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FingerTango Inc.

指尖悅動控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6860)

**DISCLOSEABLE TRANSACTION
SUBSCRIPTION FOR WEALTH MANAGEMENT PRODUCT
AND
SUPPLEMENTAL ANNOUNCEMENT
IN RELATION TO THE 2018 ANNUAL REPORT**

SUBSCRIPTION FOR THE PRODUCT

The Company and Leading Global Fund SPC entered into a Subscription Agreement on 16 July 2018, pursuant to which the Company subscribed for a principal-guaranteed short-term unlisted wealth management product with a fixed return issued by Leading Global Fund SPC in the principal amount of HK\$450.0 million, which was partially redeemed resulting in the remaining balance of HK\$350.0 million as at 31 December 2018.

IMPLICATIONS UNDER THE LISTING RULES

As the highest applicable percentage ratio in relation to the Subscription exceeds 5% but is less than 25%, the Subscription constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

THE SUBSCRIPTION

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PRINCIPAL TERMS OF THE SUBSCRIPTION AGREEMENT

The principal terms of the Product are summarised below:

Date:	16 July 2018
Parties:	(1) Leading Global Fund SPC (as issuer) (2) The Company (as purchaser)
Name of the Product:	Leading Global — 1 SP
Principal amount:	HK\$450,000,000
Duration:	No fixed term
Rate of return:	Fixed rate of 1.50% per annum, with interest accrual beginning on 16 July 2018
Redemption:	The Company may redeem the investment principal along with any accrued interest income at its discretion
Fees, charges and expenses:	There is no management fee or any other fees or expenses required to be paid by the Company
Investment objective:	The investment objective is to provide investors with a fixed total return by targeting a combination of investments in equity investments, debt investments and low-risk financial instruments.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTION

In order to enhance the capital efficiency as well as the return from working capital, the Group reasonably utilises its idle capital to subscribe for the Product to earn higher return than current deposit interest without affecting its normal operations while contemplating its long term business plans. The Product offers a better potential return to the Group when compared to the deposit interest rates normally offered by commercial banks in the PRC. The performance of the Product has been closely and effectively monitored by the Company, and the Group has not experienced any losses on the Product up to and as at the date of this announcement.

The consideration in relation to the Subscription was determined by the Company and Leading Global Fund SPC taking into account various factors including the idle cash resources of the Group available for the purpose of cash management, as well as the risk level, investment terms and annualised rate of return of the Product.

The Directors are of the view that the terms of the Subscription Agreement are determined on normal commercial terms and are fair and reasonable, and that the entering into of the Subscription Agreement is in the interests of the Company and the Shareholders as a whole.

INFORMATION OF THE GROUP

The Company is a company incorporated in the Cayman Islands with limited liability. The Group is primarily engaged in the mobile game operation and publishing business.

INFORMATION ON LEADING GLOBAL FUND SPC

Leading Global Fund SPC is a company incorporated in the Cayman Islands with limited liability. Leading Global Fund SPC is principally engaged in the investment and fund management related services.

As at the date of this announcement, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Leading Global Fund SPC and its ultimate beneficial owners are independent of and not connected with the Company or any connected persons (as defined under the Listing Rules) of the Company.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in relation to the Subscription exceeds 5% but is less than 25%, the Subscription constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

REMEDIAL MEASURES

The Company understands that it should have informed the Stock Exchange and published an announcement as soon as possible in accordance with Rule 14.34 of the Listing Rules as and when the obligation for the Subscription arises. The Company deeply regrets its delay in compliance with the Listing Rules but the Company would like to stress that the delay in compliance of the Listing Rules was inadvertent and unintentional. To prevent the re-occurrence of similar incidents in the future, the Company plans to take the following measures:

- the Company shall enhance the training provided to the Directors, the senior management and responsible finance staff, including inviting external legal advisors of the Company to give seminars on the compliance requirements and practical knowledge of discloseable transactions to its staff, so as to reinforce their understanding of and to emphasise the importance of compliance with the Listing Rules;
- the Company shall review its internal control policy in relation to the reporting, reviewing and approval on investment decisions. The Company intends to enhance its review and approval mechanism in relation to the assessment of investment transactions;
- the Company shall also remind its management and responsible finance staff to report those transactions which may constitute potential discloseable transactions to the office of the Board for approval and assessment of the disclosure obligations prior to the entering into of those transactions; and
- the Company shall maintain closer cooperation with professional advisers of the Company in relation to regulatory compliance.

