



## **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 of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.**

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*This report, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with 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.*

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## FIRST QUARTERLY RESULTS

The Board is pleased to announce the unaudited condensed consolidated results of the Group for the three months ended 31 March 2021 together with the unaudited comparative figures for the corresponding period in 2020, as follows:

### CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)

For the three months ended 31 March 2021

	Note	Three months ended	
		31 March 2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Revenue	4	10,682	9,627
Other income	5	43	269
Other gains and losses, net	5	(73)	–
Purchases of and changes in inventories		(204)	–
Depreciation		(322)	(643)
Staff costs		(6,046)	(6,383)
Other operating expenses		(3,175)	(2,789)
<b>Profit from operations</b>		<b>905</b>	<b>81</b>
Finance costs		(2)	(51)
<b>Profit before tax</b>		<b>903</b>	<b>30</b>
Income tax expense	7	(34)	(7)
<b>Profit for the period attributable to owners of the Company</b>	8	<b>869</b>	<b>23</b>
<b>Other comprehensive income after tax:</b> <i>Items that may be reclassified to profit or loss:</i>			
Exchange differences on translating financial statements of a foreign subsidiary		(9)	(7)
<b>Other comprehensive income for the period, net of tax</b>		<b>(9)</b>	<b>(7)</b>
<b>Total comprehensive income for the period attributable to owners of the Company</b>		<b>860</b>	<b>16</b>
<b>Earnings per share (HK cent)</b>	10		
– Basic		0.08	0.002
– Diluted		N/A	N/A

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the three months ended 31 March 2021

	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000	Foreign currency translation reserve HK\$'000	Shares held for Share Award Scheme HK\$'000	Share-based compensation reserve HK\$'000	Retained profits HK\$'000	Total equity HK\$'000
At 1 January 2020	1,230	61,921	(54,333)	48	(23,300)	-	68,032	53,598
Total comprehensive income for the period	-	-	-	(7)	-	-	23	16
At 31 March 2020	1,230	61,921	(54,333)	41	(23,300)	-	68,055	53,614
At 1 January 2021	1,230	61,921	(54,333)	1,244	(21,805)	-	68,701	56,958
Grant of shares under Share Award Scheme	-	-	-	-	-	252	-	252
Total comprehensive income for the period	-	-	-	(9)	-	-	869	860
At 31 March 2021	1,230	61,921	(54,333)	1,235	(21,805)	252	69,570	58,070

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 31 March 2021

## 1. GENERAL INFORMATION

eBroker Group Limited (the “Company”) was incorporated in the Cayman Islands with limited liability under the Companies Law of the Cayman Islands on 23 May 2016. The Company’s shares are listed on the GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 19 February 2019.

The unaudited condensed consolidated financial statements for the three months ended 31 March 2021 are presented in thousands of units of Hong Kong dollars (“HK\$’000”) unless otherwise stated. Hong Kong dollars (“HK\$”) is the Company’s functional and the Group’s presentation currency.

## 2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements for the three months ended 31 March 2021 have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). HKFRSs comprise Hong Kong Financial Reporting Standards (“HKFRS”); Hong Kong Accounting Standards; and Interpretations. These unaudited condensed consolidated financial statements also comply with the applicable disclosure provisions of the GEM Listing Rules.

The unaudited condensed consolidated financial statements for the three months ended 31 March 2021 should be read in conjunction with the audited consolidated financial statements for the year ended 31 December 2020 and the notes thereto (the “2020 Audited Consolidated Financial Statements”). The significant accounting policies adopted in the preparation of the unaudited condensed consolidated financial statements are consistent with those followed in the preparation of the 2020 Audited Consolidated Financial Statements except for the new and revised standards, amendments and interpretations issued by the HKICPA that are adopted for the first time for the current period’s financial statements. It should be noted that accounting estimates and assumptions were adopted in the preparation of the unaudited condensed consolidated financial statements. Although the estimates are based on the management’s best knowledge of and judgement on the present events and actions, the actual results may eventually differ from those estimates.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 31 March 2021

## 3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

During the period, the Group has adopted all the new and revised HKFRSs issued by the HKICPA that are relevant to its operations and effective for its accounting period beginning on 1 January 2021. The adoption of these new and revised HKFRSs did not result in significant changes to the Group's accounting policies, presentation of the Group's unaudited condensed consolidated financial statements and amounts reported for the current and prior accounting periods.

The Group has not early applied new and revised HKFRSs that have been issued but are not yet effective for the financial period beginning 1 January 2021. The Directors anticipate that the new and revised HKFRSs will be adopted in the Group's unaudited condensed consolidated financial statements when they become effective. The Group is in the process of assessing, where applicable, the potential effect of all new and revised HKFRSs that will be effective in future periods but is not yet in a position to state whether these new and revised HKFRSs would have a material impact on its results of operations and financial position.

