensed Consolidated Financial Statements

For the three months ended 31 March 2018

## 4. (LOSS)/PROFIT BEFORE INCOME TAX

(Loss)/profit before income tax is arrived at after charging:

	Three months ended 31 March	
	2018	2017
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Costs of inventories recognised as expenses	71,511	69,560
Employee costs	20,386	14,122
Subcontracting costs	1,731	4,755
Agency commission	3,000	–
Amortisation of intangible assets	673	272
Depreciation of property, plant and equipment	1,001	759
Research and development costs	694	643
Minimum lease payments in respect of rented premises	523	431

## 5. INCOME TAX EXPENSE

	Three months ended 31 March	
	2018	2017
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Current tax	407	52
Deferred tax	(158)	138
Total	249	190

Our Korean subsidiary is subject to Korean Corporate Income Tax which comprised national and local taxes. Korean Corporate Income Tax is charged at the progressive rate from 10% to 22% on the estimated assessable profit of our Korean subsidiary during each of the periods presented.

Our Hong Kong subsidiary is subject to Hong Kong Profits Tax. From 1 April 2018 onwards, the two-tiered profits tax rates regime is implemented. For the three months ended 31 March 2018, the first HK\$2 million of assessable profits will be subject to the tax rate of 8.25% and assessable profits above that amount will continue to be subject to the tax rate of 16.5%. For the three months ended 31 March 2017, the profits of our Hong Kong subsidiary was subject to the flat rate of 16.5%.

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## 6. (LOSS)/EARNINGS PER SHARE

The calculation of basic (loss)/earnings per share is based on the loss of approximately HK\$1,181,000 for the three months ended 31 March 2018 (for the three months ended 31 March 2017: profit of approximately HK\$348,000) attributable to owners of the Company and on the basis that 400,000,000 (for the three months ended 31 March 2017: 400,000,000) ordinary shares had been in issue during the period.

Diluted earnings per share were the same as the basic (loss)/earnings per share as the Group had no potential dilutive ordinary shares during the periods.

## 7. DIVIDEND

The Board does not recommend the payment of a dividend for the three months ended 31 March 2018 (corresponding period in 2017: nil).

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# Management Discussion and Analysis

## Financial Review

During the three months ended 31 March 2018, the Group recorded a revenue of HK\$102.3 million which represents the increase by 12.7% as compared to the same period of last year. This result was attributable to the number of projects completed during the period was higher than last year for the same period.

The Group's gross profit increased by a commendable 47.3%, from HK\$13.2 million for the three months ended 31 March 2017 to HK\$19.4 million for the three months ended 31 March 2018. The main reason for such increase was attributable to high margin in cyber security business from Hong Kong operations of approximately HK\$6.6 million.

Selling and administrative expenses for the three months ended 31 March 2018 was approximately HK\$21.2 million, (for the three months ended 31 March 2017: approximately HK\$14.3 million) representing an increase of HK\$7.0 million or 49.0% which was mainly attributable to the increase in hiring more security specialists and higher agency commission paid, so as to increase the market share and acquired more revenue for cyber security business in Hong Kong operations.

The increase in gross profit was lower than the increase in selling and administrative expenses. As a result, the Group recorded a loss after tax of HK\$1.2 million for the three months ended 31 March 2018, a reversal from profit position for the three months ended 31 March 2017.

## Liquidity and Financial Resources

As at 31 March 2018, the Group's net current assets were HK\$105.6 million showing a strong liquidity.

The Group expresses its gearing ratio as a percentage of total debt over total equity. As at 31 March 2018, the gearing ratio was 22.8% (as at 31 December 2017: 12.0%). The increase was mainly due to additional unsecured bank borrowings of approximately HK\$14.9 million. The liquidity ratio, represented by a ratio of current assets over current liabilities, was 2.5 times (as at 31 December 2017: 1.6 times), reflecting the adequacy of financial resources.

As at 31 March 2018, the Group had cash and cash equivalents of approximately HK\$58.7 million (as at 31 December 2017: approximately HK\$141.1 million), which included approximately KRW5,267 million, in United States Dollars of US\$1.8 million, and in Hong Kong Dollars of HK\$6.1 million.

As at 31 March 2018, the Group had bank borrowings bearing variable interest rates of approximately US\$4.0 million, which was equivalent to approximately HK\$31.5 million (as at 31 December 2017: approximately HK\$16.5 million).

### Foreign Exchange Exposure

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

and the relevant settlement date. In view of the relatively limited size of each individual US\$ denominated purchase transaction, we do not find beneficial and justifiable to enter into foreign exchange hedging transaction for each of such purchases, and as a result, we decided the timing of purchasing US\$ to settle such purchases at our own discretion.

