

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.



FingerTango Inc.

指尖悅動控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 6860)

UPDATE ANNOUNCEMENT REGARDING CHANGE OF AUDITORS

This announcement is made by the board (the “**Board**”) of directors (the “**Director(s)**”) of FingerTango Inc. (the “**Company**”, which together with its subsidiaries are collectively referred as the “**Group**”) pursuant to Rule 13.51(4) of the Rules (the “**Listing Rules**” Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited).

Reference is made to the announcement (the “**Announcement**”) of the Company dated 17 January 2020 and the circular (the “**Circular**”) of the Company dated 24 January 2020 in relation to the Proposed Change of Auditors. Terms used herein shall have the same meanings as those defined in the Circular unless the context requires otherwise.

The Company received a letter from PwC on 3 February 2020 (the “**PwC 2nd Letter**”) which requested for publication of the full text of the PwC Outgoing Letter, the PwC Letter and the PwC 2nd Letter. Full text of the PwC Outgoing Letter and the PwC 2nd Letter have been included as Appendices I and II to this announcement respectively. For the avoidance of doubt, the extract of the PwC Outgoing Letter has been included in the Announcement in all material respects and the full text of the PwC Letter has been set out in the Circular.

In response to the PwC 2nd Letter, the Company would like to reiterate the responses to the PwC Letter set out by the Company in the Circular. Furthermore, PwC mentioned that they have resigned as auditors of the Group on 17 January 2020 with immediate effect. The Company would like to emphasize the Board has resolved to remove PwC, subject to Shareholders’ approval, on 11 December 2019 and such removal and/or termination was made pursuant to Article 152(2) of the Articles and Rule 13.88 of the Listing Rules and was formally recorded in writing to PwC on 8 January 2020.

Accordingly, the Board considers that it would be inappropriate for PwC to resign itself without the consent of the Company on 17 January 2020. The Directors still considered that each of the Proposed Removal and the Appointment is in the interests of the Company and the Shareholders as a whole.

To the best of the Directors' knowledge, information and belief, save as disclosed above, there are no other circumstances or matters in connection with the Proposed Removal that need to be brought to the attention of the Shareholders.

Shareholders are advised to read this announcement together with the Circular for information relating to Proposed Change of Auditors.

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

Hong Kong, 4 February 2020

As at the date of this announcement, the Board comprises Mr. LIU Jie, Mr. ZHU Yanbin, Mr. WANG Zaicheng and Mr. LIU Zhanxi as executive Directors and Mr. GUO Jingdou, Ms. YAO Minru and Dr. LIU Jianhua as independent non-executive Directors.



羅兵咸永道

The Board of Directors

The Audit Committee

FingerTango Inc.
3rd Floor, Huixin Building
1132 Zhongshan Avenue West
Tianhe District
Guangzhou
PRC

17 January 2020

Our Ref: RCHU/o6112658.Sooo

Dear Sirs

Termination of audit appointment — FingerTango Inc. (the “Company”)

We were notified by the Company’s Chief Financial Officer on 8 January 2020 that the Company’s Board of Directors has resolved to terminate the appointment of PricewaterhouseCoopers as the auditors of the Company.

In accordance with the Code of Ethics for Professional Accountants Section 300 “Change of Auditors of a Listed Issuer of The Stock Exchange of Hong Kong”, we are required to write to the Audit Committee and to the Board of Directors of the Company to set out the matters leading to our termination as the auditors of the Company.

The Company made an announcement in June 2019 that it had invested in certain unlisted financial instruments issued by Leading Global Fund SPC amounted to HK\$350 million in total as at 30 June 2019. The fixed return on these investments was 1.5% per annum. Since November 2019 we have been requesting the Company to provide us with certain important information about the investments, the issuers and other information (see details below), but we have not been able to obtain such information up to the date of this letter. We were advised that on 11 December 2019 the Company redeemed a portion of these unlisted financial instruments amounted to HK\$140 million. Furthermore, we noted the Company announced on 13 December 2019 (i.e., two days after the above-mentioned redemption of its investments in Leading Global Fund SPC) that the Company acquired another unlisted financial instrument of HK\$250 million issued by Orbitronic Global Development Co., Limited. On 30 December 2019, we issued a formal letter to the Board of Directors and Audit Committee of the Company which set out the significant outstanding information/documents we requested management to provide and audit procedures we are required to perform in respect of the Company's investment in the abovementioned unlisted financial instruments. The information/documents we requested include but are not limited to:

- fair value evaluation of investments in unlisted financial instruments as at 31 December 2019;
- the background and financial position of the issuers, including individuals/parties that control the issuers, the composition and identity of the related investment managers, contact persons and other details, etc.;
- details in respect of the due diligence procedures, risk assessment and approval conducted by the Company to support its investment decisions;
- information memorandum or other equivalent documents prepared by the issuers in connection with the issue of these financial instruments, including information on the underlying investments to be made by the issuers;
- reasons for not redeeming the remaining portion of its investments in Leading Global Fund SPC;
- the redemption requests to issuers, purchase agreements with issuers, banking documents evidencing the receipt or payment of cash with respect to the redemption or newly purchase of the financial instruments.