## 4. REVENUE

### Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service line for the periods are as follows:

	Three months ended 31 March	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Front office solution service income	5,092	5,310
Back office solution service income	2,477	2,495
Installation and customisation service income	1,473	611
Managed cloud service income	855	877
Others	785	334
	<b>10,682</b>	<b>9,627</b>

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 31 March 2021

## 4. REVENUE (continued)

### Disaggregation of revenue (continued)

The Group derives revenue from the transfer of goods and services over time and at a point in time for the three months ended 31 March 2021 and 2020 in the following major product items and geographical regions:

	Three months ended 31 March	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
<i>Products transferred at a point in time</i>		
Others	281	–
<i>Products and services transferred over time</i>		
Front office solution service income	5,092	5,310
Back office solution service income	2,477	2,495
Installation and customisation service income	1,473	611
Managed cloud service income	855	877
Others	504	334
Total	10,682	9,627
<i>Primary geographical markets</i>		
Hong Kong	10,389	9,376
Macau	293	251
	10,682	9,627

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 31 March 2021

## 5. OTHER INCOME, AND OTHER GAINS AND LOSSES, NET

	Three months ended 31 March	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
<b>Other income</b>		
Interest income on bank deposits	8	239
Management fees from a joint venture	–	30
Government subsidies	35	–
	43	269
<b>Other gains and losses, net</b>		
Fair value gain/(loss) on financial assets at fair value through profit or loss		
– Listed equity investments	53	–
– Derivatives	(126)	–
	(73)	–

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 31 March 2021

## 6. SEGMENT INFORMATION

During the period, all of the Group's contract revenue has been generated from the provision of contracted trading solutions and development of electronics trading systems for brokerage.

The Group has one reportable segment which is the provision of services to the Group's customers. Information reported to the Group's chief operating decision maker, for the purpose of resources allocation and assessment of the Group's performance, is focused on the operating results of the Group as a whole as the Group's resources are integrated and no discrete financial information is available. Accordingly, no segment analysis or information about the Group's services is presented.

The following table sets out information about the geographical location of the Group's revenue from external customers during the period. The geographical location of customers is based on the location to which the services were provided or the goods delivered:

	<b>Three months ended 31 March</b>	
	<b>2021</b>	2020
	<b>HK\$'000</b>	HK\$'000
	<b>(unaudited)</b>	(unaudited)
Hong Kong	<b>10,389</b>	9,376
Macau	<b>293</b>	251
	<b>10,682</b>	9,627

During the periods, no individual customer contributes over 10% of the total revenue of the Group.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 31 March 2021

## 7. INCOME TAX EXPENSE

Income tax has been recognised in unaudited condensed consolidated statement of profit or loss and other comprehensive income for the periods as follows:

	Three months ended 31 March	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Current tax – Hong Kong Profits Tax Provision for the period	34	7
	34	7

Under the two-tiered profits tax regime, profits tax rate for the first HK\$2 million of assessable profits of qualifying corporations established in Hong Kong will be lowered to 8.25%, and profits above that amount will be subject to the tax rate of 16.5%.

PRC Enterprise Income Tax rate for the subsidiary in the PRC is 25%. However, no provision was made for the three months ended 31 March 2021 as the subsidiary incurred tax loss for the period.

## 8. PROFIT FOR THE PERIOD

The Group's profit for the periods are stated after charging the following:

	Three months ended 31 March	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Auditor's remuneration	202	200
Cost of inventories sold	204	–
Depreciation on property, plant and equipment	251	68
Depreciation on right-of-use-assets	71	575

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 31 March 2021

## 9. DIVIDEND

The Directors do not recommend any payment of dividend for the three months ended 31 March 2021 (three months ended 31 March 2020: HK\$ Nil).

## 10. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the following:

	<b>Three months ended 31 March</b>	
	<b>2021</b>	2020
	<b>HK\$'000</b>	HK\$'000
	<b>(unaudited)</b>	(unaudited)
<b>Earnings</b>		
Profit attributable to owners of the Company	<b>869</b>	23
	<b>'000</b>	'000
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	<b>1,117,700</b>	1,110,000

The weighted average number of ordinary shares for the three months ended 31 March 2021 and 2020 for the purpose of calculating basic earnings per share has been adjusted to exclude the shares held for Share Award Scheme.

No diluted earnings per share is calculated for the three months ended 31 March 2021 and 2020 as there was no potential dilutive ordinary share in existence.

## 11. RESERVES

The amounts of the Group's reserves and the movements therein for the period and the same period in 2020 are presented in the unaudited condensed consolidated statement of changes in equity in this report.

# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW

The Group is principally engaged in the provision of financial software solution services to primarily financial institutions (including mainly brokerage firms, proprietary trading firms and wealth management companies) in Hong Kong. The Group derives its revenue mainly from front offices solution service, back office solution service, installation and customisation service, managed cloud service and other services income.

For the three months ended 31 March 2021, the Group recorded a revenue of approximately HK\$10.7 million, representing an increase of approximately 11.0% from approximately HK\$9.6 million recorded for the three months ended 31 March 2020. Profit attributable to owners of the Company for the three months ended 31 March 2021 amounted to approximately HK\$0.9 million, representing a significant increase of approximately HK\$0.8 million as compared with the profit of approximately HK\$23,000 for the three months ended 31 March 2020 mainly due to (i) increase of non-recurring installation and customisation service income by approximately HK\$0.9 million; (ii) decrease of front office solution service income by approximately HK\$0.2 million; and (iii) decrease of staff costs by approximately HK\$0.3 million.

