

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended: **June 30, 2022**

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

WETRADE GROUP INC

(Exact name of small business issuer as specified in its charter)

Wyoming

(State or other jurisdiction of
incorporation or organization)

(I.R.S. Tax. I.D. No.)

No 1 Gaobei South Coast, Yi An Men 111 Block 37, Chao Yang District,

Beijing City, People Republic of China

(Address of Principal Executive Offices)

(86) 18350283270

(Registrant's Telephone Number, Including Area Code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See definition of "large accelerated filer," "accelerated filer" "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act:

Large accelerated filer ☐
Non-accelerated Filer ☐
Emerging growth company ☐

Accelerated filer ☐
Smaller Reporting Company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of August 15, 2022, there were 195,032,503 shares of common stock outstanding.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, (the “Securities Act”) and Section 21E of the Securities Exchange Act of 1934, as amended, (the “Exchange Act”). These forward-looking statements are generally located in the material set forth under the heading “Management’s Discussion and Analysis of Financial Condition and Results of Operations” but may be found in other locations as well. These forward-looking statements are subject to risks and uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from the results, performance or achievements expressed or implied by the forward-looking statements. You should not unduly rely on these statements.

We identify forward-looking statements by use of terms such as “may,” “will,” “expect,” “anticipate,” “estimate,” “hope,” “plan,” “believe,” “predict,” “envision,” “intend,” “will,” “continue,” “potential,” “should,” “confident,” “could” and similar words and expressions, although some forward-looking statements may be expressed differently. You should be aware that our actual results could differ materially from those contained in the forward-looking statements.

Forward-looking statements are based on information available at the time the statements are made and involve known and unknown risks, uncertainties and other factors that may cause our results, levels of activity, performance or achievements to be materially different from the information expressed or implied by the forward-looking statements in this report. These factors include, among others:

- our ability to execute on our growth strategies;
- our ability to find manufacturing partners on favorable terms;
- declines in general economic conditions in the markets where we may compete;
- our anticipated needs for working capital; and

Where we express an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis.

Forward-looking statements speak only as of the date of this report or the date of any document incorporated by reference in this report. Except to the extent required by applicable law or regulation, we do not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date of this report or to reflect the occurrence of unanticipated events.

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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

**WETRADE GROUP INC
CONDENSED CONSOLIDATED BALANCE SHEETS**

(All amounts shown in U.S. Dollars)	June 30, 2022	December 31, 2021
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 7,152,073	\$ 616,593
Accounts receivables	761,987	5,627,463
Account receivable- related party	336,020	3,603,402
Note receivable	3,017,348	3,798,130
Other receivables	125,242	30,147
Prepayments	4,189,735	2,760,658
Prepayment- related party	56,716	-
Total current assets	15,639,121	16,436,393
Non current assets:		
Property and equipment, net	999,190	395,353
Right of use assets	1,932,561	2,328,950
Intangible asset, net	32,398	37,765

Rental deposit	258,058	272,063
Total non-current assets	3,222,207	3,034,131
Total assets:	18,861,328	19,470,524
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Account payables	44,278	7,710
Account payables- related parties	411,103	54,436
Accrued expenses	108,540	217,073
Tax payables	790,081	711,841
Amount due to related parties	1,117,297	1,105,532
Lease liabilities, current	601,939	596,098
Other payables	347,855	306,270
Total current liabilities	3,421,093	2,998,960
Lease liabilities, non-current	1,503,804	1,942,242
Total liabilities	4,924,897	4,941,202
Stockholders' equity:		
Common stock; \$0.00 per share par value; 185,032,503 issued and outstanding at June 30, 2022 and 305,451,498 issued and outstanding at December 31, 2021 respectively	-	-
Additional paid in capital	6,197,520	6,197,520
Accumulated other comprehensive income	187,388	898,497
Retained earning	7,551,523	7,433,305
Total Stockholders' equity	13,936,431	14,529,322
Total Liabilities and stockholders' equity	\$ 18,861,328	\$ 19,470,524

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

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WETRADE GROUP INC
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	For the Three Months Ended June 30, 2022 (unaudited)	For the Three Months Ended June 30, 2021 (unaudited)	For the Six Months Ended June 30, 2022 (unaudited)	For the Six Months Ended June 30, 2021 (unaudited)
Revenue:				
Service revenue, related party	\$ 129,819	\$ -	\$ 288,337	\$ -
Service revenue	1,478,261	3,882,893	3,556,596	6,663,816
Total service revenue	1,608,080	3,882,893	3,844,933	6,663,816
Cost of revenue	(90,651)	(190,459)	(879,839)	(336,767)
Gross Profit	1,517,429	3,692,434	2,965,094	6,327,049
Operating expenses				
General and administrative expense	\$ 1,982,522	\$ 1,767,457	\$ 2,787,790	\$ 3,656,646
Total operating expenses	(1,982,522)	(1,767,457)	(2,787,790)	(3,656,646)
Profit/ (loss) from operations	(465,093)	1,924,977	177,304	2,670,403
Other revenue	27,325	115,084	75,608	198,599
Profit/ (loss) before provision for income taxes	(437,768)	2,040,061	252,912	2,869,002
Income tax provision	(4,869)	(198,031)	(134,694)	(374,888)
Net income/ (loss)	<u>\$ (442,637)</u>	<u>\$ 1,842,030</u>	<u>\$ 118,218</u>	<u>\$ 2,494,114</u>
Comprehensive income				
Net income/ (loss)	\$ (442,637)	\$ 1,842,030	\$ 118,218	\$ 2,494,114
Other comprehensive income				
Foreign currency translation adjustment	(745,699)	172,098	(711,109)	120,165
Total comprehensive income/ (loss)	<u>\$ (1,188,336)</u>	<u>\$ 2,014,128</u>	<u>\$ (592,891)</u>	<u>\$ 2,614,279</u>
Earning per share, basic and diluted	<u>\$ (0.00)</u>	<u>\$ 0.01</u>	<u>\$ 0.00</u>	<u>\$ 0.01</u>

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

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WETRADE GROUP INC
CONDENSED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	For the Six months June 30, 2022 (unaudited)	From the Six months June 30, 2021 (unaudited)
Cash flows from operating activities:		
Net income	118,218	2,494,114
Amortization of intangible asset	3,155	6,206
Depreciation	24,952	-
Changes in operating assets and liabilities:		
Accounts receivables	4,718,145	(1,509,231)
Account receivable- related party	3,177,767	-
Other receivables	(99,609)	227,063
Prepayments	(1,608,486)	(1,407,521)
Accounts payables	(23,141)	176,447
Accounts payable- related party	157,281	-
Accrued expenses	(130,440)	229,682
Right of use assets	285,100	272,426
Lease liabilities	(311,320)	(277,733)
Other payables	179,741	(753,280)
Net cash flows provided by/ (used in) operating activities:	6,491,363	(541,827)
Cash flow from investing activities:		
Leasehold improvements	(648,389)	(170,265)
Net cash used in investing activities:	(648,389)	(170,265)
Cash flow from financing activities:		
Proceeds from/ (repayment) of note receivable	611,715	(564,562)
Proceeds from related parties loan	230,832	144,000
Net cash flows provided by/ (used in) financing activities:	842,547	(420,562)
Effect of exchange rate changes on cash	(150,041)	(297,485)
Change in cash and cash equivalents:	6,535,480	(1,430,139)
Cash and cash equivalents, beginning of period	616,593	4,640,603
Cash and cash equivalents, end of period	7,152,073	3,210,464
Supplemental cash flow information:		
Cash paid for interest	-	-
Cash paid for taxes	-	1,078,125

