



TradeGo FinTech Limited

捷利交易寶金融科技有限公司

(Incorporated in the Cayman Islands with limited liability)

TradeGo

Stock Code: 8017



# First Quarterly Report

Year 2019





TradeGo

TradeGo

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## CHARACTERISTICS OF GEM (“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 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**”, each being a “**Director**”) of TradeGo FinTech Limited (the “**Company**”, together with its subsidiaries, the “**Group**” or “**we**”) 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 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.*

## HIGHLIGHTS

- The Group recorded an unaudited revenue of approximately HK\$10.64 million for the three months ended 30 June 2019 compared with that of approximately HK\$11.80 million for the three months ended 30 June 2018, representing a decrease of approximately 9.9%.
- The net profit of the Group for the three months ended 30 June 2019 was approximately HK\$2.74 million, representing an increase of 77.1% from approximately HK\$1.55 million for the three months ended 30 June 2018.
- The number of registered users of our open securities trading platform software “TradeGo Pro” increased by approximately 17,841 or 17.8% to approximately 117,936 as at 30 June 2019 (approximately 100,095 as at 30 June 2018).
- The basic earning per share attributable to owners of the Company for the three months ended 30 June 2019 was HK cent 0.58 (for the three months ended 30 June 2018: the basic earning per share attributable to owners of the Company of approximately HK cent 0.41).
- The board of Directors (the “**Board**”) does not declare the payment of any dividend for the three months ended 30 June 2019 (for three months ended 30 June 2018: Nil).

# CORPORATE INFORMATION

## DIRECTORS

### Executive Directors:

Mr. LIU Yong (*Chairman of the Board and Chief Executive Officer*)

Mr. WAN Yong

Mr. LIAO Jicheng

### Non-executive Director:

Mr. LIN Hung Yuan

### Independent Non-executive Directors:

Ms. JIAO Jie

Mr. MAN Kong Yui

Dr. LOKE Yu (also known as LOKE Hoi Lam and Jimmy Hoi Lam LOKE)

## AUDIT COMMITTEE

Dr. LOKE Yu (*Chairman*)

Ms. JIAO Jie

Mr. MAN Kong Yui

## REMUNERATION COMMITTEE

Mr. MAN Kong Yui (*Chairman*)

Mr. LIU Yong

Ms. JIAO Jie

## NOMINATION COMMITTEE

Mr. LIU Yong (*Chairman*)

Ms. JIAO Jie

Mr. MAN Kong Yui

## COMPANY SECRETARY

Ms. CHEN Chun

## AUTHORISED REPRESENTATIVES

Mr. LIU Yong

Ms. CHEN Chun

## COMPLIANCE OFFICER

Mr. WAN Yong

## AUDITOR

KPMG

## STOCK CODE

8017

## REGISTERED OFFICE IN THE CAYMAN ISLANDS

Estera Trust (Cayman) Limited

PO Box 1350

Clifton House, 75 Fort Street

Grand Cayman KY1-1108

Cayman Islands

## PRINCIPAL PLACE OF BUSINESS IN THE PRC

208, 2/F, Fenghua Technology Tower  
7th Street Hi-Tech South Road  
Yuehai Street Technology Park  
Nanshan District, Shenzhen  
the People's Republic of China

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Office No. 10, 16th Floor  
Hong Kong Plaza  
188 Connaught Road West  
Hong Kong

## PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Estera Trust (Cayman) Limited  
PO Box 1350  
Clifton House, 75 Fort Street  
Grand Cayman KY1-1108  
Cayman Islands

## BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Tricor Investor Services Limited  
Level 54, Hopewell Centre  
183 Queen's Road East  
Hong Kong

## COMPLIANCE ADVISER

Essence Corporate Finance (Hong Kong) Limited  
39/F., One Exchange Square  
Central, Hong Kong

## LEGAL ADVISER AS TO HONG KONG LAWS

Loong & Yeung

## PRINCIPAL BANKER

Bank of China (Hong Kong) Limited  
Bank of China Tower  
1 Garden Road  
Hong Kong

## COMPANY'S WEBSITE

[www.tradego8.com](http://www.tradego8.com)

The Board is pleased to announce the unaudited consolidated results of the Group for the three months ended 30 June 2019 (the “Period”), together with the unaudited comparable figures for the corresponding period in 2018:

## UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months ended 30 June 2019 (Expressed in Hong Kong dollars)

	Note	Three months ended 30 June	
		2019 \$	2018 \$
<b>Revenue</b>	4	<b>10,636,468</b>	11,800,734
Direct costs		<b>(2,716,443)</b>	(2,732,036)
Other gains, net		<b>1,196,344</b>	117,452
Staff costs		<b>(3,034,333)</b>	(4,245,215)
Listing expenses		<b>-</b>	(171,573)
Depreciation and amortisation		<b>(956,365)</b>	(879,518)
Selling, general and administrative expenses		<b>(2,345,420)</b>	(1,618,028)
<b>Profit before taxation</b>		<b>2,780,251</b>	2,271,816
Income tax	5	<b>(40,883)</b>	(725,161)
<b>Profit for the period</b>		<b>2,739,368</b>	1,546,655
<b>Other comprehensive income, net of tax:</b>			
Item that may be reclassified subsequently to profit or loss:			
– Exchange differences on translation of financial statements of PRC subsidiaries		<b>(528,601)</b>	(403,643)
<b>Total comprehensive income for the period</b>		<b>2,210,767</b>	1,143,012
<b>Earnings per share</b>			
– Basic and diluted (HK cents)	6(a)&6(b)	<b>0.58</b>	0.41

# UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended 30 June 2019 (Expressed in Hong Kong dollars)

	Attributable to equity shareholders of the Company								Total \$
	Share capital \$	Share premium \$	SAS reserve \$	Employee share-based compensation reserve \$	Translation reserve \$	Merger reserve \$	Other reserve \$	Accumulated losses \$	
<b>As at 31 March 2018</b>	5,698	-	-	11,167,435	2,002,200	1,147,798	8,180,682	(8,427,222)	14,076,591
Impact on initial application of HKFRS 9	-	-	-	-	-	-	-	(141,950)	(141,950)
Impact on initial application of HKFRS 15	-	-	-	-	-	-	-	(4,452,731)	(4,452,731)
Adjusted balances as at 1 April 2018	5,698	-	-	11,167,435	2,002,200	1,147,798	8,180,682	(13,021,903)	9,481,910
<b>Changes in equity for the three months ended 30 June 2018:</b>									
Profit for the period	-	-	-	-	-	-	-	1,546,655	1,546,655
Other comprehensive income	-	-	-	-	(403,643)	-	-	-	(403,643)
Total comprehensive income for the period	-	-	-	-	(403,643)	-	-	1,546,655	1,143,012
Equity-settled share-based transactions	-	-	-	343,613	-	-	-	-	343,613
Impact on the initial public offering ("IPO")	-	(6,898,389)	-	-	-	-	-	-	(6,898,389)
<b>Balance as at 30 June 2018</b>	5,698	(6,898,389)	-	11,511,048	1,598,557	1,147,798	8,180,682	(11,475,248)	4,070,146
<b>Changes in equity for the nine months ended 31 March 2019:</b>									
Loss for the period	-	-	-	-	-	-	-	(19,244,395)	(19,244,395)
Other comprehensive income	-	-	-	-	331,029	-	-	-	331,029
Total comprehensive income for the period	-	-	-	-	331,029	-	-	(19,244,395)	(18,913,366)
Capitalisation issue	3,744,302	(3,744,302)	-	-	-	-	-	-	-
Issue of shares upon the IPO	1,250,000	73,630,254	-	-	-	-	-	-	74,880,254
Equity-settled share-based transactions	-	-	-	343,613	-	-	-	-	343,613
Purchase of the Company's shares for Share Award Scheme (defined in Other Information Section)	(218,160)	-	(12,227,219)	-	-	-	-	-	(12,445,379)
<b>As at 31 March 2019</b>	4,781,840	62,987,563	(12,227,219)	11,854,661	1,929,586	1,147,798	8,180,682	(30,719,643)	47,935,268
<b>Changes in equity for the three months ended 30 June 2019:</b>									
Profit for the period	-	-	-	-	-	-	-	2,739,368	2,739,368
Other comprehensive income	-	-	-	-	(528,601)	-	-	-	(528,601)
Total comprehensive income	-	-	-	-	(528,601)	-	-	2,739,368	2,210,767
Purchase of the Company's shares for Share Award Scheme	(30,040)	-	(1,767,841)	-	-	-	-	-	(1,797,881)
<b>Balance as at 30 June 2019</b>	4,751,800	62,987,563	(13,995,060)	11,854,661	1,400,985	1,147,798	8,180,682	(27,980,275)	48,348,144

# NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL INFORMATION

(Expressed in Hong Kong dollars unless otherwise indicated)

## 1 GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 15 June 2017 as an exempted company with limited liability under the Companies Law of the Cayman Islands and its shares have been listed on GEM of the Stock Exchange since 28 September 2018. The address of the Company's registered office is Estera Trust (Cayman) Limited, P.O. Box 1350, Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands. The address of the Company's principal place of business in the People's Republic of China (the "PRC") is 208, 2/F, Fenghua Technology Tower, 7th Street Hi-Tech South Road, Yuehai Street Technology Park, Nanshan District, Shenzhen, the PRC. The address of the Company's principal place of business in Hong Kong is Office No. 10, 16th Floor, Hong Kong Plaza, 188 Connaught Road West, Hong Kong.

