FUTURE DATA GROUP LIMITED
未來數據集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8229)

SUPPLEMENTAL AND CLARIFICATION ANNOUNCEMENT SHARE TRANSACTION IN RELATION TO THE ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL IN THE TARGET INVOLVING THE ISSUE OF CONSIDERATION SHARES UNDER GENERAL MANDATE

Reference is made to the announcement of Future Data Group Limited (the "**Company**") dated 17 April 2024 (the "**Announcement**") in relation to the share transaction regarding the acquisition of the entire issued share capital of the Target. Unless otherwise indicated, the capitalized terms have the same meanings as ascribed to in the Announcement.

In addition to the information as set forth in the Announcement, the Board would like to provide the additional information with respect to the Acquisition to the Shareholders and potential investors of the Company as follows:

(A) VALUATION METHOD OF THE CONSIDERATION

As disclosed in the Announcement, the Consideration for the proposed Acquisition is HK$3,000,000 which was arrived at after arm's length negotiations between the Parties taking into account of various factors, amongst others, the SFC licensing status of the Target to carry on Type 9 (asset management) regulated activities, the past operation and business performance of the Target, the Group's assessment of the future prospect of the investment and financial industry in Hong Kong, the net asset value of the Target as stated in its unaudited financial statements as of 31 December 2023 of approximately HK$1,900,000 and the valuation (the "**Valuation**") of the 100% equity interest in the Target as at 31 December 2023 ("**Valuation Date**") of approximately HK$3,000,000 as set out in the Valuation Report prepared by the Valuer appointed by the Company using the market approach.

Pursuant to the Valuation Report, for using the market approach, the guideline public company method ("**GPC Method**") is adopted as there are certain publicly traded companies engaged in the same or similar line of business as the Target that can be identified. For valuation of a financial service company, equity multiples are more commonly suitable than value multiples such as Enterprise Value-to-Earnings Before Interests & Taxes ratio ("**EV/EBIT**") or Enterprise Value-to-Earnings Before Interests, Taxes, Depreciation & Amortization ratio ("**EV/EBITDA**"), as the operating and financing activities of financial service company cannot be clearly separated. With respect to equity multiples, Price-to-Sales ratio ("**P/S**") is not applicable as the revenue does not account for relevant costs which are critical to the asset management operations including the salary expenses of key personnels and the professional service charges in relation to the portfolio investment activities, and thereby fails to demonstrate the true earning power of the financial service company. In addition, the Target has been incurring net operating loss for the financial year ended as at the Valuation Date and thus the use of earning metrices are not available. As the major assets and liabilities of the Target are (i) receivables and payables associated with the asset management business; and (ii) marketable bank and cash balances, the size of book value indicates the efficiency of fund utilization and investment returns, and the Valuer therefore considered Price-to-Book ratio ("**P/B**") as the most appropriate and have employed it as the basis of valuation.

Pursuant to the Valuation Report, in order to determine the search criteria, the Valuer has found the most relevant and appropriate comparable samples, and have considered a number of factors including but not limited to business operations, income stream, products, services, market location and operation scale of the valuation subject. The following criteria have been adopted in the Valuation Report for the selection of comparable sample:

- public listing location in Hong Kong with financial information available as at the Valuation Date;
- license holders of the SFO Type-9 regulated activities;
- over 50.0% revenue generated from Hong Kong and the Greater China regions;
- over 50.0% revenue generated from the provision of asset management and the related investment services; and
- net asset value less than HK$5,000 million.

Based on the above searching criteria, on best effort basis, the Valuer shortlisted the following comparable companies of which their income were produced primarily from the asset management and the related investment services in Hong Kong and the Greater China regions, by reference to their respective latest publicly available annual or interim result:

Stock Code *(Note 1)*	**Comparable company**	**Revenue from Hong Kong and the Greater China regions** *(Note 2)*	**Revenue from the asset management and the related investment services** *(Note 2)*	**P/B** *(Note 2)*
	The Target	100%	100%	
111 HK	Cinda International Holdings Ltd.	100%	90.1%	0.2
329 HK	OCI International Holdings Ltd.	100%	61.3%	2.0
612 HK	Ding Yi Feng Holdings Group International Ltd.	100%	100%	2.7
622 HK	Oshidori International Holdings Ltd.	100%	69.2%	0.3
806 HK	Value Partners Group Ltd.	100%	100%	1.1
851 HK	Sheng Yuan Holdings Ltd.	100%	80.9%	2.9
993 HK	Huarong International Financial Holdings Ltd.	100%	100%	N/A *(Note 3)*
1709 HK	DL Holdings Group Ltd.	79.2%	71.6%	14.6

Mean excluding outliers *(Note 4)* – 1.5

Notes:

(1) Source: Bloomberg

(2) Source: Annual reports and interim reports of the relevant companies

(3) Multiple ratio is not available due to the net liabilities incurred by the comparable company.

(4) Multiple ratios which are out of the +1/-1 standard deviation range from the sample mean are excluded.

Based on the investigation and analysis stated above and on the valuation methods employed, the Valuer selected the mean P/B ratio of 1.5 and the Parties have negotiated and agreed the Consideration was arrived by 1.5 times of P/B, that will be approximately HK$3,000,000.

Save as disclosed above, there are no other supplements to the Announcement regarding to the valuation method of the Consideration.

(B) THE MAXIMUM NUMBER THAT CAN BE ISSUED UNDER THE GENERAL MANDATE

Due to the inadvertent error, it was wrongly stated in the Announcement the maximum number of Shares that can be issued under the General Mandate.

The Board would like to clarify that as at the date of the Announcement, 66,680,000 Shares have been issued under the General Mandate and the maximum number of new Shares that can be issued under the General Mandate is 29,320,000 Shares.

Except for the restatement of the maximum number of new Shares that can be issued under the General Mandate as disclosed in the Announcement, the contents of the Announcement remain full and accurate in material aspect.

By Order of the Board
Future Data Group Limited
Tao Hongxia
Chairlady and Non-executive Director

Hong Kong, 30 April 2024

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

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Listed Company Information" page of the website of the Stock Exchange at www.hkexnews.hk for at least seven days from the day of its publication. This announcement will also be published on the Company's website at www.futuredatagroup.com.