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

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WETRADE GROUP INC AND SUBSIDIARY
Condensed Consolidated Statement of Changes in Stockholders' Equity (unaudited)

Three months ended June 30, 2022 (Unaudited)

	Common Stock		Additional Paid in Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other comprehensive income (loss)	Total Shareholder Equity (Deficit)
	Shares	Amount				
Balance as of March 31, 2022	305,451,498	\$ -	\$ 6,197,520	\$ 7,994,160	\$ 933,087	\$ 15,124,767
Share cancellation	(120,418,995)	-	-	-	-	-
Foreign currency translation adjustment	-	-	-	-	(745,699)	(745,699)

Net income/ (loss) for the period	-	-	-	(442,637)	-	(442,637)
Balance as of June 30, 2022	185,032,503	\$ -	\$ 6,197,520	\$ 7,551,523	\$ 187,388	\$ 13,936,431

Six months ended June 30, 2022 (Unaudited)

	Common Stock		Additional Paid in Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other comprehensive income (loss)	Total Shareholder Equity (Deficit)
	Shares	Amount				
Balance as of December 31, 2021	305,451,498	\$ -	\$ 6,197,520	\$ 7,433,305	\$ 898,497	\$ 14,529,322
Share cancellation	(120,418,995)	-	-	-	-	-
Foreign currency translation adjustment	-	-	-	-	(711,109)	(711,109)
Net income for the period	-	-	-	\$ 118,218	-	\$ 118,218
Balance as of June 30, 2022	185,032,503	\$ -	\$ 6,197,520	\$ 7,551,523	\$ 187,388	\$ 13,936,431

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Three months ended June 30, 2021 (Unaudited)

	Common Stock		Additional Paid in Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other comprehensive income (loss)	Total Shareholder Equity (Deficit)
	Shares	Amount				
Balance as of March 31, 2021	305,451,998	\$ -	\$ 6,057,520	\$ 2,909,714	\$ 526,802	\$ 9,494,036
Foreign currency translation adjustment	-	-	-	-	172,098	172,098
Net income for the period	-	-	-	1,842,030	-	1,842,030
Balance as of June 30, 2021	305,451,998	\$ -	\$ 6,057,520	\$ 4,751,744	\$ 698,900	\$ 11,508,164

Six months ended June 30, 2021 (Unaudited)

	Common Stock		Additional Paid in Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other comprehensive income (loss)	Total Shareholder Equity (Deficit)
	Shares*	Amount				
Balance as of December 31, 2020	305,451,498	\$ -	\$ 6,057,520	\$ 2,257,630	\$ 578,735	\$ 8,893,885
Foreign currency translation adjustment	-	-	-	-	120,165	120,165
Net income for the period	-	-	-	\$ 2,494,114	-	\$ 2,494,114
Balance as of June 30, 2021	305,451,998	\$ -	\$ 6,057,520	\$ 4,751,744	\$ 698,900	\$ 11,508,164

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

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Wetrade Group Inc
Notes to Condensed Consolidated Financial Statements
For the Three Months Ended June 30, 2022
(Unaudited)

NOTE 1 – NATURE OF BUSINESS

Organization

WeTrade Group, Inc was incorporated in the State of Wyoming on March 28, 2019 and is in the business of providing technical services and solutions via its social e-commerce platform. We are committed to providing an international cloud-based intelligence system and independently developed a micro-business cloud intelligence system called the “YCloud.” Our goal is to provide technical and auto-billing management services to micro-business online stores in China through big data analytics, machine learning mechanisms, social network recommendations, and multi-channel data analysis.

We provide technology services to both individual and corporate users. We provide access to “YCloud” to our customers, which are Zhuozhou Weijiafu Information Technology Limited (“Weijiafu”), a PRC technology company, which then provide “YCloud” services to individual and corporate micro-business owners, Changtongfu Technology (Hainan) Co Limited (“Changtongfu”), a PRC technology company, which then provide “YCloud” services to individual and corporate business owners in the hotel and travel industries.

The market individual micro-business owners represents a potential of 330 million users by the year of 2023. (Source: iResarch. <http://xueqiu.com/8455183447/172404679?sharetime=2,2/22/2021>). YCloud serves corporate users in multiple industries, including Yuetao Group, Zhiding, Lvyue, Yuebei, Yuedian, Coke GO, and Zhongyanshangyue. We conduct business operations in mainland China and have established trial operations in Hong Kong. We expect to utilize the YCloud system to establish a global strategic cooperation with various social media platforms.

The main functions of the YCloud system are to manage users’ marketing relationships, CPS commission profit management, multi-channel data statistics, AI fission and management, and improved supply chain systems.

Currently, YCloud serves the micro business industry. We expect to expand the application of YCloud to tourism, hospitality, livestreaming and short video, medical beauty and traditional retail industries.

Recent Business Developments

In first Quarter 2022, the Company has entered YCloud system service agreements with three new customers as follows:

Beijing Yidong Linglong Cultural Media Co., Ltd. (“Beijing Yidong”), a PRC media and internet company that provides comprehensive high-quality digital contents, cultural and arts exchange activities for users.

Beijing Maitu International Travel Agency Co., Ltd (“Maitu International”), a PRC company that has been engaged in outbound tourism business since May 2008. Maitu is also a leading tourism company in South Korea, Japan and China.

Beijing Youth Travel Service Co., Ltd (“Beijing Youth Travel”) is an international travel agency approved by the National Tourism Administration and subordinate to the Beijing Municipal Tourism Administration. Beijing Youth Travel is a cross-regional comprehensive tourism enterprise group with more than 70 chain stores, and it integrates services in outbound tourism, inbound tourism, domestic tourism, tourism fleet, taxi, real estate, catering, consulting services, advertising, culture and entertainment.

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Our Business

We have utilized digitalization, electronic management, electronic data exchange, big data analysis, AI fission technology, revenue management and other technologies to build a strong coordination effect. We believe that our cloud technology enables us to develop a highly functional platform for micro-business users in China. We have optimized our product using the tools and platforms best suited to serve our customers and developed YCloud.

We believe that YCloud is the first global micro-business cloud intelligent internationalization system. It conducts multi-channel data analysis through the learning of big data and social recommendation relationships. It also provides users with AI fission and management systems and supply chain systems in order to reach a wider range of user groups. YCloud has four main functions and competitive advantages as follows:

Multiple integrated payment methods and payment analytics: the YCloud system provides micro-businesses and hotel owners with multiple payment methods such as Alipay, WeChat, and UnionPay. The total order amount is directly entered into the platform to collect funds in separate accounts. Using YCloud’s technology support, the micro-business owners offer multiple channels of payments to their customers, including Alipay, WeChat, and UnionPay. Meanwhile, YCloud assigns a bar code to merchandises that purchasers can then scan to pay, allowing purchasers to make payments both online and offline. This proprietary payment technology allows our customers to reduce labor costs and error rates, thus significantly improving data analysis.

