

Global Fund Management &
Trading Technology

True Partner
Capital Holding

A global Hedge Fund company, serving clients since 2010

Volatility Focused Asset Manager, Specialised in Options & Futures Trading:
Trading, Research & Technology | Global 22h Trading Coverage | Experienced Team

Proprietary Trading Platform | Global Brand recognition

True Partner Capital Holding Limited

Incorporated under the laws of the Cayman Islands with limited liability
Stock code :8657

Third quarterly report 2020

CHARACTERISTICS OF 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.

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

*This report, for which the directors (the “**Directors**” or individually a “**Director**”) of True Partner Capital Holding Limited (the “**Company**”) 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 Company. 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.*

True Partner at a glance

Established in 2010 by a team of former market makers, the Company is a specialized hedge fund manager

Focused on volatility trading in liquid markets, principally in equity index futures, options and ETFs

Diversified **global investor base** across its products

Stable and experienced management: key personnel have worked together over a decade

Specialized segment of asset management with a **history of growth**

3-T Model – Combination of **advanced technology** with **experienced team** covering **specialised trading strategies**

Global coverage to enable **trading around the clock**, with offices in Asia, the U.S. and Europe

Benefits from **proprietary technology** that shapes its trading approach and includes a range of modules and tools

Potential **growth opportunities** in adjacent market segments leveraging **scalable investment platform**

Contents

Corporate information	5
Results	6
Management discussion and analysis	10
Financial review	18
Third quarterly information	19
More information	20
Report on review of quarterly financial information	28
Unaudited condensed consolidated statement of profit or loss and other comprehensive income	29
Unaudited condensed consolidated statement of changes in equity	31
Notes to the quarterly financial information	32

Corporate information

Board of directors

Executive Directors

Ralph Paul Johan van Put
(Chairman and Chief Executive Officer)
 Godefriedus Jelte Heijboer
 Tobias Benjamin Hekster
 Roy van Bakel

Independent Non-executive Directors

Jeronimus Mattheus Tielman
 Wan Ting Pai
 Ming Tak Ngai

Audit committee

Wan Ting Pai *(Chairwoman)*
 Jeronimus Mattheus Tielman
 Ming Tak Ngai

Remuneration committee

Wan Ting Pai *(Chairwoman)*
 Ralph Paul Johan van Put
 Godefriedus Jelte Heijboer
 Jeronimus Mattheus Tielman
 Ming Tak Ngai

Nomination committee

Wan Ting Pai *(Chairwoman)*
 Ralph Paul Johan van Put
 Godefriedus Jelte Heijboer
 Jeronimus Mattheus Tielman
 Ming Tak Ngai

Company secretary

Siow Grace Yuet Chew
 (ICSA) (HKICS)

Authorised representatives

Ralph Paul Johan van Put
 Godefriedus Jelte Heijboer

Compliance officer

Roy van Bakel

Compliance adviser

Alliance Capital Partners Limited

Registered office in the Cayman Islands

P.O. Box 31119 Grand Pavilion
 Hibiscus Way
 802 West Bay Road
 Grand Cayman KY1-1205
 Cayman Islands

Head office and principal place of business in Hong Kong

Suites 2902-3, 29/F Tower 2
 The Gateway
 Harbour City
 Kowloon
 Hong Kong

Cayman Islands principal share registrar and transfer office

Appleby Global Services (Cayman)
 Limited
 71 Fort Street
 PO Box 500
 George Town
 Grand Cayman KY1-1106
 Cayman Islands

Hong Kong branch share registrar and transfer office

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

Legal advisers

As to Hong Kong law:
 Kwok Yih & Chan

As to Cayman Islands law:
 Appleby

As to U.S. law:
 Thompson Coburn LLP

Auditor

PKF Hong Kong Limited
 Certified Public Accountants

Principal banker

DBS Bank (Hong Kong) Limited

Stock code

8657

Company website

www.truepartnercapital.com

RESULTS

Third quarterly report

The board of Directors (the “**Board**”) is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (together as the “**Group**”) for the nine months and three months ended 30 September 2020 (the “**Reporting Period**”) together with the unaudited comparative figures of the corresponding period in 2019 as set out below:

Selected Financial Highlights

	Nine months ended 30 September		Percentage Change
	2020 (HK\$,000)	2019 (HK\$,000)	
Total revenue	92,209	31,797	190
Revenue from fund management business	91,693	30,993	196
Revenue from consultancy services	516	804	(36)
Gross profit	84,426	26,720	216
Operating profit/(loss) ^{Note 1}	21,887	(5,385)	N/A
Profit/(loss) for the period	13,044	(6,594)	N/A
Profit/(loss) attributable to owners of the Company	12,445	(7,108)	N/A
Total comprehensive income/(loss)	11,711	(6,990)	N/A
Non-HKFRS: adjusted net profit/(loss) ^{Note 2}	24,789	(7,108)	N/A
Earnings/(loss) per share (HK cents)			
– Basic and diluted ^{Note 3}	4.15	(2.37)	N/A
Non-HKFRS: adjusted earnings/(loss) per share (HK cents) ^{Note 4}	8.26	(2.37)	N/A

Notes

- Operating profit/(loss) represents profit/(loss) before income tax adding back fair value gain/(loss) on financial assets at fair value through profit or loss, finance costs and share of results of associates.
- Adjusted Net Profit is unaudited and represents profit/(loss) for the period attributable to owners of the Company adding back listing expenses. Adjusted Net Profit is not a measure of performance under HKFRS, has material limitations as an analytical tool, and does not include all items that impact the profit for the relevant period. For further details, please refer to the section titled "Management Discussion and Analysis" below.
- The calculation of basic earnings/(loss) per share amount is based on the profit/(loss) for the period attributable to owners of the Company of HK\$12,445,000 (2019: loss of HK\$7,108,000), and the weighted average number of ordinary shares of 300,000,000 (2019: 300,000,000) in issue during the period, adjusted for the capitalisation issue in connection with the listing of the Company after the end of the reporting period.
- Adjusted earnings/(loss) per share is unaudited and represents Adjusted Net Profit divided by the weighted average number of ordinary shares of 300,000,000 (2019: 300,000,000) in issue during the period, adjusted for the capitalisation issue in connection with the listing of the Company after the end of the reporting period.

Financial Highlights

- Revenues grew from HK\$31.8 million for the nine months ended 30 September 2019 (“**YTD Q3 2019**”) to HK\$92.2 million for the nine months ended 30 September 2020 (“**YTD Q3 2020**”), representing an increase of 190%. The Group saw growth in both management fees and performance fees, reflecting growth in AUM and strong investment performance during YTD Q3 2020. Performance fees were a substantial contributor to revenue growth in YTD Q3 2020 as compared to an immaterial impact in YTD Q3 2019. Management fees also saw strong growth, rising 44% as compared to YTD Q3 2019.
- The Group’s profit before income tax was HK\$23.3 million in YTD Q3 2020, as compared to a loss of HK\$6.5 million in YTD Q3 2019. The figures in YTD Q3 2020 represent a pre-tax profit margin of 25%. Profit for the period was HK\$13.0 million in YTD Q3 2020, as compared to a loss of HK\$6.6 million in YTD Q3 2019. The figures in YTD Q3 2020 represent a profit margin of 14%. Profit for the period attributable to owners of the Company was HK\$12.4 million in YTD Q3 2020, as compared to a loss of HK\$7.1 million in YTD Q3 2019.
- Earnings per share was HK4.15 cents in YTD Q3 2020, as compared to a loss per share of HK2.37 cents in YTD Q3 2019.
- During YTD Q3 2020, the Group undertook preparatory work in advance of its listing on GEM of the Stock Exchange on 16 October 2020. During YTD Q3 2020, the Group incurred listing expenses, which resulted in lower



CHICAGO

NEW YORK

SYDNEY

LONDON

profits over the period. Listing expenses were primarily incurred during the first half of the year as detailed in the Company's announcement on interim results for the six months ended 30 June 2020.

