

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, 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 announcement.*



**TradeGo**

**TradeGo FinTech Limited**

**捷利交易寶金融科技有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8017)**

## **THIRD QUARTERLY RESULTS ANNOUNCEMENT FOR THE NINE MONTHS ENDED 31 DECEMBER 2018**

### **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.**

This announcement, 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 (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 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.

## HIGHLIGHTS

- The Group recorded an unaudited revenue of approximately HK\$35.5 million for the nine months ended 31 December 2018 compared with that of approximately HK\$30.2 million for the nine months ended 31 December 2017, representing an increase of approximately 17.6%.
- Excluding the one-off listing expenses for both periods, the adjusted net profit of the Group for the nine months ended 31 December 2018 was approximately HK\$2.4 million, representing a decrease of 46.7% from approximately HK\$4.5 million for the nine months ended 31 December 2017.
- The number of registered users of our open securities trading platform software “TradeGo Pro” increased by approximately 18,000 or 19.8% to approximately 109,000 as at 31 December 2018 (approximately 91,000 as at 31 December 2017).
- The basic loss per share attributable to owners of the Company for the nine months ended 31 December 2018 was HK cent 2.32 (for the nine months ended 31 December 2017: the basic loss per share attributable to owners of the Company of approximately HK cent 0.05).
- The board of Directors does not declare the payment of any dividend for the nine months ended 31 December 2018 (for the nine months ended 31 December 2017: Nil).

The board (the “**Board**”) of Directors is pleased to announce the unaudited condensed consolidated results of the Group for the three months and the nine months ended 31 December 2018 (the “**Period**”), together with the unaudited comparative figures for the corresponding period in 2017:

## UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the three months and nine months ended 31 December 2018

(Expressed in Hong Kong dollars)

	Note	Three months ended		Nine months ended	
		31 December 2018	2017	31 December 2018	2017
		\$'000	\$'000	\$'000	(Note) \$'000
<b>Revenue</b>	3(c) & 4	<b>11,103</b>	9,449	<b>35,489</b>	30,186
Direct costs		<b>(3,009)</b>	(3,297)	<b>(8,740)</b>	(8,745)
Other (loss)/income, net		<b>139</b>	(133)	<b>96</b>	101
Staff costs		<b>(4,895)</b>	(4,410)	<b>(16,240)</b>	(10,378)
Listing expenses		<b>–</b>	(1,162)	<b>(12,045)</b>	(4,749)
Depreciation and amortisation		<b>(673)</b>	(610)	<b>(2,344)</b>	(1,777)
Finance costs		<b>–</b>	–	<b>(102)</b>	–
Selling, general and administrative expenses		<b>(2,271)</b>	(1,784)	<b>(5,267)</b>	(3,260)
<b>(Loss)/profit before taxation</b>		<b>394</b>	(1,947)	<b>(9,153)</b>	1,378
Income tax		<b>297</b>	(280)	<b>(530)</b>	(1,582)
<b>(Loss)/profit for the period</b>		<b>691</b>	(2,227)	<b>(9,683)</b>	(204)
<b>Other comprehensive income, net of nil tax:</b>					
<i>Item that may be reclassified subsequently to profit or loss:</i>					
– Exchange differences on translation of financial statements of PRC subsidiaries		<b>(98)</b>	63	<b>(717)</b>	262
<b>Total comprehensive income for the period</b>		<b>593</b>	(2,164)	<b>(10,400)</b>	58
<b>(Losses)/earnings per share</b>					
Basic and diluted (HK cent)		<b>0.16</b>	(0.59)	<b>(2.32)</b>	(0.05)

Note: The Group initially applied Hong Kong Financial Reporting Standard (the “**HKFRS**”) 15 and HKFRS 9 on 1 April 2018. Under the transition methods chosen, comparative information is not restated. See note 3.

**UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
*For the nine months ended 31 December 2018 (Expressed in Hong Kong dollars)*

	Attributable to equity shareholders of the Company							
	Note	Share capital \$'000	Employee share-based compensation reserve \$'000	Translation reserve \$'000	Merger reserve \$'000	Other reserve \$'000	Accumulated losses \$'000	Total \$'000
<b>Balance as at 1 April 2017</b>		7,510	10,126	1,617	1,148	676	(7,358)	13,719
<b>Changes in equity for the nine months ended 31 December 2017:</b>								
Profit for the period		-	-	-	-	-	(204)	(204)
Other comprehensive income		-	-	262	-	-	-	262
Total comprehensive income for the period		-	-	262	-	-	(204)	58
Arising from Reorganisation Equity-settled share-based transactions		(7,504)	-	-	-	7,504	-	-
		-	781	-	-	-	-	781
<b>Balance as at 31 December 2017 and 1 January 2018</b>		6	10,907	1,879	1,148	8,180	(7,562)	14,558
<b>Changes in equity for the three months ended 31 March 2018:</b>								
(Loss) for the period		-	-	-	-	-	(865)	(865)
Other comprehensive income		-	-	123	-	-	-	123
Total comprehensive income		-	-	123	-	-	(865)	(742)
Equity-settled share-based transactions		-	261	-	-	-	-	261
<b>Balance as at 31 March 2018</b> <i>(Note)</i>		6	11,168	2,002	1,148	8,180	(8,427)	14,077

*Note:* The Group initially applied HKFRS 15 and HKFRS 9 on 1 April 2018. Under the transition methods chosen, comparative information is not restated. See note 3.

Attributable to equity shareholders of the Company

	Share capital \$'000	Share premium \$'000	Employee share-based compensation reserve \$'000	Translation reserve \$'000	Merger reserve \$'000	Other reserve \$'000	Accumulated losses \$'000	Total \$'000
<b>Balance as at 31 March 2018</b>	6	-	11,168	2,002	1,148	8,180	(8,427)	14,077
Impact on initial application of HKFRS 15	-	-	-	-	-	-	(4,453)	(4,453)
Impact on initial application of HKFRS 9	-	-	-	-	-	-	(142)	(142)
<b>Adjusted balance as at 1 April 2018</b>	<b>6</b>	<b>-</b>	<b>11,168</b>	<b>2,002</b>	<b>1,148</b>	<b>8,180</b>	<b>(13,022)</b>	<b>9,482</b>
<b>Changes in equity for the six months ended 30 September 2018:</b>								
Profit/(loss) for the period	-	-	-	-	-	-	(10,374)	(10,374)
Other comprehensive income	-	-	-	(619)	-	-	-	(619)
Total comprehensive income	-	-	-	(619)	-	-	(10,374)	(10,993)
Issuance of shares	4,994	67,386	-	-	-	(3,744)	-	68,636
Equity-settled share-based transactions	-	-	687	-	-	-	-	687
<b>Balance as at 30 September 2018</b>	<b>5,000</b>	<b>67,386</b>	<b>11,855</b>	<b>1,383</b>	<b>1,148</b>	<b>4,436</b>	<b>(23,396)</b>	<b>67,812</b>
<b>Changes in equity for the three months ended 31 December 2018:</b>								
Profit/(loss) for the period	-	-	-	-	-	-	691	691
Other comprehensive income	-	-	-	(98)	-	-	-	(98)
Total comprehensive income	-	-	-	(98)	-	-	691	593
Issuance of shares	-	(3)	-	-	-	-	-	(3)
<b>Balance as at 31 December 2018</b>	<b>5,000</b>	<b>67,383</b>	<b>11,855</b>	<b>1,285</b>	<b>1,148</b>	<b>4,436</b>	<b>(22,705)</b>	<b>68,402</b>

# NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

(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, and all values are presented in thousands of units of Hong Kong dollars (HK\$'000), unless otherwise stated.

## 2 BASIS OF PREPARATION

The unaudited consolidated financial information for the Period set out in this announcement 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 Statements should be read in conjunction with the Company's consolidated financial statements for the year ended 31 March 2018.

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 2018, except for the accounting policy changes that are expected to be reflected in the Group's annual consolidated financial statements ending 31 March 2019. 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 developments are relevant to the Group's financial statements:

- HKFRS 9, *Financial instruments*
- HKFRS 15, *Revenue from contracts with customers*

The Group has been impacted by HKFRS 9 in relation to measurement of credit losses, and impacted by HKFRS 15 in relation to timing of revenue recognition and presentation of contract liabilities. Details of the changes in accounting policies are discussed in note 3(b) for HKFRS 9 and note 3(c) for HKFRS 15.