- Single-scenario payment function: although micro-business owners are provided with a multi-method payment function for their consumers through the YCloud system, micro-business owners only have a single sales channel to display. The revenue of each sale is divided by commissions, and the cost is allocated to suppliers and the handling fee to the YCloud system. The remaining balance goes to micro-business owners.
- Multi-scenario payment function: micro-business owners have multiple sales channels to display and numerous channels to perform revenue sharing and profit consolidation functions. After various products are sold through different channels, the cost will be allocated to suppliers and the handling fee to the YCloud system. The remaining balance will be combined and goes to micro-business owners.

During the year 2020, due to the impact of the COVID-19 outbreak, many companies, including businesses traditionally operating offline, from a wide range of industries, such as tourism, catering, entertainment or retail, have opted for a micro-business model to build sales channels through online social platforms and expand business opportunities. As a result of the COVID-19 outbreak, consumer demand shifted, which forced business owners to expand to new markets and be present on multiple social platforms. Through continuous research on the micro-business industry, and its understanding of the relationship between people and social relationships on social platforms, YCloud develops new technology designed to meet the ever changing demand of micro-business owners across all industries

Team management: the YCloud system utilizes user marketing relationship tracking and CPS commission revenue management tools.

AI fission and management: using intelligent robots to analyze user behavior, data sharing, purchase history, and other data, the YCloud system provides tailored recommendations and displays. For example, the YCloud system connects users’ behavior across multiple apps and platforms and makes automatic recommendations based on its analysis.

Supply chain system integration: the YCloud system applies cross-platform resource integration technology. The integration allows the multi-channel output of high-quality products and creates a seamless connection between suppliers and customers. The YCloud provides a complete supply chain system integrating supply, sales, finance, and service.

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The following diagram sets forth the structure of the Company as of the date of this Current Report:

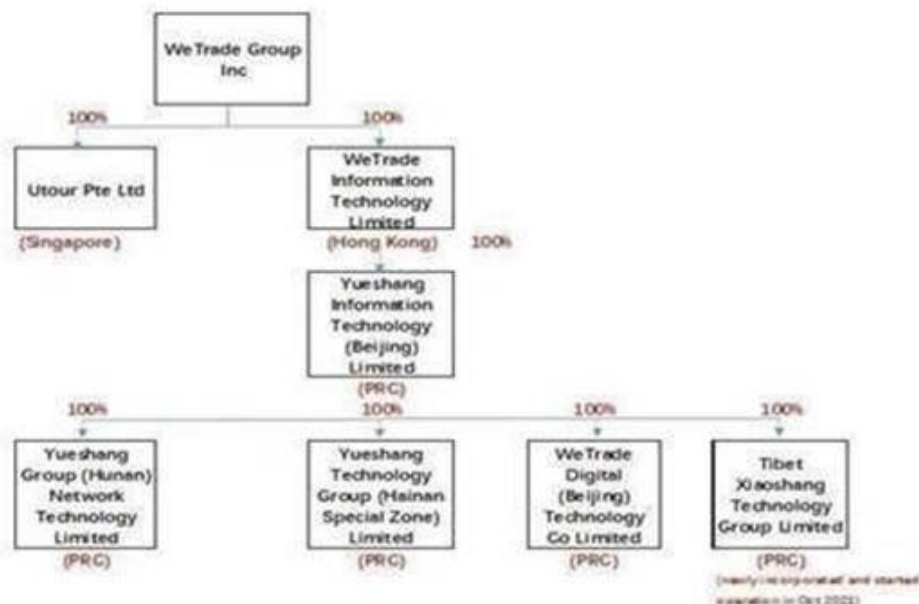
Our business and corporate address in the United States is 1621 Central Ave, Cheyenne, WY 82001 Our telephone number is +86-13795206876 and our registered agent for service of process is Wyoming Registered Agent, 1621 Central Ave, Cheyenne, WY 82001. Our fiscal year end is December 31. Our Chinese business and corporate address is No. 18, Kechuang 10th Street, Beijing Economic and Technological Development Zone, Beijing, People Republic of China. The Chinese address is where our management is located.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation of financial statements

The consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America (“GAAP”). The consolidated financial statements include the financial statements of the Company and its subsidiaries. All significant inter-company transactions and balances have been eliminated in consolidation.

The condensed consolidated financial statements of the Company as of and for the six months ended June 30, 2022 and 2021 are unaudited. In the opinion of management, all adjustments (including normal recurring adjustments) that have been made are necessary to fairly present the financial position of the Company as of June 30, 2022, the results of its operations for the six months ended June 30, 2022 and 2021, and its cash flows for the six months ended June 30, 2022 and 2021. Operating results for the quarterly periods presented are not necessarily indicative of the results to be expected for a full fiscal year. Certain prior period amounts in the consolidated financial statements and accompanying notes have been reclassified to conform to the current period’s presentation. The balance sheet as of December 31, 2021 has been derived from the Company’s audited financial statements included in the Form 10-K for the year ended December 31, 2021.



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The statements and related notes have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission (the “SEC”). Accordingly, certain information and footnote disclosures normally included in financial statements prepared in accordance with U.S. GAAP have been omitted pursuant to such rules and regulations. These financial statements should be read in conjunction with the financial statements and other information included in the Company’s Annual Report on Form 10-K as filed with the SEC for the fiscal year ended December 31, 2021.

As of June 30, 2022, the details of the consolidating subsidiaries are as follows:

<i>Name of Company</i>	<i>Place of incorporation</i>	<i>Attributable equity interest %</i>
Utour Pte Ltd	Singapore	100%
WeTrade Information Technology Limited (“WITL”)	Hong Kong	100%
Yueshang Information Technology (Beijing) Co., Ltd. (“YITB”)	P.R.C.	100%
Yueshang Group Network (Hunan) Co., Limited (“Yueshang Hunan”)	P.R.C	100%
Yueshang Technology Group (Hainan Special Economic Zone) Co. Limited (“Yueshang Hainan”)	P.R.C	100%
WeTrade Digital (Beijing) Technology Co Limited (f/k/a XiaoShang Technology Beijing Co Limited)	P.R.C	100%
Tibet Xiaoshang Technology Group Limited	P.R.C	100%

Nature of Operations

WeTrade Group Inc. (the “Company” or “We” or “Us”) is a Wyoming corporation incorporated on March 28, 2019. The Company is an investment holding company that formed as a Wyoming corporation to use as a vehicle for raising equity outside the US.

As of June 30, 2022, the nature operation of its subsidiaries are as follows:

<i>Name of Company</i>	<i>Place of incorporation</i>	<i>Nature of operation</i>
Utour Pte Ltd	Singapore	Investment holding company

WeTrade Information Technology Limited (“WITL”)	Hong Kong	Investment holding company
Yueshang Information Technology (Beijing) Co., Ltd. (“YITB”)	P.R.C.	Providing of social e-commerce services, technical system support and services
Yueshang Group Network (Hunan) Co., Limited (“Yueshang Hunan”)	P.R.C	Providing of social e-commerce services, technical system support and services
Yueshang Technology Group (Hainan Special Economic Zone) Co. Limited (“Yueshang Hainan”)	P.R.C	Providing of social e-commerce services, technical system support and services
WeTrade Digital (Beijing) Technology Co Limited (FKA: XiaoShang Technology Beijing Co Limited)	P.R.C	Providing of social e-commerce services, technical system support and services
Tibet Xiaoshang Technology Group Limited	P.R.C	Providing of social e-commerce services, technical system support and services.