- Non-HKFRS Adjusted Net Profit was HK\$24.8 million in YTD Q3 2020, as compared to a loss of HK\$7.1 million in YTD Q3 2019. Non-HKFRS Adjusted Earnings Per Share was HK8.26 cents, as compared to a loss per share of HK2.37 cents in YTD Q3 2019.
- Adjusted Net Profit is unaudited and represents profit for the period attributable to owners of the Company adding back listing expenses. Adjusted Earnings Per Share is unaudited and represents Adjusted Net Profit divided by the weighted average number of ordinary

shares of 300,000,000 (2019: 300,000,000) in issue during the period, adjusted for the capitalisation issue in connection with the listing of the Company after the end of the Reporting Period. Adjusted Net Profit and Adjusted Earnings Per Share are not measures of performance under HKFRS, have material limitations as analytical tools, and do not include all items that impact the profit for the relevant period.



Management discussion and analysis

Business review

The Company is a Hong Kong and U.S. based fund management group with a focus on volatility trading in liquid markets. The Group manages funds and managed accounts on a discretionary basis using a global volatility relative value trading strategy involving the active trading of liquid exchange listed derivatives (including equity index options, large cap single stock options, as well as futures, exchange traded funds and equities) across major markets (including the U.S., Europe and Asia) and different time zones. The trading decisions are supported by its in-house proprietary trading platform (embedded with option pricing and volatility surface models) designed for its specific way of trading and which enables real-time pricing of implied volatilities, quantitative comparisons, risk management as well as speedy execution of trades. The team's collective expertise and specialized knowledge in options and volatility trading is the foundation of its proprietary trading technology.



The firm's asset under management ("AUM") was US\$1,541 million as of 30 September 2020 and we currently manage or advise on both fund products and managed accounts.¹ The longest running fund product was launched in July 2011 and was later restructured into a master-feeder structure to facilitate investments from U.S. taxable investors. In 2016, the Group launched a further fund, which is similarly structured, but with a trading strategy which has a long volatility bias. Together with International Asset Management ("IAM"), the Group made the strategy available in UCITS format in June 2019, with the launch of a co-branded fund product for which a subsidiary of the Group is the sub-investment manager and IAM is the investment manager. IAM was founded in 1989 and is one of the oldest independent asset management firms specializing in hedge funds and alternative UCITS investments. The AUM relating to these fund products are grouped together as "fund vehicles" above and below. In addition to funds launched by us or co-branded with us, the Group also enters into investment management mandates with third parties who allocate a sub-fund of their umbrella fund or a portion of their assets to be managed by us. While such arrangements may have different underlying structures in accordance with client preferences, for simplicity, the Group grouped the AUM relating to these mandates under "managed accounts" above and below.

As of 30 September 2020, the AUM of US\$1,541 million comprised US\$969 million in fund products (including funds where the Group is a sub-investment manager) and US\$572 million in managed accounts or similar arrangements. The investors in funds managed or advised by the Group are mainly professional investors, including collective investment undertakings, family offices, pension funds, endowments/foundations, financial institutions and high net worth individuals.

1. This report is not in any way intended to solicit investment in the fund products or managed accounts. The fund products and managed accounts are only available to appropriately qualified investors and are not marketed in certain jurisdictions. The performance of certain fund products the Group regards as relevant to shareholders is disclosed to the Stock Exchange on a voluntary basis monthly. Performance of certain fund products is also reported to Bloomberg and certain databases of hedge fund performance.

Market Environment

YTD Q3 2020 were clouded by the backdrop of COVID-19, which has posed huge and largely unprecedented challenges for healthcare systems, with significant knock on effects to global businesses, supply chains and financial markets. As governments around the world sought to contain the virus through measures to limit its spread, social distancing, a shift to home working and reductions in travel have had major effects on the global economy.

From a business perspective, the Group was able to continue operating normally as envisaged in the contingency planning, with members of the team able to work from home where required. Amid a challenging and rapidly changing backdrop, the investments in technology and operational infrastructure in previous years enabled us to quickly adapt to the changing rules and advice in the different countries in which the Group operates to keep the team safe and enable us to continue to serve the clients.

Financial markets had generally entered the year on an optimistic note, with the S&P 500 Index hitting a new all-time high in mid-February. As COVID-19 spread to Europe and the

US and it became clear that it would have a major global impact, financial markets responded to the changing economic environment and increased uncertainty with rapid shifts in prices and an increase in volatility.

The portfolio management team was able to take advantage of the opportunities this created for the trading strategies, particularly in March 2020, when the strategies delivered very strong results. At a time when the MSCI World Total Return Index, Hedged to US Dollars (“**MSCI World**”) and many traditional long biased investments had significant losses, the Group was able to provide strong diversification benefits for investors and again demonstrate the portfolio benefits the Group believes that the strategies can offer.

Policymakers across governments and central banks responded to the economic challenges with cuts in interest rates, easing of liquidity, fiscal stimulus packages and restrictions on foreclosures in some markets. The policy response was rapid and large, in many ways much faster than following the 2008 financial crisis. This led dislocations to quickly close in some areas and the “risk off” move very quickly reversed into a “risk on”



rally from late March onwards. The MSCI World was down -19.8% in the first quarter, up 18.6% in the second quarter and up a further 6.8% during the three months ended 30 September 2020 (the “**third quarter**”, “**3Q 2020**”), with a +44.3% rally from its low at the close on 23rd March to the end of September. The moves during the third quarter took the MSCI World to positive territory for the year to date, with a return for YTD Q3 2020 of 1.5%.

Management discussion and analysis

Investment Performance

In a market environment of rapid changes, the Group is pleased with the way its strategies adjusted risk to dynamically take advantage of opportunities and increase and reduce risk at different points. For YTD Q3 2020, its fund products and managed accounts have produced positive returns and outperformed the MSCI World in absolute and risk-adjusted terms. As a result of its attractive investment performance, in September 2020 its longest running fund product was nominated for the Arbitrage & Market Neutral category in the HFM AsiaHedge Awards 2020.² The final results of the Awards will be

released in November 2020.