Up to the date of this letter, we have not been provided with any of the abovementioned information/documents, and therefore we have not performed audit procedures in respect of the Company's investment in the unlisted financial instruments that are critical to the audit. Shortly after we issued the letter to the Board of Directors and Audit Committee, we were notified on 8 January 2020 by the Company's Chief Financial Officer that the Company's Board of Directors has resolved to terminate our appointment as the auditors of the Company. Given the decision of the Company's Board of Directors and that we have not been able to obtain the above-mentioned information up to the date of this letter, we agree to resign as the auditors of the Company with effect from the date of this letter.

Pursuant to Chapter 13, 13.51(4) of the Rules Governing the Listing of Securities on the Main Board/GEM Board (the “Listing Rules”) of the Stock Exchange of Hong Kong Limited (“SEHK”), the Company is required to publish an announcement regarding the change of auditors setting out the reason(s) for the change and any other matters that need to be brought to the attention of holders of securities of the Company. We will be grateful if you could provide us the draft announcement for our comments before it is published.

This letter has been prepared for and only for the purpose to comply with the requirements under the Code of Ethics for Professional Accountants Section 300 “Change of Auditors of a Listed Issuer of The Stock Exchange of Hong Kong” and the relevant provisions of the Listing Rules. It is not to be used for any other purpose or to be distributed to any other parties, except that it may be circulated to the SEHK.

Yours faithfully

A handwritten signature in cursive script that reads "PricewaterhouseCoopers".



羅兵咸永道

The Board of Directors

The Audit Committee

FingerTango Inc.
3rd Floor, Huixin Building
1132 Zhongshan Avenue West
Tianhe District
Guangzhou
PRC

3 February 2020

Our ref: RCHU/o6112658.Sooo

Dear Sirs

Announcement on proposed change of auditor — FingerTango Inc. (the “Company”)

We write further to our letter dated 17 January 2020 (the “**Resignation Letter**”) and our second letter of 22 January 2020 (the “**22 January Letter**”).

In the Resignation Letter, we stated clearly that we resigned as auditor with immediate effect as from 17 January 2020. The reasons for our resignation are: (i) the Board decided to change auditor and (ii) the Company failed to provide details relating to certain unlisted financial instruments for PwC to carry out appropriate audit procedures.

The Company should have issued an announcement relating to PwC’s resignation “as soon as practicable” pursuant to Rule 13.51, but it has failed to do so up until the date of this letter.

PwC also specifically requested in the Resignation Letter that it should be consulted before any public announcement is issued relating to the change of auditor. This is because PwC needs to ensure that accurate information is disseminated to the public regarding (i) the reasons for the change of auditor and (ii) any matters that need to be brought to the attention of the investors, as required by the Listing Rules. Notwithstanding PwC’s express request, it was not consulted before the Board issued the announcement on 17 January 2020, which stated that it would call a general meeting to remove PwC as auditor (the “**Announcement**”).

Not only did the Announcement fail to mention PwC's resignation, it also made inaccurate statements regarding PwC's audit, including that PwC "had not replied in timely matter which resulted in a material delay in the progress of audit planning". Given the inaccurate nature of various statements made in the Announcement, PwC issued the 22 January Letter to clarify matters.

An accurate and complete chronology of events leading up to PwC resigning as auditor of the Company is set out in the Resignation Letter and the 22 January Letter. Of particular note, PwC requested information and documents relating to certain unlisted financial instruments as early as November 2019, but these remained outstanding up until its resignation on 17 January 2020. PwC does not, therefore, accept that it caused any material delay in performing the audit. On the contrary, any delay with the audit, was caused by the Company.

The Resignation Letter made it clear that PwC resigned as auditor of the Company with immediate effect as from 17 January 2020. PwC is, therefore, no longer the Company's auditor. We note that the Company's Circular dated 24 January 2020 makes various references to PwC's resignation and confirms that PwC's resignation (both verbal and formal) precedes the Announcement. In the circumstances, the Board should have been fully aware that there is no valid basis for requiring and passing any special resolution to remove PwC as auditor, as PwC has resigned. Pursuant to the Company's Articles of Association, the directors shall appoint a new auditor to fill the casual vacancy (not through a general meeting).

Notwithstanding our explanation above, if the Board insists on pressing ahead with the process to "remove" PwC as auditor of the Company at the forthcoming Extraordinary General Meeting ("EGM"), PwC hereby puts you on notice that **full copies** of the Resignation Letter, the 22 January Letter and this letter must be published, as being "matters that need to be brought to the attention of holders of securities of the issuer" pursuant to Listing Rule 13.51 and being "written representations" pursuant to Listing Rule 13.88. The Company therefore, needs to issue a further announcement including a copy of this letter.

Given that the matters raised in this letter is relevant to the Company's forthcoming EGM on 17 February 2020 and in any event, we also understand that the Hong Kong Stock Exchange (the "HKEX") has requested the Company for all relevant correspondences between PwC and the Company, please also ensure that you provide a copy of this letter to the HKEX without delay.

Yours faithfully

A handwritten signature in black ink, appearing to read "PricewaterhouseCoopers", written in a cursive style.