Under the transition methods chosen, the Group recognises the cumulative effect of the initial application of HKFRS 9 and HKFRS 15 as an adjustment to the opening balance of equity as at 1 April 2018. 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 9 and/or HKFRS 15:

	As at 31 March 2018 \$'000	Impact on initial application of HKFRS 9 (Note 3(a)) \$'000	Impact on initial application of HKFRS 15 (Note 3(b)) \$'000	As at 1 April 2018 \$'000
Trade and other receivables	17,021	(170)	(5,333)	11,518
Total current assets	26,267	(170)	(5,333)	20,764
Income tax payable	(1,269)	–	880	(389)
Total current liabilities	(21,844)	–	880	(20,964)
Deferred tax liabilities	(17)	28	–	11
Total equity attributable to equity shareholders of the Company	<u>(14,077)</u>	<u>142</u>	<u>4,453</u>	<u>(9,482)</u>

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

**(b) HKFRS 9, Financial instruments**

HKFRS 9 replaces the current standard on accounting for financial instruments: Hong Kong Accounting Standard (the “HKAS”) 39, Financial instruments: Recognition and measurement. HKFRS 9 introduces new requirements for classification and measurement of financial assets, calculation of impairment of financial assets and hedge accounting. On the other hand, HKFRS 9 incorporates without substantive changes the requirements of HKAS 39 for the recognition and derecognition of financial instruments and the classification of financial liabilities. The Group uses the exemption from restating comparative information and recognises any transition adjustments against the opening balance of equity as at 1 April 2018. Impacts of the new requirements on the Group’s consolidated financial statements are as follows:

*(i) Classification and measurement*

HKFRS 9 contains three principal categories for financial assets: measured at (1) amortised cost, (2) fair value through profit or loss (FVTPL) and (3) fair value through other comprehensive income (FVTOCI). The classification is determined based on the contractual cash flow characteristics of financial assets and the entity’s business model for managing financial assets. The Group expects that the new classification and measurement requirements will not have a material impact on its accounting for financial assets.

(ii) *Impairment*

The new impairment model in HKFRS 9 replaces the “incurred loss” model in HKAS 39 with an “expected credit loss (“ECL”)” model. Under the ECL model, it is no longer necessary for a loss event to occur before an impairment loss is recognised. Instead, an entity is required to recognise and measure ECL as either 12-month ECL or lifetime ECL, depending on the asset and the facts and circumstances. This new impairment model may result in earlier recognition of credit losses on the Group’s trade and other receivables as well as other financial assets. The Group has performed an assessment on the impact of initial adoption of the ECL model. Based on the historical experience of the Group, there were no major defaults in outstanding trade receivables and therefore the Directors of the company do not anticipate the adoption of the ECL model to result in significant increase in credit losses on the trade receivables. As a result of the initial adoption of the ECL model, the Group has recognised additional ECLs amounting to approximately HK\$170,000 with respect to the group’s other receivables, which increased accumulated losses by HK\$142,000 and increased gross deferred tax liabilities by HK\$28,000 as at 1 April 2018.

(c) **HKFRS 15, Revenue from contracts with customers**

HKFRS 15 establishes a comprehensive framework for recognising revenue and certain costs from contracts with customers. HKFRS 15 replaces HKAS 18, Revenue, which covered the revenue arising from sale of goods and rendering of services.

The Group has elected to use the cumulative effect transition method and has recognised the cumulative effect of initial application as an adjustment to the opening balance of equity as at 1 April 2018. Therefore, comparative information has not been restated and continues to be reported under HKAS 18. As allowed by HKFRS 15, the Group has applied the new requirements only to contracts that were not completed before 1 April 2018.

The following table summarises the impact of transition to HKFRS 15 on accumulated losses and the related tax impact as at 1 April 2018:

	<i>\$’000</i>
<b>Accumulated losses</b>	
Later revenue and profit recognition for trading channel	5,333
Related tax	(880)
	<hr/>
Net increase in accumulated losses as at 1 April 2018	<u>4,453</u>



Further details of the nature and effect of the changes on previous accounting policies are set out below:

(i) *Timing of revenue recognition*

Previously, other than front office trading system services income<sup>(note)</sup> that is not related to the post delivery support, the Group's revenue related to provision of services is recognised over time when related services are rendered.

*Note:* The Group's income for front office trading system services is derived primarily from the provision of upfront work, including the customisation and delivery of the trading system and the licence of right to use the trading system, and the provision of the post delivery support, including unspecified upgrades and technical and customer support during the licence period.

The portion of revenue attributable to the upfront work and the post delivery support is determined by the management based on the internal statistics and managerial experience on research and development resource allocation and work arrangement with reference to the prevailing market practice for similar services provided in the securities trading platform service market. The management also conducts periodical review on such revenue recognition policy.