Investment performance in any given short time period can fluctuate around the long-term average based on the prevailing market opportunities. Investors in the Group's products typically focus on long-term investment performance as a key metric as they are generally seeking to invest with a longer-term horizon. When considering the whole period from its inception in July 2011 through 30 September 2020, the Group's longest running fund product³ has outperformed each of the CBOE EurekaHedge Relative Value

Volatility, Long Volatility and Short Volatility Hedge Fund indices in both absolute terms and in alpha⁴ terms. The Group considers these indices to be relevant benchmarks of peer performance as they are comprised of hedge funds trading different types of volatility strategies. Over the same inception to date period, considering the whole period from July 2011 through 30 September 2020, its longest running fund product has also outperformed the EurekaHedge Asset Weighted Hedge Fund Index, a broad index of hedge fund performance, in both absolute terms and in alpha terms.

Financial Performance

Revenues grew from HK\$31.8 million for YTD Q3 2019 to HK\$92.2 million for YTD Q3 2020, an increase of 190%. The increase in revenues over the period was driven by significant growth in both management fees and performance fees, with the largest driver of growth being performance fees. The Group saw increases in management fees due to higher AUM. Management fees rose by 44% as compared to the comparable period in 2019. The Group saw increases in performance fees primarily due to positive investment performance. Performance fees contributed HK\$47.2 million for YTD Q3 2020 compared to an immaterial contribution in YTD Q3 2019.

Performance fees are a function of investment performance and the size of the underlying AUM on which the investment performance is generated. Investment performance for the Group's funds and managed accounts

was positive for YTD Q3 2020 and occurred on a higher base of AUM than previous periods of positive investment performance due to asset growth over the course of 2019 and early 2020. Performance fees primarily related to strong investment performance in the first quarter but were realized in the financial results in part during the first quarter and in part during subsequent quarters in accordance with the terms of the funds and managed accounts.

General and administrative expenses rose from HK\$32 million for YTD Q3 2019 to HK\$50 million for YTD Q3 2020. The growth in costs reflected higher staff benefits costs due to increased numbers of personnel and performance related incentives arising from positive investment performance during YTD Q3 2020. Performance based incentives are a common feature of hedge fund business

² + ³. This material is not in any way intended to solicit investment in the fund products or managed accounts. The fund products and managed accounts are only available to appropriately qualified investors and are not marketed in certain jurisdictions. The performance of certain fund products the Group regards as relevant to shareholders is disclosed to the Stock Exchange on a voluntary basis monthly. Performance of certain fund products is also reported to Bloomberg and certain databases of hedge fund performance.

⁴. Alpha is a measure of the excess return of a strategy adjusted for its statistical exposure to equity risk and is a widely used metric to evaluate hedge funds. When referring to equities, unless otherwise stated this refers to the MSCI World Total Return Index Hedged to US Dollars ("MSCI World").



models and are an important tool to attract and retain talented personnel. The potential operating leverage of its business model was evident as revenues for YTD Q3 2020

Non-HKFRS Measures – Adjusted Net Profit and Adjusted Earnings Per Share

In order to supplement the Group's consolidated financial statements, which are presented in accordance with HKFRS, the Group also uses Adjusted Net Profit (defined below) and Adjusted Earnings Per Share (defined below) as additional financial measures. The Group presents these financial measures because they are used by the management of the Group to evaluate the Group's financial performance by eliminating the impact of certain items that the Group does not consider to be indicative of the Group's underlying performance during the Reporting Period. The Group also believes that these non-HKFRS measures provide additional information to investors and others in their understanding and evaluating the Group's results of operations in the same manner as they help the Group's management and in comparing financial results across accounting periods and to those of the Group's peer companies. However, these non-HKFRS measures do not have a standardized meaning prescribed by HKFRS and therefore they may not be comparable to similar measures presented by other companies listed on the Hong Kong Stock Exchange.

During YTD Q3 2020, the Group undertook preparatory work in advance of its listing on the GEM market of the Stock Exchange on 16 October 2020. During YTD Q3 2020 the Group incurred HK\$12.3 million in related listing expenses, which resulted in lower profits over the period.

increased by HK\$60 million as compared to the same period in 2019, while general and administrative expenses increased by HK\$18 million over the same period.

The Group's profit before income tax was HK\$23.3 million for YTD Q3 2020, as compared to a loss of HK\$6.5 million for YTD Q3 2019. The figures for YTD Q3 2020 represent a pre-tax profit margin of 25%. Profit for the period for YTD Q3 2020 (after tax) was HK\$13.0 million, as compared to a loss of HK\$6.6 million for YTD Q3 2019. Profit attributable to owners of the Company for YTD Q3 2020 (after tax) was HK\$12.4 million, as compared to a loss of HK\$7.1 million for YTD Q3 2019. Earnings per share in YTD Q3 2020 were HK4.15 cents as compared to a loss of HK2.37 cents in YTD Q3 2019.

The Adjusted Net Profit, which is unaudited, represents profit for the period attributable to owners of the Company adding back listing expenses (the "**Adjusted Net Profit**"). The Adjusted Net Profit of the Group for YTD Q3 2020 was HK\$24.8 million, an increase compared to an adjusted net loss for the Group of HK\$7.1 million for the corresponding period in 2019.

Non-HKFRS Adjusted Earnings Per Share were HK8.26 cents in YTD Q3 2020 as compared to a loss of HK2.37 cents per share for the corresponding period in 2019. The Adjusted Earnings Per Share is unaudited and represents Adjusted Net Profit divided by the total number of ordinary shares in issue (the "**Adjusted Earnings Per Share**").

In light of the foregoing limitations for other financial measurements, when assessing the Group's operating and financial performance, shareholders and investors should not consider Adjusted Net Profit and/or Adjusted Earnings Per Share in isolation or as a substitute for the Group's profit for the years, operating profit or any other operating performance measure that is calculated in accordance with HKFRSs. In addition, because such measures may not be calculated in the same manner by all companies, it may not be comparable to other similar titled measurements by other companies.

Management discussion and analysis

Reconciliation of Adjusted Net Profit

	For the nine months ended 30 September	
	2020 (HK\$'000)	2019 (HK\$'000)
Profit/(loss) attributable to owners of the Company	12,445	(7,108)
Add: listing expense	12,344	-
Non-HKFRS: Adjusted net profit/(loss)	24,789	(7,108)

Comparison: Earnings/(loss) per share

	For the nine months ended 30 September	
	2020 (HK\$'000)	2019 (HK\$'000)
Profit/(loss) attributable to owners of the Company	12,445	(7,108)
Divided by: number of ordinary shares*	300,000,000	300,000,000
Basic and diluted earnings/(loss) per share (HK cents)	4.15	(2.37)

Reconciliation of non-HKFRS Adjusted Earnings Per Share

	For the nine months ended 30 September	
	2020 (HK\$'000)	2019 (HK\$'000)
Profit/(loss) attributable to owners of the Company	12,445	(7,108)
Add: listing expense	12,344	-
Non-HKFRS: Adjusted net profit/(loss)	24,789	(7,108)
Divided by: number of ordinary shares*	300,000,000	300,000,000
Non-HKFRS adjusted earnings/(loss) per share (HK cents)	8.26	(2.37)

* This represents the weighted average number of ordinary shares of 300,000,000 (2019: 300,000,000) in issue during the period, adjusted for the capitalisation issue in connection with the listing of the Company after the end of the reporting period. No separate diluted earnings per share information has been presented as there were no potential ordinary shares outstanding issued for the three months and nine months ended 30 September 2020 and 2019.