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COVID-19 outbreak

In March 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. The COVID-19 pandemic has negatively impacted the global economy, workforces, customers, and created significant volatility and disruption of financial markets. It has also disrupted the normal operations of many businesses, including ours. This outbreak could decrease spending, adversely affect demand for our services and harm our business and results of operations. It is not possible for us to predict the duration or magnitude of the adverse results of the outbreak and its effects on our business or results of operations at this time.

Revenue recognition

The Company follows the guidance of Accounting Standards Codification (ASC) 606, *Revenue from Contracts*. ASC 606 creates a five-step model that requires entities to exercise judgment when considering the terms of contracts, which includes (1) identifying the contracts or agreements with a customer, (2) identifying our performance obligations in the contract or agreement, (3) determining the transaction price, (4) allocating the transaction price to the separate performance obligations, and (5) recognizing revenue as each performance obligation is satisfied. The Company only applies the five-step model to contracts when it is probable that the Company will collect the consideration it is entitled to in exchange for the services it transfers to its clients.

Cash and Cash Equivalents

The Company considers all highly liquid debt instruments purchased with a maturity period of three months or less to be cash or cash equivalents. The carrying amounts reported in the accompanying unaudited condensed consolidated balance sheets for cash and cash equivalents approximate their fair value. All of the Company’s cash that is held in bank accounts in Singapore and PRC is not protected by Federal Deposit Insurance Corporation (“FDIC”) insurance or any other similar insurance in the PRC, or Singapore.

Foreign Currency

The Company’s principal country of operations is the PRC. The accompanying consolidated financial statements are presented in US\$. The functional currency of the Company is US\$, and the functional currency of the Company’s subsidiaries is RMB. The consolidated financial statements are translated into US\$ from RMB at year-end exchange rates as to assets and liabilities and average exchange rates as to revenues and expenses. Capital accounts are translated at their historical exchange rates when the capital transactions occurred. The resulting translation adjustments are recorded as a component of shareholders’ equity included in other comprehensive income. Gains and losses from foreign currency transactions are included in profit or loss. There were no gains and losses from foreign currency transactions from the inception to June 30, 2022.

	June 30, 2022	December 31, 2021
RMB: US\$ exchange rate	6.7	6.36

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The balance sheet amounts, with the exception of equity, June 30, 2022 and December 31, 2021 were translated at 6.7 RMB and 6.36 RMB to \$1.00, respectively. The equity accounts were stated at their historical rates. The average translation rates applied to statements of operations and comprehensive income accounts for the period ended June 30, 2022 and year ended December 31, 2021 were 6.5 RMB and 6.44 RMB to \$1.00, respectively. Cash flows were also translated at average translation rates for the year and, therefore, amounts reported on the statement of cash flows would not necessarily agree with changes in the corresponding balances on the consolidated balance sheet. The transactions dominated in SGD are immaterial.

Use of Estimate

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of expenses during the reporting periods. Actual results could differ from those estimates.

Property and Equipment

Property and equipment are stated at the historical cost, less accumulated depreciation. Depreciation on property and equipment is provided using the straight-line method over the estimated useful lives of the assets for both financial and income tax reporting purposes as follows:

Office equipment	3 years
Leasehold improvements	5 years

Upon sale or disposal of an asset, the historical cost and related accumulated depreciation or amortization of such asset were removed from their respective accounts and any gain or loss is recorded in the statements of income.

The Company reviews the carrying value of property, plant, and equipment for impairment whenever events and circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. In cases where undiscounted expected future cash flows are less than the carrying value, an impairment loss is recognized equal to an amount by which the carrying value exceeds the fair value of assets. The factors considered by management in performing this assessment include current operating results, trends and prospects, the manner in which the property is used, and the effects of obsolescence, demand, competition and other economic factors. Based on this assessment, no impairment expenses for property, plant, and equipment were recorded in operating expenses during the six months ended June 30, 2022 and 2021.

Concentration of Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash. Cash on hand amounted to \$7,152,073 as of June 30, 2022.

Accounts receivable

Accounts receivables are presented net of allowance for doubtful accounts. The Company uses specific identification in providing for bad debts when facts and circumstances indicate that collection is doubtful and based on factors listed in the following paragraph. If the financial conditions of its customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowance may be required.

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The Company maintains an allowance for doubtful accounts which reflects its best estimate of amounts that potentially will not be collected. The Company determines the allowance for doubtful accounts on general basis taking into consideration various factors including but not limited to historical collection experience and credit-worthiness of the customers as well as the age of the individual receivables balance. Additionally, the Company makes specific bad debt provisions based on any specific knowledge the Company has acquired that might indicate that an account is uncollectible. The facts and circumstances of each account may require the Company to use substantial judgment in assessing its collectability.

Intangible Asset

Intangible asset is software development cost incurred by the Company, it will be amortized on a straight line basis over the estimated useful life of 5 years.

Leases

The Company adopted Accounting Standards Update No. 2016-02, Leases (Topic 842) (ASU 2016-02), as amended, which supersedes the lease accounting guidance under Topic 840, and generally requires lessees to recognize operating and financing lease liabilities and corresponding right-of-use (ROU) assets on the balance sheet and to provide enhanced disclosures surrounding the amount, timing and uncertainty of cash flows arising from leasing arrangements.

Operating leases are included in operating lease right-of-use ("ROU") assets and short-term and long-term lease liabilities in our consolidated balance sheets. Finance leases are included in property and equipment, other current liabilities, and other long-term liabilities in our consolidated balance sheets.

ROU assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of the leases do not provide an implicit rate, we use the industry incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. We use the implicit rate when readily determinable. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that we will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

Under ASC 840, leases were classified as either capital or operating, and the classification significantly impacted the effect the contract had on the company's financial statements. Capital lease classification resulted in a liability that was recorded on a company's balance sheet, whereas operating leases did not impact the balance sheet. After the new adoption, \$1,932,561 of operating lease right-of-use asset and \$2,105,743 of operating lease liabilities were reflected on the Company's June 30, 2022 financial statements.

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ASU 2016-02 requires that public companies use a secured incremental borrowing rate for the present value of lease payments when the rate implicit in the contract is not readily determinable. We determine a secured rate on a quarterly basis and update the weighted average discount rate accordingly. Lease terms and discount rate follow:

Lease cost	In USD
Operating lease cost (included in general and admin in company's statement of operations)	\$ 343,937
Other information	

Cash paid for amounts included in the measurement of lease liabilities for the six months ended 6/30/2022	358,988
Weighted average remaining lease term-operating leases (in years)	3.17
Average discount rate - operating leases	5%

The supplemental balance sheet information related to leases for the period is as follows:

Operating leases	
Long -term right-of-use assets	1,932,561
Total right-of-use assets	\$ 1,932,561
Short-term operating lease liabilities	
Long-term operating lease liabilities	1,503,804
Total operating lease liabilities	\$ 2,105,743

Maturities of the Company's lease liabilities are as follows:

Year ending June 30,	
2023	694,833
2024	738,013
2025	781,476
2026	71,402
Total lease payments	2,285,725
Less: Imputed interest/present value discount	(179,982)
Present value of lease liabilities	\$ 2,105,743

Income Tax

Income taxes are determined in accordance with the provisions of ASC Topic 740, "Income Taxes" ("ASC Topic 740"). Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted income tax rates expected to apply to taxable income in the periods in which those temporary differences are expected to be recovered or settled. Any effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

ASC 740 prescribes a comprehensive model for how companies should recognize, measure, present, and disclose in their financial statements uncertain tax positions taken or expected to be taken on a tax return. Under ASC 740, tax positions must initially be recognized in the financial statements when it is more likely than not the position will be sustained upon examination by the tax authorities. Such tax positions must initially and subsequently be measured as the largest amount of tax benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the tax authority assuming full knowledge of the position and relevant facts.