The Group is an integrated securities trading platform service provider serving primarily Hong Kong Brokerage Firms and their clients. The Group's Hong Kong Brokerage Firm customers are all Category B and Category C Exchange Participants. The Group's integrated securities trading platform services mainly consist of front office trading system services, market data services and value-added services.

The unaudited condensed consolidated financial information of the Group for the Period is presented in Hong Kong dollars ("HK\$"), which is the same as the functional currency of the Group.

## 2 BASIS OF PREPARATION

The unaudited consolidated financial information for the Period set out in this report does not constitute the unaudited condensed consolidated financial statements of the Group for the Period (the "Financial Statements") but is extracted from the financial statements which have been prepared in accordance with HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), and the applicable disclosure provisions of the GEM Listing Rules. The financial information should be read in conjunction with the Company's consolidated financial statements for the year ended 31 March 2019.

The accounting policies adopted in preparing the Financial Statements are consistent with those applied in the consolidated financial statements of the Group for the year ended 31 March 2019, except for the accounting policy changes that are expected to be reflected in the Group's annual consolidated financial statements ending 31 March 2020. Details of any changes in accounting policies are set out in Note 3.



### 3 CHANGES IN ACCOUNTING POLICIES

#### (a) Overview

The HKICPA has issued a number of new HKFRSs and amendments to HKFRSs that are first effective for the current accounting period of the Group. Of these, the following development is relevant to the Group's Financial Statements:

- HKFRS 16, Leases

The Group has been impacted by HKFRS 16 in relation to the Group's accounting as a lessee of leases for properties which are currently classified as operating leases. Details of the changes in accounting policies are discussed in note 3(b) for HKFRS 16.

Under the transition methods chosen, the Group recognises the cumulative effect of the initial application of HKFRS 16 as an adjustment to the opening balance of equity as at 1 April 2019. Comparative information is not restated. The following table gives a summary of the opening balance adjustments recognised for each line item in the consolidated statement of financial position that has been impacted by HKFRS 16:

	As at 31 March 2019	Impact on initial application of HKFRS 16 (Note 3(b))	As at 1 April 2019
Right-of-use assets	–	5,445,517	5,445,517
Lease liabilities	–	(5,445,517)	(5,445,517)

Further details of these changes are set out in sub-sections (b) of this note.

**(b) HKFRS 16, Leases**

HKFRS 16 primarily affects the Group's accounting as a lessee of leases for properties which are currently classified as operating leases. The application of the new accounting model leads to an increase in both assets and liabilities and to impact on the timing of the expense recognition in the statement of profit or loss over the period of the lease.

The Group has elected to use the modified retrospective approach for the adoption of HKFRS 16 and has recognised the cumulative effect of initial application as an adjustment to the opening balance of right-to-use assets and lease liabilities as at 1 April 2019. Therefore, the comparative information has not been restated. As allowed by HKFRS 16, the Group has applied the new requirements only to lease contracts which the lease terms are longer than 12 months and which the value of lease assets are higher than USD5,000 when they are new.

**4 REVENUE**

The amount of each significant category of revenue recognised during the periods is as follows:

	Three months ended 30 June	
	2019 \$	2018 \$
– Front office trading system services	5,195,212	4,861,690
– Market data services	3,480,691	4,215,966
– Value-added services	1,960,565	2,723,078
	<b>10,636,468</b>	11,800,734

## 5 INCOME TAX

	Three months ended 30 June	
	2019 \$	2018 \$
Current tax – Hong Kong Profits Tax	27,723	(314,915)
Current tax – The PRC	(68,606)	(2,834)
Deferred taxation	–	(407,412)
	<b>(40,883)</b>	<b>(725,161)</b>

## 6 EARNINGS PER SHARE

### (a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of approximately HK\$2,739,368 (profit for the three months ended 30 June 2018: HK\$1,546,655) and the weighted average of 476,071,560 ordinary shares (2018: 375,000,000 shares).

### (b) Diluted earnings per share

Diluted earnings per share presented is the same as the basic earnings per share, as there were no potentially dilutive ordinary shares issued during the periods presented.