Assets Under Management

The Group reports its AUM in US dollars.⁵ US dollars are the base currency of most of the Group's fund vehicles and managed accounts. For YTD Q3 2020, the Group's AUM grew by US\$403 million, rising from US\$1,138 million as of December 2019 to US\$1,541 million as of September 2020, a 35% increase over the period. Growth in AUM was driven by a combination of positive performance and by net inflows. A UCITS product, for which the Group is sub-investment manager, was a highlight, with positive investment performance and client inflows both contributing to growth in AUM.⁶

Business Development Activities

The Group was actively engaged with professional and institutional investors and prospects during YTD Q3 2020. During the first quarter, prior to the escalation of COVID-19, senior members of the team actively engaged with investors in person, meeting with clients and potential clients in financial centres across the world including London, Amsterdam, Hong Kong and New York. This included presenting at the Context Summit in Miami and the Goldman Sachs 10th Annual UCITS Forum in London.

As COVID-19 became more widespread, physical events began to be postponed and travel restrictions were imposed. The Group successfully transitioned to virtual marketing over this period, participating in several virtual conferences and developing its own webinar series. During YTD Q3 2020 the Group has presented at virtual conferences including the Kepler Absolute Hedge Virtual Week, the Morgan Stanley European Hedge Fund Forum and the IAM Alternative UCITS Virtual Conference. In addition, a senior member of the Group was a panellist at the Eurex Digital Derivatives Forum and at the Virtual Global Volatility Summit.

The Group held its own webinars for investors in April 2020 and July 2020, in what has become a regular quarterly series. In addition, the Group presented at virtual events specifically for the Group's UCITS investors.

The growth in the Group's AUM for YTD Q3 2020 was higher in absolute terms than the growth during the comparable period for YTD Q3 2019 (growth of US\$403 million for YTD Q3 2020 as compared to growth of US\$279 million for YTD Q3 2019). Over YTD Q3 2020, the Group saw growth of US\$257 million in its AUM in fund vehicles and growth of US\$146 million in its AUM in managed accounts. This compares to the growth of US\$157 million in its AUM in fund vehicles and growth of US\$122 million in its AUM in managed accounts during YTD Q3 2019.

The conferences and webinars attracted an international audience, with many existing and new prospects reached. The Group also continued to engage with professional and institutional investors and prospects via newsletters and longer thought pieces.

Amid a challenging environment for traditional due diligence processes, which typically involve physical attendance, onsite activity, and an environment where potential investors had a lot of areas on which to focus, the Group was pleased with the progress made on virtual due diligences. During the third quarter, the Group was pleased to welcome its first investor whose due diligence has been conducted entirely virtually. While the Group looks forward to being able to return to 'business as usual' in a post-COVID environment, the Group is optimistic that while restrictions remain this channel will enable us to continue to actively engage with investors and continue to grow and develop its business. The strong investment performance of its fund products in the first quarter led to positive press coverage, including from Bloomberg, which the Group believes would help increase its brand presence. The investment performance was also recognised in September 2020 when its longest running fund product was nominated for the Arbitrage & Market Neutral category in the HFM AsiaHedge Awards 2020.⁷ The final results of the Awards will be released in November 2020.

5. Figures for assets under management may include figures based on estimated net asset values for fund vehicles or managed accounts managed or advised by the Group.

6. This material is not in any way intended to solicit investment in the fund products or managed accounts. The fund products and managed accounts are only available to appropriately qualified investors and are not marketed in certain jurisdictions. The performance of certain fund products the Group regards as relevant to shareholders is disclosed to the Stock Exchange on a voluntary basis monthly. Performance of certain fund products is also reported to Bloomberg and certain databases of hedge fund performance.



The market turmoil in the first quarter and subsequent rebound over the second quarter led some investors to take profits on profitable investments to offset losses elsewhere and rebalance portfolios, while also changing priorities for some investors. The first quarter also served as a helpful illustration of the potential diversification benefits of its investment approach. Yet, the Group saw it accelerate some discussions positively, while others slowed. Following the strong performance of its strategies in the first quarter, the Group saw some redemptions from existing investors taking profits (but no full redemptions) and positive inflows from new investors. The redemptions from existing investors resulted in the realisation of accrued performance fees. Over the third quarter, the Group has continued to be actively engaged with professional and institutional investors and prospects. The Group has seen more focus again on longer-term priorities and been able to engage with a range of prospects. Over the full period of YTD Q3 2020, the Group has experienced growth in AUM from both positive performance and net inflows.

The Group believes that the PRC is a market that will offer attractive long-term opportunities to appropriately skilled

asset managers. To this end, the Group entered into a partnership with Nanhua Futures, the first listed futures brokerage in the PRC, at the start of the year. The associate, Holland & Muh Investment Management Co., Ltd., is a PRC company licensed with the AMAC as a privately-raised securities fund manager since May 2014. Holland & Muh, in which the Company has a 30% interest, intends to initially act as an adviser to fund management companies and, at a later stage, be involved in structuring new asset management products for specific clients.

The Group considers that the investment in Holland & Muh will provide us with the opportunity to understand and explore the PRC financial services and fund management market. Other shareholders in Holland & Muh are subsidiaries of PRC conglomerate Hengdian Group Holdings Co. Ltd., including Nanhua Futures. Nanhua Futures is one of the first general clearing members of the China Financial Futures Exchange, is a member of the Shanghai Futures Exchange, Zhengzhou Commodity Exchange and Dalian Commodity Exchange, is a stock options trading participant of the Shanghai Stock Exchange, and is granted with the trading rights for stock options brokerage business.

7. This material is not in any way intended to solicit investment in the fund products or managed accounts. The fund products and managed accounts are only available to appropriately qualified investors and are not marketed in certain jurisdictions. The performance of certain fund products the Group regards as relevant to shareholders is disclosed to the Stock Exchange on a voluntary basis monthly. Performance of certain fund products is also reported to Bloomberg and certain databases of hedge fund performance.

Technology Developments

The technology infrastructure demonstrated its resilience and flexibility during the unusual environment in YTD Q3 2020, enabling the Group's team members to quickly shift to working from home and back to the office as needed.

During YTD Q3 2020 the Group has focused on further improving the stability, redundancy, and security of its infrastructure. This has involved work on cybersecurity initiatives, where the Group also engages outside consultants as required. To cater for increasing AUM and for the offering of more investment product types going

forward, the Group has also focused on improving the scalability and redundancy of its proprietary technology as well as adding new functionalities for the trading team. The team has also made improvements to the operations components as well to further simplify and streamline their procedures.

The Group believes that its proprietary technology remains a significant source of its advantage in markets and continues to invest in this area.

Compliance and Regulatory Update

During YTD Q3 2020, the Group continued to strengthen its compliance infrastructure in conjunction with its external advisors. In addition, an independent regulatory

and operational audit was conducted which found no deficiencies.