Under HKFRS 15, revenue is recognised when the customer obtains control of the promised goods or service in the contract. This may be at a single point in time or over time. HKFRS 15 identifies the following three situations in which control of the promised goods or service is regarded as being transferred over time:

- A. When the customer simultaneously receives and consumes the benefits provided by the entity's performance, as the entity performs;
- B. When the entity's performance creates or enhances an asset (for example work in progress) that the customer controls as the asset is created or enhanced;
- C. When the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

If the contract terms and the entity's activities do not fall into any of three situations, then under HKFRS 15 the entity recognises revenue for the sale of that service at a single point in time, being when control has passed. Transfer of risks and rewards of ownership is only one of the indicators that will be considered in determining when the transfer of control occurs. The Group has performed an assessment on the impact of initial adoption of HKFRS 15, according to which certain revenue that is currently recognised at a single point will be recognised over time upon the adoption of HKFRS 15. After taking into account of the income tax effect, the Group has a transition adjustment to be made to reduce the opening balance of its net assets and increase its accumulated losses as at 1 April 2018 by HK\$4.5 million upon the initial adoption of HKFRS 15. Other than these, the Directors of the Company do not anticipate the adoption of HKFRS 15 to have a significant impact on the Group's future financial position and performance.

(ii) *Contract liabilities*

As a result of the adoption of HKFRS 15, receipt in advance meets the definition of contract liabilities (approximately HK\$7,663,000 as at 1 April 2018).

#### 4 REVENUE

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

	<b>Three months ended</b>	
	<b>31 December</b>	
	<b>2018</b>	2017
		<i>(Note)</i>
	<b>\$'000</b>	<b>\$'000</b>
– Front office trading system services	<b>4,841</b>	4,159
– Market data services	<b>4,052</b>	4,544
– Value-added services	<b>2,210</b>	746
	<hr/>	<hr/>
	<b>11,103</b>	9,449
	<hr/>	<hr/>
	<b>Nine months ended</b>	
	<b>31 December</b>	
	<b>2018</b>	2017
		<i>(Note)</i>
	<b>\$'000</b>	<b>\$'000</b>
– Front office trading system services	<b>14,663</b>	12,717
– Market data services	<b>12,300</b>	13,428
– Value-added services	<b>8,526</b>	4,041
	<hr/>	<hr/>
	<b>35,489</b>	30,186
	<hr/>	<hr/>

*Note:* The Group has initially applied HKFRS 15 using the cumulative effect method. Under this method, the comparative information is not restated and was prepared in accordance with HKAS 18 (see note 3(c)).

## 5 INCOME TAX

	Three months ended	
	31 December	
	2018	2017
	\$'000	\$'000
Current tax – Hong Kong Profits Tax	(45)	143
Current tax – The PRC	(252)	(45)
Deferred taxation	–	182
	<u>(297)</u>	<u>280</u>

  

	Nine months ended	
	31 December	
	2018	2017
	\$'000	\$'000
Current tax – Hong Kong Profits Tax	359	752
Current tax – The PRC	171	140
Deferred taxation	–	689
	<u>530</u>	<u>1,581</u>

## 6 (LOSSES)/EARNINGS PER SHARE

### (a) Basic (losses)/earnings per share

The calculation of basic (losses)/earnings per share is based on the loss attributable to ordinary equity shareholders of the Company of approximately HK\$9,683,000 (loss for the nine months ended 31 December 2017: HK\$204,000) and the weighted average of 417,883,000 ordinary shares (2017: 375,000,000 shares). In determining the weighted number of ordinary shares in issue, the effect of 569,800 shares issued in the reorganisation detailed in the prospectus of the Company dated 17 September 2018 (the “**Prospectus**”) and 374,430,200 shares issued upon the capitalisation issue completed on 28 September 2018 were adjusted retrospectively, as if such shares had been issued during the periods presented.

### (b) Diluted (losses)/earnings per share

Diluted (losses)/earnings per share presented is the same as the basic (losses)/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 due the nine months ended 31 December 2017 and 2018.

## 8 EVENTS AFTER THE REPORTING PERIOD

No subsequent event has occurred after 31 December 2018 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 revenue of the Group increased by approximately HK\$5,303,000 or 17.6% to approximately HK\$35,489,000 (for the nine months ended 31 December 2017: approximately HK\$30,186,000). During the Period, the Group signed the new front office trading system services contracts with 11 Hong Kong Brokerage Firms. The number of registered users of our open securities trading platform software "TradeGo Pro" increased by approximately 18,000 or 19.8% to approximately 109,000 as at 31 December 2018 (approximately 91,000 as at 31 December 2017). The increase of registered users of TradeGo Pro was benefited from the implementation of various promotion activities, including several simulation trading competitions in TradeGo Pro, some distinctive online events and promotions of mobile app service plan to individual investors. We will focus on marketing the new features and services launched on TradeGo Pro by online promotion and publication to attract more registered users.