## **7 DIVIDENDS**

No interim dividend was paid or declared by the Company during each of the periods for the three months ended 30 June 2018 and 2019.

## **8 EVENTS AFTER THE PERIOD**

No subsequent event has occurred after 30 June 2019 which may have a significant effect on the assets and liabilities or future operation of the Group.

# MANAGEMENT DISCUSSION AND ANALYSIS

During the Period, the Group was one of the leading integrated securities trading platform service providers serving primarily Hong Kong Brokerage Firms<sup>Note 1</sup> and their clients. The Group's Hong Kong Brokerage Firm customers are all Category B<sup>Note 2</sup> and Category C<sup>Note 3</sup> Exchange Participants<sup>Note 4</sup>. The Group's integrated securities trading platform services mainly consist of front office trading system services, market data services and value-added services. Leveraging the proprietary software developed, modified and enhanced by the Group over the years, the Group becomes a market leader in providing front office trading system services and market data services to Hong Kong Brokerage Firms through an integrated model.

## BUSINESS REVIEW

During the Period, the integrated securities trading platform services which consists of (i) front office trading system services; (ii) market data services; and (iii) value-added services, was the major source of income of the Group. The total revenue of the Group decreased by approximately HK\$1,164,266 or 9.9% to approximately HK\$10,636,468 (for the three months ended 30 June 2018: approximately HK\$11,800,734). During the Period, the Group signed the new front office trading system services contracts with three Hong Kong Brokerage Firms. The number of registered users of our open securities trading platform software "TradeGo Pro" increased by approximately 17,841 or 17.8% to approximately 117,936 as at 30 June 2019 (approximately 100,095 as at 30 June 2018). The Group will continue to focus on marketing the new features and services launched on TradeGo Pro by online promotion and publication to attract more registered users.

Expected that the continued expansion of the Hong Kong financial market, the Group will put further effort in the development of China-Hong Kong Stock Connect Data Analyst. The Group plan to officially launch it in the second half of 2019. The Trading Counter Product (交易櫃檯產品) will also be launched in the second half of 2019 which is an integrated front office and back office trading system to expedite the processing of trading orders from investors.

Note 1: Corporations licensed under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO") to conduct brokerage activities with type 1 licence (dealing in securities).

Note 2: The 15th to 65th Exchange Participants by market turnover.

Note 3: Stockbrokers, being Exchange Participants in the market, except for the 14 largest Exchange Participants by market turnover and Category B Exchange Participants.

Note 4: A person or an institution which, in accordance with the requirements of the Stock Exchange, or whose name is entered in a register kept by the Stock Exchange as a person or an institution which, may trade through the Stock Exchange.

## FINANCIAL REVIEW

### Revenue and direct cost

Revenue of the Group for the Period was approximately HK\$10,636,468 (for the three months ended 30 June 2018: approximately HK\$11,800,734), representing a decrease of approximately HK\$1,164,266 or 9.9% as compared with that of the corresponding period of 2018. Such decrease in revenue of the Group for the Period was primarily attributable to the decrease in revenue from the market data services and the value-added services as a result of the decrease in stock market trading activities of Hong Kong.

Direct cost of the Group for the Period was approximately HK\$2,716,443 (for the three months ended 30 June 2018: approximately HK\$2,732,036), representing a decrease of approximately HK\$15,593 or 0.6% as compared with that of the corresponding period of 2018.

### Other gains, net

The Group's other income for the Period amounted to HK\$1,196,344 (for the three months ended 30 June 2018: HK\$117,452) representing an increase of HK\$1,078,892 or 918.6% as compared with that of the corresponding period in 2018. The increase was mainly due to the increase in interest income and government grants. The interest income represented an increase of HK\$272,472, such increase during the Period was mainly due to the increase in cash in bank after the listing of shares of the Company (the "Shares") on GEM (the "Listing"). The government grants represented an increase of HK\$788,195 (for the three months ended 30 June 2018: nil) from the Shenzhen government.

### Staff costs

The Group's staff costs for the Period amounted to HK\$3,034,333 (for the three months ended 30 June 2018: HK\$4,245,215) representing a decrease of HK\$1,210,882 or 28.5% as compared with that of the corresponding period in 2018. The decrease was mainly due to the increase in capitalization of research and development (the "R&D") projects.

### Depreciation and amortisation

The Group's depreciation and amortisation for the Period amounted to HK\$956,365 (for the three months ended 30 June 2018: HK\$879,518) representing an increase of HK\$76,847 or 8.7% as compared with that of the corresponding period in 2018. The increase was mainly due to the increase in amortisation of internally developed software system.