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The Company has a subsidiary in Singapore and PRC. The Company is subject to tax in Singapore and PRC jurisdictions. As a result of its future business activities, the Company will be required to file tax returns that are subject to examination by the Inland Revenue Authority of Singapore and Tax Department of PRC.

Profit Per Share

Basic net income per share of common stock attributable to common stockholders is calculated by dividing net income attributable to common stockholders by the weighted-average shares of common stock outstanding for the period. Potentially dilutive shares, which are based on the weighted-average shares of common stock underlying outstanding stock-based awards, warrants, options, or convertible debt using the treasury stock method or the if-converted method, as applicable, are included when calculating diluted net income (loss) per share of common stock attributable to common stockholders when their effect is dilutive.

Potential dilutive securities are excluded from the calculation of diluted EPS in profit periods as their effect would be anti-dilutive.

As of June 30, 2022, there were no potentially dilutive shares.

	For the period June 30, 2022	For the period June 30, 2021
Statement of Operations Summary Information:		
Net Profit	\$ 118,218	2,494,114
Weighted-average common shares outstanding - basic and diluted	294,361,978	305,451,498
Net profit per share, basic and diluted	\$ 0.00	0.00

Fair Value

The Company follows guidance for accounting for fair value measurements of financial assets and financial liabilities and for fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the financial statements on a recurring basis. Additionally, the Company adopted guidance for fair value measurement related to nonfinancial items that are recognized and disclosed at fair value in the financial statements on a nonrecurring basis. The guidance establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value.

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability. The carrying amounts of financial assets such as cash approximate their fair values because of the short maturity of these instruments.

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NOTE 3 – RECENT ACCOUNTING PRONOUNCEMENTS

Recent accounting pronouncements issued by the FASB (including its Emerging Issues Task Force) and the United States Securities and Exchange Commission did not or are not believed by management to have a material impact on the Company's present or future financial statements.

NOTE 4 – REVENUE

In the business of providing an international cloud-based intelligence system, namely "YCloud" system. We aim to provide technical and auto-billing management system services to micro-business online stores in China through big data analytics, machine learning mechanisms, social network recommendations, and multi-channel data analysis. Weijiafu and Changtongfu are our customers to take charge of the YCloud users' profiles. Meanwhile, all YCloud users' information is retained within YCloud system.

We derive our revenue from system service fees charged for transactions conducted through YCloud. We receive 2%-3.5% of the total Gross Merchandise Volume generated in the platform as a system service fee from YCloud users through service agreement with our customers (such as Weijiafu, Changtongfu, Beijing Yidong, Maitu International and Beijing Youth), depending on the type of service and industry. Gross Merchandise Volume, or GMV, is a term used in online retailing to indicate a total sales monetary-value for merchandise sold through a particular marketplace over a certain time frame. We generally receive the system service fee from customers within the first ten days of each calendar month. With effect from October 2021, YCloud system service fee will be settled within the first ten days of each quarter due to high volume of transaction amounts conducted through YCloud from end users. As of reporting date, all the service fee receivable has been fully settled and received.

The system services fees are collected from five customers of YCloud system based on the GMV as follow:

Gross Merchandise Volume ("GMV")	June 30, 2022 US\$	June 30, 2021 US\$
Non-related parties:		
Weijiafu	53,496,041	150,250,147
Beijing Yidong	20,811,155	-
Maidu International	14,094,841	-
Beijing Youth	19,312,009	-
	107,714,046	150,250,147
Related party:		
Changtongfu	8,732,504	-
Beijing Joy Trip	-	50,678,696
Total GMV:	<u>116,466,550</u>	<u>200,928,843</u>

As of and for the period ended June 30, 2022, we generated revenues from the four third parties customers amounting \$3,556,596 and related party-Changtongfu amounting \$288,337.

NOTE 5 – CASH AT BANK

As of June 30, 2022, the Company held cash in bank in the amount of \$7,152,073, which consist of the following:

	June 30, 2022	December 31, 2021
Bank Deposits-China	\$ 7,073,865	303,065
Bank Deposits-Singapore	78,208	313,528
	<u>7,152,073</u>	<u>616,593</u>

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NOTE 6 – INTANGIBLE ASSET

Intangible asset is software development cost incurred by company, it will be amortized on a straight line basis over the estimated useful life of 5 years as follow:

	<u>Gross Carrying Amount</u>	<u>Accumulated Amortization</u>	<u>Net Carrying Amount</u>	<u>Weighted Average Useful Life (Years)</u>
Intangible assets:				
Software development	\$ 57,143	\$ (29,948)	\$ 27,195	5
Foreign currency translation adjustment	-	-	5,203	
Intangible assets, net	<u>\$ 57,143</u>	<u>\$ (26,794)</u>	<u>\$ 32,398</u>	

Amortization expense for intangible assets was \$3,155 for the six months period ended June 30, 2022.

Expected future intangible asset amortization as of June 30, 2022 was as follows:

Fiscal years:

Remaining 2022	\$ 19,701
2023	12,697

NOTE 7 – PROPERTY AND EQUIPMENT

As of June 30, 2022, property and equipment consists of the following:

	<u>June 30, 2022</u>			
	<u>Gross Carrying Amount</u>	<u>Accumulated Depreciation</u>	<u>Net Carrying Amount</u>	<u>Weighted Average Useful Life (Years)</u>
Property and equipment:				
Office equipment	\$ 150,915	\$ (54,117)	\$ 96,798	3
Leasehold improvement	902,392	-	902,392	5
Property and equipment, net	<u>\$ 1,053,307</u>	<u>\$ (54,117)</u>	<u>\$ 999,190</u>	

Depreciation expenses of office equipment were \$24,952 and nil for the period ended June 30, 2022 and year 2021 respectively as the computer and office equipment were acquired on June 29, 2021.

Amortization expenses of leasehold improvement is \$nil for the year ended June 30, 2022 and the leasehold improvement was completed in end of June 2022.

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NOTE 8 – ACCOUNT RECEIVABLES

As of June 30, 2022, account receivables is related to the services fee receivables from customers as follow:

	<u>June 30, 2022</u>	<u>December 31, 2021</u>
Account receivables	\$ 761,987	\$ 5,627,463
Account receivables- related parties	336,020	3,603,402
	<u>\$ 1,098,007</u>	<u>\$ 9,230,865</u>

We generally receive the system service fee from customers within the first ten days of each quarter due to high volume of transaction amounts conducted through YCloud from end users.