Outlook

The market environment remains uncertain, with the shadow of COVID-19 continuing to exert a strong influence on individuals, businesses and policies globally, with particularly significant impacts in the U.S. and Europe. The Group believes the continued uncertainty, coupled with its strong investment performance in YTD Q3 2020, should provide opportunities to engage with investors and further

its business development activities. During the final quarter of the year, there are various political and market events, while the ongoing COVID-19 pandemic also continues to be a key focus for markets. With uncertainty around each of these, it is possible that market surprises may occur, which could create attractive trading opportunities for its strategies.

Recent Developments after the end of the Reporting Period

The shares of the Company (the "Shares") were listed on GEM on 16 October 2020 (the "Listing Date") by way of placing and public offer (the "Share Offer") and completed the Share Offer of its 100,000,000 new ordinary shares at HK\$1.40 each for the net proceeds of HK\$104 million. Details of the Share Offer are set out in the Prospectus.

The net proceeds from the Share Offer received by the Company were HK\$104 million (after deduction of listing

expenses). The net proceeds are intended to be used in accordance with the proposed implementation plans as disclosed under the section headed "Future Plans and Use of Proceeds" in the Prospectus. As of 30 September 2020, the listing had not yet taken place. As a result, the net proceeds were not available for use by the Company during YTD Q3 2020.

Financial review

Revenue

During the Reporting Period, revenue of the Group amounted to HK\$92.2 million, representing an increase of HK\$60.4 million, or approximately 190% as compared with HK\$31.8 million for the corresponding period of 2019. The increase was primarily due to increased management fees and in particular increased performance fees from its funds/managed accounts.

Other income

For the Reporting Period, other income of the Group amounted to HK\$95,000, representing a decrease of HK\$20,000, or 17% for the corresponding period of 2019. The decrease was primarily due to decrease in interest income.

Gross profit and gross profit margin

Gross profit of the Group for the Reporting Period was HK\$84 million, representing

an increase of HK\$57 million or 216% from HK\$27 million for YTD Q3 2019. The increase was primarily driven by an increase in revenues driven by higher management fee and performance fee, partially offset by an increase in direct cost. Higher revenue were primarily driven by performance fee arising from strong performance in the period.

General and administrative expenses

General and administrative expense of the Group for the Reporting Period amounted to HK\$50 million, representing an increase of HK\$18 million or approximately 56% from HK\$32 million over the corresponding period of 2019. This was primarily due to increased staff benefits arising from growth in the team relative to YTD Q3 2019 as well as an increase in performance related staff benefits. The increase in performance related staff benefits was a result of the strong investment performance seen in YTD Q3 2020.

Third quarterly information

Significant events after the end of the reporting period

The shares of the Company were listed on the Listing Date by way of Share Offer and completed the Share Offer of its 100,000,000 new ordinary shares at HK\$1.40 each for the net proceeds of HK\$104 million. Details of the Share Offer are set out in the Prospectus.

Use of proceeds from the listing

The net proceeds from the Share Offer received by the Company were HK\$104 million (after deduction of listing expenses). The net proceeds are intended to be used in accordance

with the proposed implementation plans as disclosed under the section headed “Future Plans and Use of Proceeds” in the Prospectus. During the period from the Listing Date to the date of this report, the net proceeds have not yet been utilized and the majority of the unused net proceeds have been placed as interest bearing deposits with licensed banks in Hong Kong.

More information

Directors' and chief executive's interests and short positions in the Shares, underlying Shares or debentures of the Company and its associated corporations

The Shares were not listed on the Stock Exchange as of 30 September 2020. Accordingly, Divisions 7 and 8 of Part XV of the Securities and Futures Ordinance (the "SFO") and section 352 of the SFO and the Required Standard of Dealings were not applicable to the Directors or chief executive of the Company as of 30 September 2020.

As at the date of this report, the interests and short positions of the Directors and chief executives of the Company in the Shares, underlying Shares and debentures of the Company and its associated corporations (within the meaning of

Part XV of the SFO, which are required (a) 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 are taken or deemed to have under such provisions of the SFO); or (b) to be recorded in the register required to be kept under Section 352 of the SFO; or (c) as otherwise to be notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules, were as follows:

Long Positions in the Shares

Name of Director/ Chief Executive	Capacity / Nature of Interest	Number of Ordinary Shares held	Approximate percentage of interest
Tobias Benjamin Hekster	Beneficial owner	55,609,018	13.91%
Godefriedus Jelte Heijboer	Beneficial owner	55,607,644	13.90%
Ralph Paul Johan van Put ⁽¹⁾	Interest in a controlled corporation	55,577,399	13.89%
Roy van Bakel ⁽²⁾	Interest in a controlled corporation	27,686,280	6.92%

Notes:

(1) The Shares were held by True Partner Participation Limited. True Partner Participation Limited is wholly owned by Mr. Ralph Paul Johan van Put. Mr. Ralph Paul Johan van Put is deemed to be interested in all the Shares held by True Partner Participation Limited under the SFO.

(2) The Shares were held by Red Seven Investment Ltd. Red Seven Investment Ltd is wholly owned by Mr. Roy van Bakel. Mr. Roy van Bakel is deemed to be interested in all the Shares held by Red Seven Investment Ltd under the SFO.

Save as disclosed above, as at the date of this report, none of the Directors nor chief executives of the Company had or was deemed to have any other interests or short positions in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which are required (a) 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 are taken or deemed to have under such provisions of the SFO); or (b) to be recorded in the register required to be kept under Section 352 of the SFO; or (c) as otherwise to be notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules.

Substantial shareholders' interests in the Shares, underlying Shares or debentures of the Company

As at 30 September 2020, the Shares were not listed on GEM. Accordingly, Divisions 2 and 3 of Part XV of the SFO, section 336 of the SFO and the Required Standard of Dealings were not applicable to the Company.

So far as is known to the Directors, as at the date of this report, the persons (other than Directors or chief executive of the Company)

had, or were deemed to have, interests or short positions (directly or indirectly) in the Shares or underlying Shares of the Company that would fall to be disclosed to the Company and the Stock Exchange under the provision of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO were as follows:

Long position in the Shares

Name of shareholders	Capacity / Nature of Interest	Number of Ordinary Shares held	Approximate percentage of interest
Franca Kurpershoek-Hekster ⁽¹⁾	Interest of spouse	55,609,018	13.91%
Wong Rosa Maria ⁽²⁾	Interest of spouse	55,607,644	13.90%
True Partner Participation Limited	Beneficial owner	55,577,399	13.89%
Kung Yun Ching ⁽³⁾	Interest of spouse	55,577,399	13.89%
True Partner International Limited	Beneficial owner	44,808,908	11.20%
Chan Heng Fai Ambrose ⁽⁴⁾	(i) Interest in a controlled corporation	44,808,908	11.20%
	(ii) Beneficial Owner	4,232,000	1.06%
Chan Kong Yoke Keow ⁽⁵⁾	Interest of spouse	49,040,908	12.26%
Edo Bordoni	Beneficial owner	29,839,153	7.46%
Anne Joy Bordoni ⁽⁶⁾	Interest of spouse	29,839,153	7.46%
Red Seven Investment Ltd	Beneficial owner	27,686,280	6.92%

Notes:

- (1) Mrs. Franca Kurpershoek-Hekster is the spouse of Mr. Tobias Benjamin Hekster, an executive Director, and Mr. Tobias Benjamin Hekster holds 13.91% in True Partner Capital Holding Limited. By virtue of the SFO, Mrs. Franca Kurpershoek-Hekster is deemed to be interested in the same number of Shares in which Mr. Tobias Benjamin Hekster is deemed to be interested in under the SFO.
- (2) Ms. Wong Rosa Maria is the spouse of Mr. Godefriedus Jelte Heijboer, an executive Director, and Mr. Godefriedus Jelte Heijboer holds 13.90% in True Partner Capital Holding Limited. By virtue of the SFO, Ms. Wong Rosa Maria is deemed to be interested in the same number of Shares in which Mr. Godefriedus Jelte Heijboer is deemed to be interested in under the SFO.
- (3) Ms. Kung Yun Ching is the spouse of Mr. Ralph Paul Johan van Put, the chairman and executive Director and True Partner Participation Limited is wholly owned by Mr. Ralph Paul Johan van Put. True Partner Participation Limited holds 13.89% in True Partner Capital Holding Limited. By virtue of the SFO, Ms. Kung Yun Ching is deemed to be interested in the same number of Shares in which Mr. Ralph Paul Johan Van Put and True Partner Participation Limited are deemed to be interested in under the SFO.
- (4) True Partner International Limited is wholly owned and controlled by Mr. Chan Heng Fai Ambrose. True Partner International Limited holds 11.20% in True Partner Capital Holding Limited. By virtue of the SFO, Mr. Chan Heng Fai Ambrose is deemed to be interested in the Shares held by True Partner International Limited under the SFO.
- (5) Mrs. Chan Kong Yoke Keow is the spouse of Mr. Chan Heng Fai Ambrose and Mr. Chan Heng Fai Ambrose is deemed to be interested in 11.20% in True Partner Capital Holding Limited per note (4) above. He also beneficially holds 1.06% in True Partner Capital Holding Limited. By virtue of the SFO, Mrs. Chan Kong Yoke Keow is deemed to be interested in the same number of Shares in which Mr. Chan Heng Fai Ambrose is deemed to be interested in under the SFO.
- (6) Mrs. Anne Joy Bordoni is the spouse of Mr. Edo Bordoni and Mr. Edo Bordoni holds 7.46% in True Partner Capital Holding Limited. By virtue of the SFO, Mrs. Anne Joy Bordoni is deemed to be interested in the same number of Shares in which Mr. Edo Bordoni is deemed to be interested in under the SFO.

Save as disclosed above, as at the date of this report, the Directors were not aware of any other persons (other than the Directors or the chief executive of the Company) who had, or was deemed to have, interest or short positions in the Shares or underlying Shares of the Company

would fall to be required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required to be recorded in the register maintained by the Company pursuant to Section 336 of the SFO.

Share option scheme

Pre-IPO Share Option Scheme

A pre-IPO share option scheme was adopted and approved by the then shareholders of the Company on 13 February 2020 (the “**Pre-IPO Share Option Scheme**”). The purpose of the Pre-IPO Share Option Scheme is to recognise and acknowledge the contributions made by certain employees of the Group to the growth of the Group by granting options to them as rewards and further incentives. For more information, please refer to the section headed “Statutory and General Information - D. Pre-IPO Share Option Scheme” in Appendix IV to the Prospectus.

As at the date of this report, options to subscribe for an aggregate of 8,997,804 Shares representing not more than 2.25% of the total issued share capital of the Company upon completion of the Share Offer have been conditionally approved by the Company under the Pre-IPO Share Option Scheme. A total of 13 employees have been granted options under the Pre-IPO Share Option Scheme. HK\$1 was given by each of the grantees as the consideration for the pre-IPO share options.

Save for the options which have been granted under the Pre-IPO Share Option Scheme, no further options will be offered or granted under the Pre-IPO Share Option Scheme, as the right to do so will terminate upon the listing and commencement of dealing of the Shares on GEM.

Share Option Scheme

A share option scheme was adopted and approved by the then shareholders of the Company on 22 September 2020 (the “**Share Option Scheme**”). The terms of the Share Option Scheme are in accordance with the provisions of Chapter 23 of the GEM Listing Rules. The principal terms of the Share Option Scheme are summarised in the paragraph headed “E. Share Option Scheme” in Appendix IV to the Prospectus. No share option has been granted by the Company pursuant to the Share Option Scheme since its adoption and up to the date of this report.

Competing interests

None of the Directors nor the controlling shareholders of the Company or any of their respective close associates (as defined in the GEM Listing Rules) had any business or interest in a business that compete or may compete with the business of the Group and any other conflicts of interest which any such person has or may have with the Group for the nine months ended 30 September 2020 and up to the date of this report.

Interest of the compliance adviser

As notified by Alliance Capital Partners Limited (“**Alliance Capital**”), compliance adviser of the Company, neither Alliance Capital nor any of its close associates and none of the directors or employees of Alliance Capital had any interest in the share capital of the Company or 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 as at 30 September 2020.

The compliance adviser's appointment is for a period commencing on the Listing Date and ending on the date on which the Company complies with Rule 18.03 of the GEM Listing Rules in respect of its financial results for the second full financial year after the Listing Date, and such appointment is subject to extension by mutual agreement.

Code of corporate governance practices

The Group has adopted the principles and code provisions set out in the Corporate Governance Code (the “**CG Code**”) contained in Appendix 15 to the GEM Listing Rules. To the best knowledge of the Directors, except for the deviation from code provision A.2.1 of the CG Code, the Group has no material deviation from the CG Code.

Code provision A.2.1 of the CG Code stipulates that the roles of the chairman and chief executive officer should be separated and should not be performed by the same individual. Mr. Ralph Paul Johan van Put currently holds both positions within the Group. Mr. Ralph Paul Johan van Put has been the key leadership figure of the Group who has been primarily involved in the strategic development and determination of the overall direction of the Group. He has also been directly supervising the senior management of the Group. Taking into account of the above, the

Directors consider that the vesting of the roles of chairman and chief executive officer in Mr. Ralph Paul Johan van Put provides a strong leadership to the Group and is beneficial and in the interests of the Company and its shareholders as a whole. Therefore, the Directors consider that the deviation from the code provision A.2.1 of the CG Code is appropriate in such circumstance.

To ensure check and balance of power and authority on the Board, individuals with a broad range of expertise and experience are on the Board as independent non-executive Directors to offer independent and differing advice and monitor the operations of the Board, including corporate governance aspects of functioning of the Board.

The Company regularly reviews its corporate governance practices to ensure that the Company continues to meet the requirements of the CG Code.

Directors' securities transactions

The Company has adopted a code of conduct regarding securities transactions by the Directors (the “**Code of Conduct**”) 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. The Shares were listed on GEM of the Stock Exchange on the Listing Date. Each of the Directors gave confirmation that he/she was in compliance with the Code of Conduct since the Listing Date and up to the date of this report.

Purchase, sale or redemption of the Company's listed securities

The Shares were listed on GEM of the Stock Exchange on the Listing Date by way of the Share Offer. Save as the Share Offer, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's securities during the nine months ended 30 September 2020 and up to the date of this report.