## **Selling, general and administrative expenses**

The Group's selling, general and administrative expenses for the Period amounted to approximately HK\$2,345,420 (for the three months ended 30 June 2018: approximately HK\$1,618,028) representing an increase of HK\$727,392 or 45.0%. The increase was due to the increase in legal and professional fees, advertising fees and other administrative expenses.

## **Profit for the Period**

During the Period, the Group recorded a profit of HK\$2,739,368 (for the three months ended 30 June 2018: profit of HK\$1,546,655), representing an increase of HK\$1,192,713 or 77.1%. Such change in the Group's financial performance was primarily attributable to the increase in other income and the decrease in staff costs.

## **DIVIDEND**

The Board did not declare the payment of any dividend for the Period (for the three months ended 30 June 2018: Nil).

## **PROSPECTS**

### **Business objectives, future strategies and prospects**

The Group's objectives are to enhance and promote its integrated securities trading platform services and further expand its customer base by improving its existing service offerings and developing new service offerings, obtaining more market data vendor licences, spending more sales and marketing efforts and establishing a marketing centre in Hong Kong, with an aim to consolidate and further promote the Group's market position. The Group believes that the diversification of its business segments can maintain a healthy financial profile and promote a sustainable growth of the Group. In the future, the Group will seize cooperation and acquisition opportunities with more business partners in various fields to expand its business scales and bring sustainable returns to the shareholders of the Company (the "**Shareholders**"). The Group will continue to strive for excellence in its products and services, in order to maintain its competitiveness and enhance growth potential in the fintech industry. The Group will continue to carry out the implementation plans set forth in the prospectus of the Company dated 17 September 2018 (the "**Prospectus**") and assess new business opportunities prudently, so as to create maximum return to the Shareholders and to facilitate the long-term growth of the business of the Group.

## OTHER INFORMATION

### USE OF PROCEEDS FROM LISTING

The net proceeds from the Listing were approximately HK\$41.5 million (after deducting the underwriting fees and the listing expenses). The unutilized proceeds were placed with a bank in Hong Kong. The Company has utilized the proceeds in accordance with the plans set out in the Prospectus, and the utilization amount of net proceeds is set out as below:

	Approximate percentage of total amount	Net proceeds HK\$ million	Utilized amount up to 30 June 2019 HK\$ million	Unutilized amount up to 30 June 2019 HK\$ million
Developing innovative product offerings and enhance R&D capabilities	14.7%	6.1	2.4	3.7
Apply for additional market data vendor licences and conduct further marketing activities	12.9%	5.4	0.9	4.5
Expand the hardware infrastructure capacities and software portfolio	5.7%	2.3	0.5	1.8
Recruit non-R&D staff and conduct staff trainings	7.2%	3.0	0.7	2.3
Establish an R&D centre in the PRC	37.5%	15.6	–	15.6
Establish a marketing centre in Hong Kong	17.7%	7.3	–	7.3
General working capital	4.3%	1.8	1.8	–
	100.0%	41.5	6.3	35.2



## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 30 June 2019, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares and debentures of the Company and its any associated corporation (within the meaning of Part XV of Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO") which were required 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 have taken or deemed to have under such provisions of the SFO); or as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO; or pursuant to the required standard of dealings set out in Rule 5.46 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

### Long position/short position in the Shares

Name of Directors	Nature of Interest	Number of Shares held/ interested in	Long position/ Short position	Approximate percentage of shareholding <sup>(1)</sup>
Mr. LIU Yong <sup>(2)(3)</sup>	Interest of a controlled corporation	228,303,791	Long position	45.66%
Mr. LIAO Jicheng <sup>(3)</sup>	Interests held jointly with another person	74,039,137	Long position	14.81%
Mr. WAN Yong <sup>(3)(4)</sup>	Interest of a controlled corporation	52,650,053	Long position	
	Interests held jointly with another person	74,039,137	Long position	
	Total:	126,689,190	Long position	25.34%
Mr. LIN Hung Yuan <sup>(5)</sup>	Interest of a controlled corporation	56,150,000	Long position	11.23%