During the Period, we started to develop the China-Hong Kong Stock Connect Data Analyst. We launched the preliminary data-based product "AiH", a product to trace the information of the stocks listed on the Stock Exchange, Shanghai Stock Exchange and Shenzhen Stock Exchange under the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect regime. Expected that the continued expansion of the Hong Kong financial market, we will put further effort in the development of China-Hong Kong Stock Connect Data Analyst. We plan to officially launch it in the second half of 2019.

*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.

During the Period, the Group has been engaged by an institutional customer to develop a custom-made solution on the management of employee equity interest incentives which was completed and officially launched in November 2018. Such system consists of the company management platform and the employee platform. The company management platform includes the functions of incentive scheme management, employee information management, reporting management and process management. Through the employee platform, an employee can enquire his own equity interest incentive information and exercise his own share options online. Since the launch of the custom-made “Employee Equity Interest Incentive Management System”, the Group received positive market response and believes that there will be business prospects from other Hong Kong Brokerage Firms and listed companies. Therefore, the Group intended to develop it into a standardised solution for offering to institutional customers in the near future.

During the Period, the Group developed a global futures trading platform (the “**Platform**”) for an institutional customer with the support of other software developer, which is expected to be officially launched in January 2019. The Platform, which is a front-end and back-office integrated trading system, enables investors to conduct global futures transactions in a quicker and safer manner through mobile and personal computer. A part of trading counter product, which we developed during the Period, is applied in the Platform. We expect more and more futures investors to notice and use the Platform. The Platform will contribute more to the Group’s revenue as a new product line in the future. We will continue to invest resources in research and development (the “**R&D**”) of the Platform and will promote it online and offline. During the Period, the Group is looking for a suitable location to establish a marketing centre in Hong Kong to promote our market position. We will continue to search for the right place to set up the marketing center at a reasonable price in the future.

The Group strives 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.

## **FINANCIAL REVIEW**

### **Revenue and direct cost**

Revenue of the Group for the Period was approximately HK\$35,489,000 (for the nine months ended 31 December 2017: approximately HK\$30,186,000), representing an increase of approximately HK\$5,303,000 or 17.6% as compared with that of the corresponding period of 2017. Such increase in revenue of the Group for the Period was primarily attributable to the increase in revenue from front office trading system services and value-added services.

Direct cost of the Group for the Period was approximately HK\$8,740,000 (for the nine months ended 31 December 2017: approximately HK\$8,745,000), representing an decrease of approximately HK\$5,000 or 0.1% as compared with that of the corresponding period of 2017.

### **Staff costs**

The Group's staff costs for the Period amounted to approximately HK\$16,240,000 (for the nine months ended 31 December 2017: approximately HK\$10,378,000). Compared with the Period of last year, the number of employees of the Group has increased, and the salaries of the original employees have also increased.

### **Depreciation and amortisation**

The Group's depreciation and amortisation expenses for the Period amounted to approximately HK\$2,344,000 (for the nine months ended 31 December 2017: approximately HK\$1,777,000). The increase was due to the increase in amortisation of developed R&D projects.

### **Finance costs**

The Group's finance costs for the Period amounted to approximately HK\$102,000 (for the nine months ended 31 December 2017: nil). The increase was due to the interest of the other borrowings during the Period.

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

The Group's selling, general and administrative expenses for the Period amounted to approximately HK\$5,267,000 (for the nine months ended 31 December 2017: approximately HK\$3,260,000). The increase was due to the increase in professional fees and other administrative expenses.

### **Loss for the Period**

During the Period, the Group recorded a net loss after tax of approximately HK\$9,683,000 (for the nine months ended 31 December 2017: loss of approximately HK\$204,000). Such change in the Group's financial performance was primarily attributable to the increase in Listing expenses, selling, general and administrative expenses and staff costs.