Audit committee

The Company has established an audit committee of the Board (the "**Audit Committee**") with written terms of reference in compliance with the GEM Listing Rules and code provision C.3.3 of the CG Code set out in Appendix 15 of

the GEM Listing Rules. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control systems of the Group. The members of the Audit Committee include three independent non-executive Directors, namely Ms. Wan Ting Pai, Mr. Jeronimus Mattheus Tielman and Mr. Ming Tak Ngai. Ms. Wan Ting Pai is the chairwoman of the Audit Committee.

The Audit Committee has reviewed the unaudited condensed consolidated financial results of the Company for the Reporting Period and is of the opinion that such results have been complied with the applicable accounting standards and the requirements under the GEM Listing Rules, and that adequate disclosures have been made.

By order of the Board
True Partner Capital Holding Limited

Ralph Paul Johan van Put
Chairman and Chief Executive Officer

Hong Kong, 13 November 2020

As at the date of this report, the Board comprises Mr. Ralph Paul Johan van Put, Mr. Godefriedus Jelte Heijboer, Mr. Tobias Benjamin Hekster and Mr. Roy van Bakel, each as an executive Director and Mr. Jeroen M. Tielman, Ms. Jasmine Wan Ting Pai and Mr. Michael Ngai Ming Tak, each as an independent non-executive Director.

This report will remain on the GEM's website at www.hkgem.com on the "Latest Listed Company Information" page for a minimum period of seven days from the date of its publication. This report will also be published on the Company's website at www.truepartnercapital.com.

In the case of inconsistency, the English text of this report shall prevail over the Chinese text.

Report on review of quarterly financial information to the board of directors of True Partner Capital Holding Limited

(Incorporated in the Cayman Islands with limited liability)

大信梁學濂(香港)會計師事務所有限公司

PKF

Accountants &
business advisers

26/F, Citicorp Centre
18 Whitfield Road
Causeway Bay
Hong Kong

Introduction

We have reviewed the quarterly financial information of True Partner Capital Holding Limited and its subsidiaries (together the “**Group**”) set out on pages 29 to 38, which comprise the unaudited condensed consolidated statement of profit or loss and other comprehensive income and unaudited condensed consolidated statement of changes in equity for the nine months ended 30 September 2020, and notes to the quarterly financial information. The directors are responsible for the preparation and presentation of this quarterly financial information. Our responsibility is to express a conclusion on the quarterly financial information based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” (“**HKSRE 2410**”) issued by the Hong Kong Institute of Certified Public Accountants. A review

of quarterly financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the quarterly financial information is not prepared, in all material respects, in accordance with the basis of preparation as set out in note 2.

PKF Hong Kong Limited

Certified Public Accountants
Hong Kong
13 November 2020
Hui Lai King
Practising Certificate Number: P03499

Unaudited condensed consolidated statement of profit or loss and other comprehensive income

True Partner Capital Holding

For the nine and three months ended 30 September 2020

The board of Directors (the “Board”) is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (together as the “Group”) for the nine months and three months ended 30 September 2020 (the “Reporting Period”) together with the unaudited comparative figures of the corresponding period in 2019 as set out below:

	Note	For the nine months ended 30 September		For the three months ended 30 September	
		2020 HK\$'000 (Unaudited)	2019 HK\$'000 (Unaudited)	2020 HK\$'000 (Unaudited)	2019 HK\$'000 (Unaudited)
Revenue	4	92,209	31,797	19,122	12,220
Other income/(loss)		95	115	47	(36)
Direct costs		(7,783)	(5,077)	(2,406)	(1,821)
Fair value gain/(loss) on financial assets at fair value through profit or loss		1,681	(1,031)	(727)	(399)
General and administrative expenses		(50,290)	(32,220)	(13,483)	(10,634)
Listing expenses		(12,344)	-	(776)	-
Finance costs		(97)	(94)	(28)	(45)
Share of results of associates		(137)	-	(86)	-
Profit/(loss) before income tax	5	23,334	(6,510)	1,663	(715)
Income tax (expense)/credit	6	(10,290)	(84)	(1,795)	48
Profit/(loss) for the period		13,044	(6,594)	(132)	(667)
Other comprehensive loss					
Item that may be reclassified subsequently to profit or loss:					
Exchange differences on translation of foreign operations		(75)	-	(11)	-
Item that will not be reclassified to profit or loss:					
Fair value loss on financial assets designated at fair value through other comprehensive income		(1,258)	(396)	-	-
Other comprehensive loss		(1,333)	(396)	(11)	-
Total comprehensive income/(loss) for the period		11,711	(6,990)	(143)	(667)

Unaudited condensed consolidated statement of profit or loss and other comprehensive income

For the nine and three months ended 30 September 2020

Note	For the nine months ended 30 September		For the three months ended 30 September	
	2020 HK\$'000 (Unaudited)	2019 HK\$'000 (Unaudited)	2020 HK\$'000 (Unaudited)	2019 HK\$'000 (Unaudited)
Profit/(loss) for the period attributable to:				
Owners of the Company	12,445	(7,108)	(345)	(871)
Non-controlling interest	599	514	213	204
	<u>13,044</u>	<u>(6,594)</u>	<u>(132)</u>	<u>(667)</u>
Total comprehensive income/(loss) for the period attributable to:				
Owners of the Company	11,112	(7,504)	(356)	(871)
Non-controlling interest	599	514	213	204
	<u>11,711</u>	<u>(6,990)</u>	<u>(143)</u>	<u>(667)</u>
Earnings/(loss) per share (HK cents)				
- Basic and diluted	8 <u>4.15</u>	<u>(2.37)</u>	<u>(0.12)</u>	<u>(0.29)</u>

Unaudited condensed consolidated statement of changes in equity

True Partner Capital Holding

As at 30 September 2020

	Reserves							Total	Non-controlling interests	Total equity
	Share capital	Share premium	Group reorganisation reserve	Exchange reserve	Fair value reserve (Notes (i))	Capital reserve (Notes (ii))	Retained profits			
At 1.1.2019 (audited)	2	32,484	1,145	(52)	(1,203)	7,234	64,268	103,878	3,979	107,857
Loss for the period	-	-	-	-	-	-	(7,108)	(7,108)	514	(6,594)
Other comprehensive loss	-	-	-	-	(396)	-	-	(396)	-	(396)
Total comprehensive loss for the period	-	-	-	-	(396)	-	(7,108)	(7,504)	514	(6,990)
At 30.9.2019 (unaudited)	2	32,484	1,145	(52)	(1,599)	7,234	57,160	96,374	4,493	100,867
At 1.1.2020 (audited)	2	32,484	1,145	(52)	(2,262)	7,234	42,512	81,063	4,658	85,721
Profit for the period	-	-	-	-	-	-	12,445	12,445	599	13,044
Other comprehensive loss	-	-	-	(75)	(1,258)	-	-	(1,333)	-	(1,333)
Total comprehensive income for the period	-	-	-	(75)	(1,258)	-	12,445	11,112	599	11,711
At 30.9.2020 (unaudited)	2	32,484	1,145	(127)	(3,520)	7,234	54,957	92,175	5,257	97,432

Notes:

- (i) Fair value reserve represents the cumulative net change in the fair value of financial assets at fair value through other comprehensive income.
- (ii) Capital reserve represents equity transaction between the Group and the non-controlling interests in prior years.