The Company's financial instruments that are exposed to concentrations of credit risk consist primarily of accounts receivable. The Company does not require collateral for accounts receivables. The Company maintains an allowance for its doubtful accounts receivable due to estimated credit losses. The Company records the allowance against bad debt expense through the consolidated statements of operations, included in general and administrative expense, up to the amount of revenues recognized to date. Receivables are written off and charged against the recorded allowance when the Company has exhausted collection efforts without success. As of June 30, 2022, account receivable from non-related customers are amounted to \$761,987 (December 31, 2021: \$5,627,463) and related parties- Changtongfu are amounted to \$336,020 (December 31, 2021: \$3,603,402), which are 28.6% (December 31, 2021: 64%) of total revenue. As of reporting date, all the services fee receivables has been fully settled from 4 main non-related customers and 1 related party customer- Changtongfu.

NOTE 9 – PREPAYMENTS

As of June 30, 2022, prepayments consist of the following:

	June 30, 2022	December 31, 2021
Office furniture and renovation	\$ 1,049,135	\$ 1,895,591
Office rental	-	173,611
YCloud system marketing and promotion service	3,058,696	-
Others	81,904	691,456
	<u>\$ 4,189,735</u>	<u>\$ 2,760,658</u>

As of June 30, 2022, there is a prepayment of approximate \$1.1 million in relation of purchasing new office furniture as a result of new office renovation during the year, the renovation has been completed in July 2022.

As of June 30, 2022, there is a prepayment of approximate \$2.3 million and approximate \$0.6 million in relation of marketing & promotion services and block chain software development under YCloud system. Marketing and promotion services are expect to complete in February 2023 and the block chain software has been completed in July 2022 respectively.

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NOTE 10 – NOTE RECEIVABLES

As of June 30, 2022, Note receivables consist of the following:

	June 30, 2022	December 31, 2021
Note receivables	\$ 3,017,348	3,798,130
	<u>3,017,348</u>	<u>3,798,130</u>

Note receivable is related to the short-term loan of RMB 23 million to a third party with annual interest of 5%, which will be matured on November 4, 2022.

NOTE 11 – OTHER RECEIVABLES

As of June 30, 2022, other receivables consist of advances to staff for petty cash and staff loans as follow:

	June 30, 2022	December 31, 2021
Advance to staff for petty cash	\$ 125,242	19,302
Staff loan	-	10,845
	<u>125,242</u>	<u>30,147</u>

NOTE 12 – RENTAL DEPOSIT

As of June 30, 2022 and December 31, 2021, rental deposit of \$258,058 and \$272,063 is the office lease deposit with the tenancy period of 5 years.

NOTE 13 – AMOUNT DUE TO RELATED PARTIES

	As of June 30, 2022	As of December 31, 2021
Related parties payable	\$ 541,297	\$ 745,532
Director fee payable	576,000	360,000
	<u>\$ 1,117,297</u>	<u>\$ 1,105,532</u>

The related party balance of \$541,297 represented advances and professional expenses paid on behalf by Director, which consists of \$300,062 advance from Dai Zheng, \$42,000 advance from Li Zhuo, \$10,000 from Che Kean Tat and \$189,235 office rental advance from Liu Pijun through Zhiding Network Technology (Beijing) Co Limited (“ZNTB”). It is unsecured, interest-free with no fixed payment term and imputed interest is consider to be immaterial.

As of June 30, 2022, the director fee payable of \$576,000 represented the accrued of director fees from the appointment date to June 30, 2022.

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NOTE 14 – RELATED PARTY TRANSACTIONS

The following is the list of the related parties to which the Company has transactions with:

- (a) Beijing Zhidingwang Investment Management Limited Partnership (“BZIM”), the entity in which the Group’s CEO, Liu PiJun beneficially own 56% equity interest.
- (b) Zhiding Network Technology (Beijing) Co Limited (“ZNTB”), the entity in which the Group’s CEO, Liu Pijun beneficially own 78% equity interest and Group’s Director, Li Daxue beneficially own 3% equity interest.
- (c) Beijing Xingke Datong Technology Co Ltd (“BXDT”), the entity in which the supervisor of a subsidiary company, Deng Liangpeng beneficially own 80% equity interest.
- (d) Huoerguo Zhufeng Technology Co Ltd (“HZTC”), the entity in which the supervisor of a subsidiary company, Sun Tong beneficially own 46% equity interest.
- (e) Global Joy Trip (HK) Limited (“Global Joy HK”), the entity in which the Group’s Chairman, Daizheng and Group’s CEO, Liu Pijun are the director, the company has been dissolved in Jan 2021.

Related parties transactions consisted of the following as of the dates indicated.

Name of related party	Nature of transaction	For the Six months ended June 30, 2022	For the year ended December 31, 2021
BZIM	No transaction during the year	NA	NA
ZNTB	Office rental paid on behalf of the Group	\$ 189,235	189,235
BXDT	System service fee	\$ 618,119	485,190
HZTC	System service fee	\$ 56,716	739,016
Changtongfu	YCloud system fee	\$ 288,337	-

NOTE 15 – ACCRUED EXPENSES

Accrued expenses of \$108,540 consists of the accrued payroll, Central Provident Fund and social welfare as follow:

	June 30, 2022	December 31, 2021
Accrued payroll	\$ 108,540	\$ 217,073
	<u>\$ 108,540</u>	<u>\$ 217,073</u>

NOTE 16 – TAX PAYABLES

As of June 30, 2022, tax payable of \$790,081 (December 31, 2021: \$711,841) is consist of PRC corporate income tax rate ranged from 9% to 25%, Value-added Tax of 6% and PRC Urban construction tax and levies.

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NOTE 17 – OTHER PAYABLES

Other payables of \$347,855 consists of the payables of securities account set up fee and related documentation expenses as follow:

	June 30, 2022	December 31, 2021
Security account set up fee-Staff	\$ 347,855	\$ 306,270

NOTE 18 – SHAREHOLDERS’ EQUITY

The company has an unlimited number of ordinary shares authorized, and has issued 305,451,498 shares with par value as of June 30, 2022.

On March 29, 2019, the company has issued 100,000,000 shares with no par value to thirty-three founders. On September 3, 2019, the company has issued a total 74,000 shares at \$3 each to 5 non-US shareholders. The total outstanding shares has increased to 100,074,000 shares as at December 31, 2019.

In February, 2020, there are 1,666,666 shares issued at \$3 per share to 2 new shareholders. On July 10, 2020, the company has issued another 26,000 shares at \$3 per share to 2 new shareholders and the total outstanding shares has increased to 101,766,666 shares.

On September 15, 2020, the Wyoming Secretary of State approved the Company’s certificate of amendment to amend its Articles of Incorporation to effectuate a 3 for 1 forward stock split. The total issued and outstanding shares of the Company’s common stock has been increased from 101,766,666 to 305,299,998 shares, with the par value unchanged at zero.

On September 21, 2020, there are 151,500 shares issued at \$5 per share to 303 new shareholders, the Company’s common stock issued has been increased to 305,451,498 shares as of December 31, 2020.

On April 13, 2022, the Company and 15 Shareholders entered into that certain Share Exchange Agreement (the “Share Exchange Agreement”), pursuant to which Company and the 15 Shareholders have cancelled 120,418,995 shares of Common Stock (“Cancellation Shares”). Upon completion of the transaction, the outstanding shares of the Company’s Common Stock has been decreased from 305,451,498 shares to 185,032,503 shares as of June 30, 2022.