### **DIVIDEND**

The Board does not declare a payment of interim dividend for the nine months ended 31 December 2018 (31 December 2017: 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. Besides, with the listing of Shares of the Company on GEM (the "**Listing**") on 28 September 2018 (the "**Listing Date**"), the Group's profile has been enhanced further and the financial position will be strengthened as well, which will enable the Group to implement its business plans and achieve its business objectives set forth in the Prospectus. 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 actively 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 international competitiveness and enhance growth potential in the fintech industry. Having considered the stable market environment and continuous growth on the demand, the Group's competitive strengths and its strategic business plans, the Directors believe that the Group is at the optimum time of growth. The Directors are confident that there would be great market potential for the Group. Therefore, the Group will continue to carry out the implementation plans set forth in 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 from 2019 to 2021.

## OTHER INFORMATION

### USE OF PROCEEDS FROM LISTING

The net proceeds from the Listing were approximately HK\$44.7 million (after deducting the underwriting fees and the listing expenses) (as there are still some listing expenses not confirmed with the other parties yet, the net proceeds number is not the final amount) as compared to the estimated net proceeds of approximately HK\$47.1 million stated in the announcement of the Company dated 27 September 2018. There were shortage of HK\$2.4 million mainly due to additional listing expenses. The utilize and unutilize proceeds as at 31 December 2018 are set out as below:

	Approximate percentage of total amount	Net proceeds <i>HK\$ million</i>	Up to 31 December 2018	
			Utilized amount <i>HK\$ million</i>	Unutilized amount <i>HK\$ million</i>
Developing innovative product offerings and enhance research and development capabilities	14.7%	6.6	2.4	4.2
Apply for additional market data vendor licences and conduct further marketing activities	12.9%	5.8	0.8	5.0
Expand the hardware infrastructure capacities and software portfolio	5.7%	2.5	0.1	2.4
Recruit non-R&D staff and conduct staff trainings	7.2%	3.2	0.6	2.6
Establish a R&D centre in the PRC	37.5%	16.8	–	16.8
Establish a marketing centre in Hong Kong	17.7%	7.9	–	7.9
General working capital	4.3%	1.9	1.9	–
	<u>100%</u>	<u>44.7</u>	<u>5.8</u>	<u>38.9</u>

The unutilized proceeds were placed with a bank in Hong Kong. The Directors intend to utilize such proceeds in accordance with the plan set out in the Prospectus.



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

As at 31 December 2018, 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 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	
		<u>Total: 126,689,190</u>	Long position	25.34%
Mr. LIN Hung Yuan <sup>(5)</sup>	Interest of a controlled corporation	56,250,000	Long position	11.25%

#### Notes:

- As at 31 December 2018, the total number of issued shares of the Company (the “Shares”) was 500,000,000 Shares.
- 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.
- 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 31 December 2018, 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 56,250,000 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 31 December 2018, 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 31 December 2018 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	<u>1,184,626</u>	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	56,250,000	Long position	11.25%
VMI Capital Group Limited <sup>(4)</sup>	Investment manager	56,250,000	Long position	11.25%
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	56,250,000	Long position	11.25%
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 31 December 2018, 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 in the Company 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.

Save as disclosed above, as at 31 December 2018, 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 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 31 December 2018, no share option was granted, exercised or cancelled and there was no outstanding share option as at 31 December 2018.

## **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 of which 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**

The Company adopted a share award scheme on 19 December 2018. The purposes of the share award scheme are 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. Details of the share award scheme are set out in an announcement of the Company dated 19 December 2018. From the date of adoption of such share award scheme to 31 December 2018, no award share was granted.

## **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES**

During the period from the Listing Date to 31 December 2018, 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 from the Listing Date to 31 December 2018, 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 31 December 2018, 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 from the Listing Date to 31 December 2018, 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 from the Listing Date to 31 December 2018.

## **CHANGES IN DIRECTORS**

During the period from the Listing Date to 31 December 2018, there was no change in Directors.

## **CHANGES IN INFORMATION OF DIRECTORS**

During the period from the Listing Date to 31 December 2018, there were no other matters required to be disclosed pursuant to Rule 17.50A(1) of the GEM Listing Rules.

## **SIGNIFICANT EVENTS AFTER PERIOD**

The Directors confirmed that no significant event that affected the Group has occurred after 31 December 2018 and up to the date of this announcement.

## **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 consolidated financial statements of the Group for the nine months ended 31 December 2018 and was of the view that such statements 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, 30 January 2019

*As at the date of this announcement, 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.*

*This announcement will remain on the “Latest Company Announcements” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for a minimum period of seven days from the date of its publication and on the website of the Company at [www.tradego8.com](http://www.tradego8.com).*