## Notes:

- (1) As at 30 June 2019, the total number of issued Shares was 500,000,000 Shares.
- (2) Mao Jia Holdings Limited (茂嘉控股有限公司) (“**Mao Jia**”) holds a total of 154,264,654 Shares. Mao Jia is wholly owned by Fortune Promise Global Limited (富望環球有限公司) (“**Fortune Promise**”), which is in turn wholly-owned by Mr. LIU Yong. Therefore, Mr. LIU Yong is deemed, or taken to be, interested in all the Shares held by Mao Jia for the purposes of the SFO.
- (3) Xin Cheng International Limited (鑫誠國際有限公司) (“**Xin Cheng**”), holds a total of 74,039,137 Shares. Xin Cheng is wholly-owned by Stand Tall International Limited (立高國際有限公司) (“**Stand Tall**”). Therefore, according to the SFO, Stand Tall is deemed or taken to be interested in the Shares held by Xin Cheng. The details of the Shares held by Stand Tall are set out in the section headed “Statutory and General Information – (E) Pre-IPO Equity Interest Incentive Scheme” in the Appendix IV to the Prospectus. According to Pre – IPO Equity Interest Incentive Scheme, all of the power to vote as shareholder of Xin Cheng (and/or Stand Tall) was delegated to the board of Xin Cheng (as at 30 June 2019, Mr. LIU Yong is the sole director of Xin Cheng), and Mr. LIU Yong, Mr. LIAO Jicheng and Mr. WAN Yong are all shareholders of Stand Tall. Therefore, Mr. LIU Yong, Mr. LIAO Jicheng and Mr. WAN Yong are deemed to be or are taken to be interested in all the Shares held by Xin Cheng.
- (4) The total number of Shares held by Joint Smart Global Limited (合智環球有限公司) (“**Joint Smart**”) was 52,650,053 Shares. Joint Smart is wholly-owned by Mass Victory Ventures Limited (眾勝創投有限公司) (“**Mass Victory**”), which is in turn owned as to 75% by Mr. WAN Yong. Therefore, Mr. WAN Yong is deemed, or taken to be, interested in all the Shares held by Joint Smart for the purposes of the SFO.
- (5) VMI Mega Growth Fund SPC – VMI Mega Equity Investment Fund SP (“**VMI**”) holds a total of 56,150,000 Shares. VMI is wholly-owned by VMI Capital Group Limited (“**VMI Capital**”), which in turn wholly-owned by Mr. LIN Hung Yuan. Therefore, Mr. LIN Hung Yuan is deemed, or taken to be, interested in all the Shares held by VMI for the purposes of the SFO.

Save as disclosed above and so far as is known to the Directors, as at 30 June 2019, none of the Directors and chief executive of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or pursuant to the required standard of dealings set out in Rule 5.46 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

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

As at 30 June 2019 and so far as is known to the Directors, the following persons (other than the Directors or chief executive of the Company) had interests and short positions in the Shares or underlying Shares of the Company which were required to be notified to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO were as follows:

### Long position/short position in the Shares

Names of shareholders	Capacity/ Nature of Interest	Number of Shares held/ interested in	Long position/ Short position	Approximate percentage of shareholding <sup>(1)</sup>
Mao Jia Holdings Limited (茂嘉控股有限公司) <sup>(2)</sup>	Beneficial owner	154,264,654	Long position	30.85%
Fortune Promise Global Limited (富望環球有限公司) <sup>(2)</sup>	Interest of a controlled corporation	154,264,654	Long position	30.85%
Xin Cheng International Limited (鑫誠國際有限公司) <sup>(3)</sup>	Beneficial owner	72,854,511	Long position	
	Trustee	1,184,626	Long position	
	Total:	74,039,137	Long position	14.81%
Stand Tall International Limited (立高國際有限公司) <sup>(3)</sup>	Interest of a controlled corporation	74,039,137	Long position	14.81%
VMI Mega Growth Fund SPC – VMI Mega Equity Investment Fund SP <sup>(4)</sup>	Beneficial owner	56,150,000	Long position	11.23%
VMI Capital Group Limited <sup>(4)</sup>	Investment manager	56,150,000	Long position	11.23%
Joint Smart Global Limited (合智環球有限公司) <sup>(5)</sup>	Beneficial owner	52,650,053	Long position	10.53%
Mass Victory Ventures Limited (眾勝創投有限公司) <sup>(5)</sup>	Interest of a controlled corporation	52,650,053	Long position	10.53%
Ms. LIU Xiaoming <sup>(6)</sup>	Interest of spouse	228,303,791	Long position	45.66%
Ms. ZHANG Tian <sup>(7)</sup>	Interest of spouse	56,150,000	Long position	11.23%
Ms. CHEN Zhaoxia <sup>(8)</sup>	Interest of spouse	126,689,190	Long position	25.34%
Ms. LU Ximeng <sup>(9)</sup>	Interest of spouse	74,039,137	Long position	14.81%