NOTE 19- SUBSEQUENT EVENT

On July 21, 2022, the Company has uplisted its common stock to the Nasdaq Capital Market, and the closing of its initial public offering (“IPO”) of 10,000,000 shares of common stock, with par value (the “Shares”). The Shares were priced at \$4.00 per share, and the offering was conducted on a firm commitment basis. The Shares continue to trade under the stock symbol “WETG.” Upon completion of the IPO, the outstanding shares of the Company’s Common Stock has been increased from 185,032,503 shares to 195,032,503 shares as of reporting date.

After deducting the underwriting discounts and estimated offering expenses payable by us, we expect to receive net proceeds of approximately \$37,057,176 from this offering.

Gross proceeds	\$ 40,000,000
Underwriting discounts*	\$ 2,600,000
Underwriting accountable expenses	\$ 150,000
Company offering expenses	\$ 192,824
Net proceeds	<u>\$ 37,057,176</u>

* 6.5% of the public offering price.

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ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of financial condition and results of operations should be read in conjunction with our financial statements and related notes included elsewhere in this report. This discussion contains forward-looking statements that involve risks, uncertainties and assumptions. See “Cautionary Note Regarding Forward-Looking Statements.” Our actual results could differ materially from those anticipated in the forward-looking statements as a result of certain factors discussed elsewhere in this report.

Overview

WeTrade Group, Inc was incorporated in the State of Wyoming on March 28, 2019 and is in the business of providing technical services and solutions via its social e-commerce platform. We are committed to providing an international cloud-based intelligence system and independently developed a micro-business cloud intelligence system called the “YCloud.” Our goal is to provide technical and auto-billing management services to micro-business online stores in China through big data analytics, machine learning mechanisms, social network recommendations, and multi-channel data analysis.

We provide technology services to both individual and corporate users. which then provide “YCloud” services to individual and corporate micro-business owners in the hotel, hospitality, livestreaming and travel industries.

The market individual micro-business owners represents a potential of 330 million users by the year of 2023. (Source: iResrarch. <http://xueqiu.com/8455183447/172404679?sharetime=2,2/22/2021>). YCloud serves corporate users in multiple industries, including Yuetao Group, Zhiding, Lvyue, Yuebei, Yuedian, Coke GO, and Zhongyanshangyue. We conduct business operations in mainland China and have established trial operations in Hong Kong. We expect to utilize the YCloud system to establish a global strategic cooperation with various social media platforms.

The main functions of the YCloud system are to manage users’ marketing relationships, CPS commission profit management, multi-channel data statistics, AI fission and management, and improved supply chain systems.

Currently, YCloud serves the micro business industry. We will further expand the application of YCloud to tourism, hospitality, livestreaming and short video, medical beauty and traditional retail industries.

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Results of Operations

Results of Operations for the six months period ended June 30, 2022 and 2021

The following tables provide a comparison of a summary of our results of operations for the six months period ended June 30, 2022 and 2021.

	For the six months ended June 30,	
	2022	2021
Revenue:		
Service revenue- related party	\$ 288,337	\$ -
Service revenue- non related party	3,556,596	6,663,816
	<u>3,844,933</u>	<u>6,663,816</u>
Cost of Sales	(879,839)	(336,767)
Gross Profit	<u>2,965,094</u>	<u>6,327,049</u>
Operating Expenses:		
General and Administrative	2,787,790	3,656,646
Operations Profit	<u>177,304</u>	<u>2,670,403</u>
Other revenue	75,608	198,599
Net Profit before income tax	<u>252,912</u>	<u>2,869,002</u>
Income tax expense	<u>(134,694)</u>	<u>(374,888)</u>

Revenue from Operations

For the six-month period ended June 30, 2022 and 2021, total revenue was \$3,844,933 and \$6,663,816 respectively, the decrease was mainly due to the decrease in Gross Merchandise Volume (“GMV”) in Ycloud system as a result of Covid-19 lockdown in several major cities in PRC since March 2022. The system services fees are collected from five customers of YCloud system based on the GMV as follow:

Gross Merchandise Volume (“GMV”)	June 30, 2022 US\$	June 30, 2021 US\$
Non-related parties:		
Customer I	53,496,041	150,250,147
Customer II	20,811,155	-
Customer III	14,094,841	-
Customer IV	19,312,009	-
	<u>107,714,046</u>	<u>150,250,147</u>
Related party:		
Customer V	<u>8,732,504</u>	<u>50,678,696</u>
Total GMV:	<u>116,466,550</u>	<u>200,928,843</u>

Cost of revenue

Cost of revenue is mainly consisting of staff payroll, PRC central provident fund (“CPF”), staff benefits and YCloud system related expenses, the increase is mainly due to more technical services cost were incurred for the system developments for the new customer and more YCloud system related expenses were incurred during the period.

General and Administrative Expenses

For the six months period ended June 30, 2022 and 2021, general and administrative expenses were \$2,787,790 and \$3,656,646 respectively, the decrease is mainly due to no advertising and exhibition expenses were incurred during the period as compare to the prior period as a result of Covid-19 lockdown in PRC during the period. Furthermore, there are no legal due diligence expenses, travelling and other administrative expenses incurred as compare to the prior period.

[Table of Contents](#)*Net Income*

As a result of the factors described above, there was a net income of \$118,218 and net income of \$2,494,114 for the period ended June 30, 2022 and 2021, respectively, the decrease is mainly due to decrease in Gross Merchandise Volume (“GMV”) in Ycloud system and services are collected from YCloud users based on GMV during the period as a result of Covid-19 lockdown in certain cities in PRC.

Results of Operations for the three months period ended June 30, 2022 and 2021

The following tables provide a comparison of a summary of our results of operations for the three months period ended June 30, 2022 and 2021.

	For the three months ended June 30,	
	2022	2021
Revenue:		
Service revenue- related party	\$ 129,819	\$ -
Service revenue- non related party	1,478,261	3,882,893
	<u>1,608,080</u>	<u>3,882,893</u>
Cost of Sales	(90,651)	(190,459)
Gross Profit	<u>1,517,429</u>	<u>3,692,434</u>
Operating Expenses:		
General and Administrative	1,982,522	1,767,457
Operations Profit/ (Loss)	(465,093)	1,924,977
Other revenue	27,325	115,084
Net Profit before income tax	<u>(437,768)</u>	<u>2,040,061</u>
Income tax expense	(4,869)	(198,031)
Net income/ (loss)	<u>(442,637)</u>	<u>1,842,030</u>

Revenue from Operations

For the three-month period ended June 30, 2022 and 2021, total revenue was \$1,608,080 and \$3,882,893 respectively, the decrease was mainly due to the decrease in Gross Merchandise Volume (“GMV”) in Ycloud system as a result of Covid-19 lockdown in several major cities in PRC since March 2022.

Cost of revenue

Cost of revenue is mainly consisting of staff payroll, PRC central provident fund (“CPF”), staff benefits and YCloud system related expenses, the decrease is mainly due to decrease in technical staffs headcounts and its related expenses were incurred during the period.

General and Administrative Expenses

For the three-months period ended June 30, 2022 and 2021, general and administrative expenses were \$1,982,522 and \$1,767,457 respectively, the increase more marketing and promotion expenses were incurred as compare to the prior period.

Net Income/ (loss)

As a result of the factors described above, there was a net loss of \$442,637 and net income of \$1,842,030 for the period ended June 30, 2022 and 2021, respectively, the loss making is mainly due to decrease in Gross Merchandise Volume (“GMV”) in YCloud system and services are collected from YCloud users based on GMV during the period as a result of Covid-19 lockdown in several major cities in PRC.