The Group's Hong Kong operations revenue was denominated in HK\$ and the cost of sales was denominated in HK\$. There is no significant currency risk arising from Hong Kong operations.

### Business Review

Set out below are the details of the movement of the number of system integration projects and segmentation information up to 31 March 2018.

Number of projects at 1 January 2018	31
Number of new projects awarded during period	179
Number of projects completed during period	(157)
Number of projects as at 31 March 2018	53

The segment profit of system integration decreased by approximately 10.6% from HK\$10.1 million for the three months ended 31 March 2017 to HK\$9.0 million for the three months ended 31 March 2018. Such decrease was due to our management selection of quality deals where we are positive to collect monies from the projects as soon as they are ended. On the other hand, the segment profit of maintenance services increased by

approximately 234.4% from HK\$3.1 million for the three months ended 31 March 2017 to HK\$10.4 million for the three months ended 31 March 2018. Such increase was mainly due to the commencement of cyber security business from Hong Kong's subsidiary from September 2017. For the three months ended 31 March 2018, cyber security business contributed a gross profit of HK\$4.4 million to maintenance services segment.

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## Management Discussion and Analysis

### Significant Acquisitions and Disposals

The Group did not have any significant acquisition or disposal for the three months ended 31 March 2018.

### Material Investments and Capital Assets

The Group did not have any material investments or capital assets as at 31 March 2018.

### Contingent Liabilities

The Group did not have any significant contingent liabilities as at 31 March 2018.

### Events after the Balance Sheet Date

As from 31 March 2018 to the date of this report, there is no significant subsequent event would materially affect the Group's operating and financial performance.

### Prospects

The Group is continually and constantly exploring opportunities develop its business outside Korea through plans such as potential acquisition in Hong Kong. In addition, the Group keeps to develop the higher gross profit margin business namely the big data and cyber security. We are positive that this will bring the Group to profitable position in 2018, and maximise shareholders' return.



## DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31 March 2018, the interests and short positions in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) held by the Directors and chief executives of the Company which

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

### Long Positions in the Shares

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

**Note:**

- (1) LiquidTech Limited ("LiquidTech") held 262,917,327 Shares, representing 65.73% of the issued Shares. LiquidTech is wholly owned by Asia Media Systems Pte. Ltd. ("AMS") which is owned by Mr. Phung, Mr. Suh, Mr. Lee, Mr. Park Hyeoung Jin ("Mr. Park"), Mr. Lee Sung Gue, Mr. Lee Je Eun and Ms. Marilyn Tang as to 26.14%, 25.34%, 14.71%, 14.03%, 14.03%, 3.40% and 2.35% respectively.
- (2) On 21 June 2016, four of the ultimate controlling shareholders of the Company, namely, Mr. Phung, Mr. Suh, Mr. Lee and Mr. Park, entered into the acting in concert confirmation and undertaking to acknowledge and confirm, among other things, that they were parties acting in concert of each of the members of the Group. As such, Mr. Phung, Mr. Suh, Mr. Lee and Mr. Park together control approximately 65.73% interest in the share capital of the Company through AMS and LiquidTech. As a result, each of Mr. Phung, Mr. Suh, Mr. Lee and Mr. Park is deemed to be interested in approximately 65.73% interest in the share capital of the Company.
- (3) Ms. Marilyn Tang is the owner of approximately 2.35% of the issued shares of AMS and the spouse of Mr. Phung. Mr. Phung is deemed to be interested in all the Shares in which Ms. Marilyn Tang is interested under Part XV of the SFO.
- (4) The percentage of shareholding was calculated based on the Company's total number of issued Shares as at 31 March 2018 (i.e. 400,000,000 Shares).

## Corporate Governance and Other Information

Save as disclosed above, as at 31 March 2018, none of the Directors and chief executive of the Company had any interest or short position in the Shares, underlying Shares or debentures of the Company or any of its associated corporations that was notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or was required to be recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Rule 5.46 of the GEM Listing Rules.

### SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SHARES AND UNDERLYING SHARES

As at 31 March 2018, so far as known to the Directors, the following persons (not being Directors or chief executive of the Company) had or were deemed or taken to have an interest and/or short position in the Shares or the underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which would be recorded in the register required to be kept under Section 336 of the SFO who, are directly or indirectly interested in 5% or more of the Shares.