Notes to the quarterly financial information

1. Corporate information

The Company is a limited liability company incorporated in the Cayman Islands. The address of its registered office is located at the offices of Vistra (Cayman) Limited, P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands.

The principal activity of the Company is investment holding. The Company and its subsidiaries (collectively referred to as the “**Group**”) are principally engaged in fund management business and providing consultancy services.

The shares of the Company are listed on the GEM of The Stock Exchange of Hong Kong Limited on 16 October 2020.

2. Basis of preparation

The quarterly financial information has been prepared in accordance with the applicable disclosure requirements of the GEM Listing Rules.

The accounting policies adopted in preparing the quarterly financial information are consistent with those applied in the consolidated financial statements of the Group for the year ended 31 December 2019.

The quarterly financial information have been prepared on the historical cost basis, as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss and financial assets at fair value through other comprehensive income, which are carried at fair value.

It should be noted that accounting estimates and assumptions are used in the preparation of the quarterly financial information. Although these estimates are based on the management’s best knowledge and judgement to current events and actions, actual results may ultimately differ from those estimates.

3. Segment information

(a) Geographical information

The Company is domiciled in the Cayman Islands with the Group's major operations in Hong Kong. In order to maximise trading opportunities in different stock markets around the world, the Group also has trading offices in Chicago.

Geographical information of revenue for the nine months and three months ended 30 September 2020 and 2019, is as follows :-

	Nine months ended		Three months ended	
	30 September		30 September	
	2020	2019	2020	2019
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Hong Kong	69,444	31,156	13,192	11,579
Chicago	22,765	641	5,930	641
	92,209	31,797	19,122	12,220

(b) Information about major customers

For the nine months and three months ended 30 September 2020 and 2019, revenue from major customers who contributed over 10% of the total revenue of the Group are as follows :-

	Nine months ended		Three months ended	
	30 September		30 September	
	2020	2019	2020	2019
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Customer A	53,002	23,741	7,143	8,232
Customer B	9,661	NA ⁽¹⁾	4,124	NA ⁽¹⁾
Customer C	17,185	NA ⁽¹⁾	5,928	NA ⁽¹⁾
Customer D	NA⁽¹⁾	4,011	1,927	1,757

⁽¹⁾ The corresponding revenue did not contribute over 10% of the total revenue of the Group.

Notes to the quarterly financial information (cont'd)

4. Revenue

An analysis of the Group's revenue and other income is as follows :-

Revenue

	<i>Nine months ended</i>		<i>Three months ended</i>	
	<i>30 September</i>		<i>30 September</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Revenue from funds and managed accounts				
Management fee income	44,500	30,993	15,072	11,749
Performance fee income	47,193	-	4,050	-
	91,693	30,993	19,122	11,749
Revenue from consultancy services				
	516	804	-	471
	92,209	31,797	19,122	12,220

Timing of revenue recognition :-

	<i>Nine months ended</i>		<i>Three months ended</i>	
	<i>30 September</i>		<i>30 September</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
At a point in time	516	804	-	471
Over time	91,693	30,993	19,122	11,749
	92,209	31,797	19,122	12,220

5. Profit/(loss) before income tax

	<i>Nine months ended</i>		<i>Three months ended</i>	
	<i>30 September</i>		<i>30 September</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Profit/(loss) before income tax is arrived at after charging:				
Auditor's remuneration	872	378	351	126
Depreciation of plant and equipment	688	537	238	215
Depreciation of right-of-use assets	1,186	792	398	398
Employee benefits (including directors' remuneration)				
- Salaries and other benefits	36,593	17,456	8,994	5,819
- Pension scheme contributions	786	700	230	183
	37,379	18,156	9,224	6,002
Listing expense	12,344	-	776	-
Short-term lease expenses	525	1,398	178	140

Notes to the quarterly financial information (cont'd)

6. Income tax expense/(credit)

Income tax expense/ (credit) for the period represents :-

	Nine months ended		Three months ended	
	30 September		30 September	
	2020	2019	2020	2019
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Current tax - Hong Kong Provision for the period	4,451	84	291	(48)
Current tax - United States Provision for the period	5,839	-	1,504	-
	10,290	84	1,795	(48)

The Group is subject to income tax on an entity basis on profits arising in or derived from the tax jurisdictions in which the group entities are domiciled and operate. Pursuant to the rules and regulations of the Cayman Islands, the Group is not subject to any income tax in the Cayman Islands.

For the group entities that are domiciled and operate in Hong Kong, Hong Kong profits tax has been provided at the rate of 16.5% (2019: 16.5%) on the estimated assessable profits arising in Hong Kong during the period ended 30 September 2020, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 (2019: HK\$2,000,000) of assessable profits of this subsidiary is taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

For the group entities that are domiciled and operate in the United States, they are subject to corporate income tax in the United States. The applicable federal income tax rate is 21% on taxable income.

During the nine months ended 30 September 2020, no share of tax attributable to associates (2019: Nil) was included in "Share of results of associates".

7. Dividend

The Board does not recommend the payment of any dividend in respect of the nine months ended 30 September 2020 (2019: Nil).

8. Earnings/(loss) per share

The calculation of the basic and diluted earnings/(loss) per share for the period is based on the following data:

	<i>Nine months ended</i>		<i>Three months ended</i>	
	<i>30 September</i>		<i>30 September</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Earnings/(loss)				
Profit/(loss) for the period attributable to owners of the Company	<u>12,445</u>	<u>(7,108)</u>	<u>(345)</u>	<u>(871)</u>
Number of shares				
Weighted average number of ordinary shares for the purpose of calculation of basic earnings/(loss) per share	<u>300,000,000</u>	<u>300,000,000</u>	<u>300,000,000</u>	<u>300,000,000</u>

The weighted average number of ordinary shares for the purpose of calculating basic earnings per share has been determined after adjusting for the capitalisation issue (Note 9(a)) in connection with the listing of the Company after the end of the reporting period.

No separate diluted earnings per share information has been presented as there were no potential ordinary shares outstanding issued for the three months and nine months ended 30 September 2020 and 2019.

9. Events after the reporting period

(a) Capitalisation issue

Pursuant to the shareholder resolution dated 22 September 2020, the Company allotted and issued 299,781,780 shares of HK\$0.01 each at par value to the then existing shareholders. This resolution was conditional upon the share premium account being credited as a result of the Company's initial public offering and pursuant to this resolution, a sum of HK\$2,997,818 standing to the credit of the share premium account as of 16 October 2020 was subsequently applied in paying up this capitalisation issue in full.

(b) Issue of ordinary shares by initial public offering

On 16 October 2020, the Company issued 100,000,000 ordinary shares at a price of HK\$1.40 per share by way of public offering of the Company's shares on the GEM of the Stock Exchange of Hong Kong Limited.

10. Approval of the unaudited quarterly financial information

The unaudited quarterly financial information were approved and authorised for issue by the board of directors on 13 November 2020.