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Liquidity and Capital Resources

As of June 30, 2022, we had cash on hand of \$7,152,073 as compared to \$3,210,464 in prior period. The increase is mainly due to account receivables of approximate US\$8.2 million collected from customers and related party during the period. However, the increase is mitigated by the prepayment of approximate US\$2.3 million for the YCloud marketing and promotion services during the period

Operating activities

As of June 30, 2022, our continuing cash flow operating activities is \$6,491,363 for the period ended June 30, 2022 as compared to the cash flow used in operating activities of \$541,827 in prior period, which was increased by approximately of \$7 million. The increase was mainly due to increase in account receivables collected from customers during the period.

Investing activities

As of June 30, 2022, cash in investing activities is \$648,389 for the period ended June 30, 2022 as compared to the \$170,265 in prior period. The increase was mainly due to addition of leasehold improvement of approximate of \$0.65 million during the period.

Financing activities

Cash provided by our financing activities was 842,547 for the period ended June 30, 2022 as compared to cash used in financing activities of \$420,562. The increase is mainly due to partially payment received from note receivables during the period.

Inflation

Inflation does not materially affect our business or the results of our operations.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements.

Critical Accounting Policies

We prepare our financial statements in accordance with generally accepted accounting principles of the United States (“GAAP”). GAAP represents a comprehensive set of accounting and disclosure rules and requirements. The preparation of our financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Our actual results could differ from those estimates. We use historical data to assist in the forecast of our future results. Deviations from our projections are addressed when our financials are reviewed on a monthly basis. This allows us to be proactive in our approach to managing our business. It also allows us to rely on proven data rather than having to make assumptions regarding our estimates.

Recent Accounting Pronouncements

We have reviewed all the recently issued, but not yet effective, accounting pronouncements and we do not believe any of these pronouncements will have a material impact on the Company financial statements.

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ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are a “smaller reporting company” as defined by Item 10(f)(1) of Regulation S-K, and as such are not required to provide the information contained in this item pursuant to Item 305 of Regulation S-K.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

The management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting. The Company's internal control over financial reporting is a process designed under the supervision of the Company's Chief Executive Officer and Chief Financial Officer to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's financial statements for external purposes in accordance with U.S. generally accepted accounting principles.

With respect to the period ended June 30, 2022, under the supervision and with the participation of our management, we conducted an evaluation of the effectiveness of the design and operations of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) promulgated under the Securities Exchange Act of 1934.

Based upon our evaluation regarding the period ended June 30, 2022, the Company's management, including its Principal Executive Officer, has concluded that its disclosure controls and procedures were not effective due to the Company's limited internal resources and lack of ability to have multiple levels of transaction review. Material weaknesses noted are lack of an audit committee, lack of a majority of outside directors on the board of directors, resulting in ineffective oversight in the establishment and monitoring of required internal controls and procedures; and management is dominated by two individuals, without adequate compensating controls. However, management believes the financial statements and other information presented herewith are materially correct.

Our management assessed the effectiveness of our internal control over financial reporting as of June 30, 2022. In making this assessment, our management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in Internal Control - Integrated Framework - Guidance for Smaller Public Companies (the COSO criteria). Based on our assessment, management identified material weaknesses related to: (i) our internal audit functions; (ii) a lack of segregation of duties within accounting functions; and the lack of multiple levels of review of our accounting data. Based on this evaluation, our management concluded that as of June 30, 2022, we did not maintain effective internal control over financial reporting.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with any policies and procedures may deteriorate. Due to our size and nature, segregation of all conflicting duties may not always be possible and may not be economically feasible. To the extent possible, we will implement procedures to assure that the initiation of transactions, the custody of assets and the recording of transactions will be performed by separate individuals. With proper funding we plan on remediating the significant deficiencies identified above, and we will continue to monitor the effectiveness of these steps and make any changes that our management deems appropriate.

A material weakness is a control deficiency (within the meaning of Public Company Accounting Oversight Board Auditing Standard No. 5) or combination of control deficiencies, that results in a reasonable possibility that a material misstatement of the annual or interim financial statements will not be prevented or detected on a timely basis.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting that occurred during our most recently completed fiscal quarter that has materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

None.

ITEM 1A. RISK FACTORS

We are a "smaller reporting company" as defined by Item 10(f)(1) of Regulation S-K, and as such are not required to provide the information contained in this item.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

No senior securities were issued and outstanding during the three months ended June 30, 2022.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable to our Company.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Exhibit No.	Description
<u>31.1</u>	<u>Certification of Principal Executive Officer filed pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 Filed herewith</u>
<u>31.2</u>	<u>Certification of Principal Financial Officer filed pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 Filed herewith</u>
<u>32.1</u>	<u>Certification of Chief Executive Officer furnished pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 Filed herewith</u>
<u>32.2</u>	<u>Certification of Chief Financial Officer furnished pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 Filed herewith</u>
101	Financial statements from the quarterly report on Form 10-Q of Wetrade Group Inc for the fiscal quarter ended June 30, 2022, formatted in XBRL: (i) the Balance Sheet; (ii) the Statement of Income; (iii) the Statement of Cash Flows; and (iv) the Notes to the Financial Statements Filed herewith

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

WETRADE GROUP INC

Dated August 15, 2022

By: /s/ Pijun, Liu
Pijun, Liu
Chief Executive Officer

/s/ Kean Tat, Che
Kean Tat, Che
Chief Financial Officer

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO 15 U.S.C. SECTION 7241, AS
ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Pijun Liu, certify that:

- 1 I have reviewed the quarterly report on Form 10-Q of We Trade Group Inc., a Wyoming corporation, for the period ended June 30, 2022, as filed with the Securities and Exchange Commission;
- 2 Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 3 Based on my knowledge, the financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of and for, the periods presented in this report;
- 4 The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an Annual Report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- 5 The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 15, 2022

/s/ Pijun Liu

Pijun Liu

Chief Executive Officer

**CERTIFICATION BY THE CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Che Kean Tat, certify that:

- 1 I have reviewed the Quarterly Report on Form 10-Q of We Trade Group Inc., a Wyoming corporation, for the period ended June 30, 2022, as filed with the Securities and Exchange Commission;
- 2 Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 3 Based on my knowledge, the financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of and for, the periods presented in this report;
- 4 The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an Annual Report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- 5 The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 15, 2022

/s/ Che Kean Tat

Che Kean Tat
Chief Financial Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Pijun Liu, Director and Chief Executive Officer of WeTrade Group Inc. (the “Company”), do hereby certify, in connection with Quarterly Report on Form 10-Q for the quarter ended June 30, 2022 (the “Report”) of the Company, the undersigned, in the capacity and on the date indicated below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 15, 2022

By: /s/ Pijun Liu

Pijun Liu

Chief Executive Officer

(principal executive officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Che Kean Tat, Director and Chief Financial Officer of WeTrade Group Inc. (the “Company”), do hereby certify, in connection with Quarterly Report on Form 10-Q for the quarter ended June 30, 2022 (the “Report”) of the Company, the undersigned, in the capacity and on the date indicated below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 15, 2022

By: /s/ Che Kean Tat

Che Kean Tat
Chief Financial Officer
(principal financial officer)