## Notes:

- (1) As at 30 June 2019, the total number of issued Shares was 500,000,000 Shares.
- (2) Mao Jia is wholly-owned by Fortune Promise. Therefore, Fortune Promise is deemed, or taken to be, interested in all the Shares held by Mao Jia for the purposes of the SFO.
- (3) Xin Cheng holds 72,854,511 and 1,184,626 Shares as beneficial owner and trustee respectively. The 1,184,626 Shares are held by Xin Cheng as trustee arising from or in relation to the employee share ownership scheme of Tele-Trend Konson (Hong Kong) Limited (捷利港信(香港)有限公司) which is an indirectly wholly-owned subsidiary of the Company. Xin Cheng is wholly-owned by Stand Tall. Therefore, Stand Tall is deemed, or taken to be, interested in all the Shares held by Xin Cheng for the purposes of the SFO. The detailed information in relation to the Shares held by Stand Tall is set out in the section headed "Statutory and General Information – (E) Pre-IPO Equity Interest Incentive Scheme" in Appendix IV to the Prospectus. According to Pre-IPO Equity Interest Incentive Scheme, all of the power to vote as shareholder of Xin Cheng (and/or Stand Tall) was delegated to the board of Xin Cheng.
- (4) The management shares of VMI are all held by VMI Capital in its capacity as investment manager. Therefore, VMI Capital is deemed, or taken to be, interested in all the Shares held by VMI for the purposes of the SFO.
- (5) Joint Smart is wholly-owned by Mass Victory. Therefore, Mass Victory is deemed, or taken to be, interested in all the Shares held by Joint Smart for the purposes of the SFO.
- (6) Ms. LIU Xiaoming is the spouse of Mr. LIU Yong. Therefore, Ms. LIU Xiaoming is deemed, or taken to be, interested in all the Shares held by Mr. LIU Yong for the purpose of the SFO.
- (7) Ms. ZHANG Tian is the spouse of Mr. LIN Hung Yuan. Therefore, Ms. ZHANG Tian is deemed, or taken to be, interested in all the Shares held by Mr. LIN Hung Yuan for the purpose of the SFO.
- (8) Ms. CHEN Zhaoxia is the spouse of Mr. WAN Yong. Therefore, Ms. CHEN Zhaoxia is deemed, or taken to be, interested in all the Shares held by Mr. WAN Yong for the purpose of the SFO.
- (9) Ms. LU Ximeng is the spouse of Mr. LIAO Jicheng. Therefore, Ms. LU Ximeng is deemed, or taken to be, interested in all the Shares held by Mr. LIAO Jicheng for the purpose of the SFO.

## Other Information

Save as disclosed above, as at 30 June 2019, the Directors were not aware of any interests or short positions owned by any other persons (other than the Directors or chief executive of the Company) in the Shares or underlying Shares of the Company which were required to be notified to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

### SHARE OPTION SCHEME

The Company has conditionally adopted a share option scheme on 29 August 2018. The purpose of the share option scheme is to attract and retain employees with outstanding performance, the best available personnel, to provide additional incentive to employees (full-time or part-time), Directors, consultants or advisers, distributors, contractors, suppliers, agents, customers, business partners and services providers of the Group and to promote the success of the business of the Group. Details of the share option scheme are set out in the section headed “Statutory and General Information – D. Share Option Scheme” in Appendix IV of the Prospectus. From the date of adoption of such share option scheme to 30 June 2019, no share option was granted, exercised or cancelled and there was no outstanding share option as at 30 June 2019.

### PRE-IPO EQUITY INTEREST INCENTIVE SCHEME

The Company adopted a pre-IPO equity interest incentive scheme on 16 July 2015 which was revised on 10 July 2017. The pre-IPO equity interest incentive scheme was established by Xin Cheng International Limited (鑫誠國際有限公司) to recognise and reward the contribution of certain eligible participants who have or may have made to the growth and development of the business of the Group. The principal terms are set out in the section headed “Statutory and General Information – E. Pre-IPO Equity Interest Incentive Scheme” in Appendix IV of the Prospectus.

## SHARE AWARD SCHEME

On 19 December 2018 (the “**Adoption Date**”), the Company adopted a share award scheme (the “**Share Award Scheme**”). The purpose of the Share Award Scheme is to provide incentives for the employees to continuously make substantial contributions to the Group’s long-term growth in the future and to attract and retain talented employees who may be beneficial to the growth and development of the Group.

For details of the Share Award Scheme, please refer to the announcements of the Company dated 19 December 2018, 21 January 2019, 1 February 2019, 28 February 2019, 7 March 2019, 12 March 2019, 14 March 2019, 28 March 2019, 9 April 2019 and 4 July 2019, respectively.