### Long Positions in the Shares

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

**Notes:**

- (1) LiquidTech is wholly-owned by AMS. AMS is deemed to be interested in all the Shares in which LiquidTech is interested under Part XV of the SFO.
- (2) AMS is owned as to approximately 26.14% by Mr. Phung, 25.34% by Mr. Suh, 14.71% by Mr. Lee, 14.03% by Mr. Park, 14.03% by Mr. Lee Sung Gue, 3.40% by Mr. Lee Je Eun and 2.35% by Ms. Marilyn Tang.
- (3) On 21 June 2016, four of the ultimate controlling shareholders of the Company, namely, Mr. Phung, Mr. Suh, Mr. Lee and Mr. Park, entered into the acting in concert confirmation and undertaking to acknowledge and confirm, among other things, that they were parties acting in concert of each of the members of the Group. As such, Mr. Phung, Mr. Suh, Mr. Lee and Mr. Park together control approximately 65.73% interest in the share capital of the Company through AMS and LiquidTech. As a result, each of Mr. Phung, Mr. Suh, Mr. Lee and Mr. Park is deemed to be interested in approximately 65.73% interest in the share capital of the Company.
- (4) Ms. Marilyn Tang is the owner of approximately 2.35% of the issued shares of AMS and the spouse of Mr. Phung. Ms. Marilyn Tang is deemed to be interested in all the Shares in which Mr. Phung is interested under Part XV of the SFO.
- (5) Ms. Lee Kim Sinae is the spouse of Mr. Lee. Ms. Lee Kim Sinae is deemed to be interested in all the Shares in which Mr. Lee is interested under Part XV of the SFO.
- (6) Ms. Suh Kim Seong Ock is the spouse of Mr. Suh. Ms. Suh Kim Seong Ock is deemed to be interested in all the Shares in which Mr. Suh is interested under Part XV of the SFO.
- (7) Ms. Shin Hee Kum is the spouse of Mr. Park. Ms. Shin Hee Kum is deemed to be interested in all the Shares in which Mr. Park is interested under Part XV of the SFO.
- (8) The percentage of shareholding was calculated based on the Company's total number of issued Shares as at 31 March 2018 (i.e. 400,000,000 Shares).

Save as disclosed above, as at 31 March 2018, the Directors were not aware of any other persons who had any interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which would be recorded in the register required to be kept under Section 336 of the SFO, who are directly or indirectly interested in 5% or more of the Shares.

## SHARE OPTION SCHEME

The Company has a share option scheme (the "Share Option Scheme") which was approved and adopted by the written resolutions of the then sole shareholder of the Company passed

on 21 June 2016. No share option has been granted under the Share Option Scheme since its adoption.

## CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted its securities dealing code ("Securities Dealing Code") which is no less exacting than the required standard of dealings regarding securities transactions by the Directors as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Further, the Company had made specific enquiry with all Directors and each of them has confirmed his compliance with the Securities Dealing Code during the three months ended 31 March 2018.

## DIRECTORS' INTEREST IN COMPETING BUSINESS

During the three months ended 31 March 2018, none of the Directors or the controlling shareholders or their respective associates (as defined in the GEM Listing Rules) of the Company had an interest in a business which competed with or might compete with the business of the Group.

## CORPORATE GOVERNANCE PRACTICES

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

The Company's corporate governance practices are based on the principles of good corporate governance as set out in the

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## Corporate Governance and Other Information

Corporate Governance Code and Corporate Governance Report in Appendix 15 to the GEM Listing Rules (the “CG Code”) and in relation to, among others, our Directors, Chairman and Chief Executive Officer, Board composition, the appointment, re-election and removal of Directors, their responsibilities and remuneration and communications with the shareholders of the Company.

To the best knowledge of the Board, the Company had complied with the code provisions in the CG Code during the three months ended 31 March 2018.

### **PURCHASE, SALE AND REDEMPTION OF THE COMPANY’S SECURITIES**

The Company did not redeem any of its Shares listed on GEM nor did the Company or any of its subsidiaries purchase or sell any such Shares during the three months ended 31 March 2018.

### **INTERESTS OF THE COMPLIANCE ADVISER**

As at the date of this report, neither Shenwan Hongyuan Capital (H.K.) Limited, the compliance adviser of the Company, nor any of its directors, employees or close associates has any interests in the securities of the Company or any other companies of the Group (including options or rights to subscribe for such securities) pursuant to Rule 6A.32 of the GEM Listing Rules.

### **AUDIT COMMITTEE**

The Company established an audit committee (“Audit Committee”) with written terms of reference in compliance with Rule 5.28 of the GEM Listing Rules and paragraph C.3 of the CG Code. For the three months ended 31 March 2018, the Audit Committee consisted of three independent non-executive Directors namely, Mr. Wong Sik Kei, Mr. Sum Chun Ho and Mr. Yung Kai Tai. Mr. Sum Chun Ho possesses the appropriate professional accounting qualification and serves as the chairman of the Audit Committee.

The primary duties of the Audit Committee are to assist the Board in providing an independent review of the effectiveness of our Group’s internal audit function, financial reporting process, internal control and risk management systems, and to oversee the audit process. The Audit Committee had reviewed the unaudited quarterly results for the three months ended 31 March 2018.

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

Hong Kong, 8 May 2018