The Company takes this opportunity to emphasise that the Group shall continue to enhance its internal control management and strictly control the audit regarding compliance and risk control matters of its businesses, thereby avoiding the re-occurrence of similar incidents. Going forward, the Group will continue to comply with the management procedures of its investments on various products and make appropriate disclosure in a timely manner to ensure compliance with the Listing Rules.

MANAGEMENT DISCUSSION AND ANALYSIS

Reference is made to the annual report for the year ended 31 December 2018 published by the Company on 29 April 2019. The Company would like to provide further information in respect of its financial assets at fair value through profit or loss.

As disclosed in the 2018 Annual Report, financial assets at fair value through profit or loss recorded approximately RMB406.6 million (equivalent to approximately HK\$464.1 million). The translation between Renminbi and Hong Kong dollars herein was made at the rate of RMB0.8762 to HK\$1.0000, the exchange rate prevailing on 31 December 2018 published by the PBOC for foreign exchange rate transactions. Details of financial assets at fair value through profit or loss for the year ended 31 December 2018 are shown as below:

Financial assets at fair value through profit or loss	Principal amount as at 31 December 2018 <i>(million in RMB)</i>	Changes in fair value for the year ended 31 December 2018 <i>(million in RMB)</i>	Carrying amount <i>(million in RMB)</i>
Wealth management product			
Leading Global — 1 SP	306.7	2.5	309.2
Wealth management product Central			
China Dragon Growth Fund SP7 (中州龍騰增長七號基金)	87.6	0.5	88.1
Investment in private company A	8.0	—	8.0
Investment in private company B	1.0	—	1.0
Investment in private company C	0.3	—	0.3
Total	403.6	3.0	406.6

Leading Global — 1 SP — the Product

The Company and Leading Global Fund SPC entered into a Subscription Agreement on 16 July 2018, pursuant to which the Company subscribed for the wealth management product Leading Global — 1 SP with the principal amount of HK\$450.0 million (equivalent to approximately RMB394.3 million), which was partially redeemed resulting in the remaining balance of HK\$350.0 million (equivalent to approximately RMB306.7 million) as at 31 December 2018, representing approximately 18.9% of the total assets of the Company as at 31 December 2018. The performance of the Product has been closely and effectively monitored by the Company. The return of the

Subscription was consistent with its fair value change of approximately RMB2.5 million for the year ended 31 December 2018. The Company believes that the Subscription will continue to generate stable income for the Company referencing to its principal-guaranteed, fixed-return and high-liquid nature.

Central China Dragon Growth Fund SP7 (中州龍騰增長七號基金)

On 11 December 2018, the Company subscribed for the wealth management product Central China Dragon Growth Fund SP7 (中州龍騰增長七號基金) for and principal amount of HK\$100.0 million (equivalent to approximately RMB87.6 million), representing approximately 5.4% of the total assets of the Company as at 31 December 2018. Details of the subscription for Central China Dragon Growth Fund SP7 (中州龍騰增長七號基金) please refer to the announcement dated 11 December 2018 of the Company. The return of the investment in Central China Dragon Growth Fund SP7 (中州龍騰增長七號基金) was consistent with its fair value change of approximately RMB0.5 million for the year ended 31 December 2018. The Company believes that the investment will continue to generate stable income for the Company.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“2018 Annual Report”	the annual report of the Company for the year ended 31 December 2018
“Board”	the board of Directors
“Company”	FingerTango Inc., a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the Stock Exchange (stock code: 6860)
“Director(s)”	the director(s) of the Company
“Product”	the wealth management product Leading Global — 1 SP issued by Leading Global Fund SPC
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Subscription”	the subscription made by the Company pursuant to the Subscription Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“percentage ratios”	has the same meaning as ascribed to it under the Listing Rules

“PRC”	the People’s Republic of China
“PBOC”	the People’s Bank of China
“RMB”	Renminbi, the lawful currency of the PRC
“Subscription Agreement”	The subscription agreement entered into on 16 July 2018 between the Company and Leading Global Fund SPC pursuant to which the Company invested HK\$450.0 million into a principal-guaranteed short-term wealth management product with a fixed return
“Shareholder(s)”	holder(s) of the shares of the Company
“Stock Exchange ”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

By Order of the Board
FingerTango Inc.
LIU Jie
Chairman and Chief Executive Officer

Hong Kong, 14 June 2019

As at the date of this announcement, the Board comprises Mr. LIU Jie, Mr. WU Junjie, Mr. WANG Zaicheng and Mr. LIU Zhanxi as executive Directors and Mr. GUO Jingdou, Ms. YAO Minru and Mr. DU Geyang as independent non-executive Directors.