The Company shall comply with the relevant GEM Listing Rules when granting the award shares. As at 30 June 2019, the trustee of the Share Award Scheme had purchased a total of 24,820,000 shares of the Company from the secondary market at a total consideration of about HK\$12,445,379. Since the Adoption Date and up to 30 June 2019, no shares purchased under the Share Award Scheme have been awarded to any employee of the Company under the Share Award Scheme.

## PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities.

## COMPETING BUSINESS

During the Period, none of the Directors, controlling Shareholders or substantial Shareholders of the Company, nor any of their respective close associates (as defined under the GEM Listing Rules) had engaged in any business that competes or may compete, directly or indirectly, with the business of the Group or had any other conflicts of interest with the Group, nor were they aware of any other conflicts of interest which any such person has or may have with the Group.

## DEED OF NON-COMPETITION

The deed of non-competition (the “**Deed of Non-Competition**”) dated 29 August 2018 was entered into by Mr. LIU Yong, Fortune Promise Global Limited (富望環球有限公司), Mao Jia Holdings Limited (茂嘉控股有限公司), Stand Tall International Limited (立高國際有限公司) and Xin Cheng International Limited (鑫誠國際有限公司) in favour of the Company (for the Company and as trustee for and on behalf of the subsidiaries of the Company) in regard to non-competition undertakings. The details of the Deed of Non-Competition have been disclosed in the Prospectus under the section headed “Relationship with Controlling Shareholders – Non-Competition Undertakings”.

## INTEREST OF THE COMPLIANCE ADVISER

As advised by the Company’s compliance adviser, Essence Corporate Finance (Hong Kong) Limited (the “**Compliance Adviser**”), as at 30 June 2019, save for the compliance adviser agreement entered into between the Company and the Compliance Adviser dated 29 September 2017, none of the Compliance Adviser or its directors, employees or close associates (as defined under the GEM Listing Rules) had any interest in the share capital of the Company or in any member of the Group (including options or rights to subscribe for such securities (if any)) which is required to be notified to the Company pursuant to Rule 6A.32 of the GEM Listing Rules.

## CORPORATE GOVERNANCE PRACTICE

During the Period, the Company has complied with all the applicable code provisions of the Corporate Governance Code (the “**CG Code**”) contained in Appendix 15 to the GEM Listing Rules, except for the deviation from Code Provision A.2.1.

Code Provision A.2.1 of the CG Code stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. LIU Yong is the chairman and the chief executive officer of the Company and has been managing the Group's business and its overall financial and strategic planning since April 2010. The Board believes that the vesting of the roles of chairman and chief executive officer in Mr. LIU Yong is beneficial to the business operations and management of the Group and will provide a strong and consistent leadership to the Group. In addition, due to the presence of three independent non-executive Directors which represents over one-third of the Board, the Board considers that there is a balance of power and authority such that no one individual has unfettered power of decision. Accordingly, the Company has not segregated the roles of its chairman and chief executive officer as required by Code Provision A.2.1 of the CG Code.

## **DIRECTORS' SECURITIES TRANSACTIONS**

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all the Directors by the Company, all the Directors had confirmed that they had been in compliance with the required standard of dealings and the code of conduct regarding securities transactions by Directors adopted by the Company during the Period.

## **CHANGES IN DIRECTORS**

During the Period, there was no change in Directors.

## **SIGNIFICANT EVENTS AFTER PERIOD**

The Directors confirmed that no significant event that affected the Group has occurred after 30 June 2019 and up to the date of this report.



## REVIEW BY AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”) was established on 29 August 2018 with written terms of reference in compliance with Rule 5.28 of the GEM Listing Rules and Code Provision C.3 of the CG Code. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control system, nominate and monitor external auditors and to provide advice and comments to the Board on matters related to corporate governance. The Audit Committee currently comprises three independent non-executive Directors, namely Dr. LOKE Yu, Ms. JIAO Jie and Mr. MAN Kong Yui. Dr. LOKE Yu is the chairman of the Audit Committee. The Audit Committee has reviewed the unaudited results of the Group for the three months ended 30 June 2019 and was of the view that such results have been prepared in compliance with the applicable accounting standards, the GEM Listing Rules and other applicable legal requirements, and that adequate disclosures have been made.

By order of the Board  
**TradeGo FinTech Limited**  
**LIU Yong**  
*Chairman and Executive Director*

Shenzhen, People’s Republic of China, 8 August 2019

*As at the date of this report, the Board comprises Mr. LIU Yong, Mr. WAN Yong and Mr. LIAO Jicheng as executive Directors; Mr. LIN Hung Yuan as non-executive Director; and Ms. JIAO Jie, Mr. MAN Kong Yui and Dr. LOKE Yu as independent non-executive Directors.*