## OUTLOOK

With the Group's long term objective to strengthen its position as one of the major financial software solution services providers by enhancing its overall competitiveness in the financial technology market, the Group intends to focus on (i) expanding its customer base in wealth management solution; (ii) improving user trading applications; and (iii) expanding our managed cloud services to local brokerage firm clients. The Group believes that the coming year will continue to be shaped by the impact of the COVID-19 pandemic, ongoing geopolitical tensions and the challenging road to economic recovery. Despite these challenges, the Group will continue its focus on executing and delivering its business strategies in response to changes of the external environment, whilst adopting prudent approach to cost control and risk management. We will continue to explore market opportunities so as to achieve a sustainable business growth and long-term benefits of the Shareholders.

# MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCIAL REVIEW

### Revenue

The Group derives its revenue primarily from the provision of financial technology solutions which can be classified into (i) front office solution services; (ii) back office solution services; (iii) installation and customisation services; (iv) managed cloud services and (v) other services. For the three months ended 31 March 2021, the Group recorded revenue of approximately HK\$10.7 million, representing an increase of approximately 11.0% as compared with revenue for the previous period of approximately HK\$9.6 million. Such increase was mainly attributable to the significant increase in revenue from installation and customisation services. The revenue from front office solution services decreased by approximately 4.1% from approximately HK\$5.3 million for the three months ended 31 March 2020 to approximately HK\$5.1 million for the three months ended 31 March 2021. The revenue from installation and customisation services increased by approximately 141.1% from approximately HK\$0.6 million for the three months ended 31 March 2020 to approximately HK\$1.5 million for the three months ended 31 March 2021. The revenue from managed cloud services decreased by approximately 2.5% from approximately HK\$0.9 million for the three months ended 31 March 2020 to approximately HK\$0.8 million for the three months ended 31 March 2021. Other sales of products and services income increased by approximately 135% from approximately HK\$0.3 million for the three months ended 31 March 2020 to approximately HK\$0.8 million for the three months ended 31 March 2021.

### Purchases of and Changes in Inventories

The Group's purchases of inventories for the three months ended 31 March 2021 increased by approximately HK\$0.2 million. Such increase was primarily due to the increase of approximately HK\$0.3 million in product sales of the Group for the three months ended 31 March 2021.

### Profit before Tax

The Group's profit before tax for the three months ended 31 March 2021 was approximately HK\$903,000, representing an increase of approximately HK\$873,000 when compared with its profit before tax of approximately HK\$30,000 for the three months ended 31 March 2020. This was primarily due to (i) increase of non-recurring installation and customisation service income by approximately HK\$0.9 million; (ii) decrease of front office solution service income by approximately HK\$0.2 million; and (iii) decrease of staff costs by approximately HK\$0.3 million.

# MANAGEMENT DISCUSSION AND ANALYSIS

## Other Income

The Group's other income consists of management fees received from a joint venture and interest income on bank deposits. The Group's other income decreased to approximately HK\$43,000 from HK\$269,000 for the three months ended 31 March 2020 due to an decrease in interest income of approximately HK\$231,000.

## Staff Costs

For the three months ended 31 March 2021, the Group's staff costs were approximately HK\$6.0 million, representing a decrease of approximately 5.3% over the staff costs of approximately HK\$6.4 million for the three months ended 31 March 2020. The decrease was primarily due to the capitalisation of research and development cost by approximately HK\$469,000.

## Depreciation Expenses

The Group's depreciation expenses decreased by approximately HK\$321,000 for the three months ended 31 March 2021, representing a decrease of approximately 49.9% from approximately HK\$643,000 for the three months ended 31 March 2020.

## Other Operating Expenses

The Group's other operating expenses mainly include (i) cost of services; (ii) rent, building management fees and rates; and (iii) legal and professional fees. The Group's other operating expenses for the three months ended 31 March 2021 were approximately HK\$3.2 million, representing an increase of approximately 13.8% from approximately HK\$2.8 million for the three months ended 31 March 2020. The increase was primarily attributable to an increase in (i) cost of services of approximately HK\$0.2 million and (ii) rental expenses of approximately HK\$0.3 million.

## Income Tax Expense

The Group's income tax expense for the three months ended 31 March 2021 was approximately HK\$34,000, representing an increase of approximately 385.7% from approximately HK\$7,000 for the three months ended 31 March 2020. Such increase was in line with the increase in revenue for the three months ended 31 March 2021. The effective income tax rates of the Group, which equal to the income tax expense divided by profit before tax, were approximately 23.3% and 3.8% for the three months ended 31 March 2020 and 2021, respectively. The decrease in the effective income tax rate for the three months ended 31 March 2021 was due to increase in profit before tax attributable to the net effect of (i) increase of revenue of approximately HK\$1.1 million; and (ii) decrease of staff cost of approximately HK\$0.3 million.

# MANAGEMENT DISCUSSION AND ANALYSIS

## Profit for the period attributable to owners of the Company

Profit attributable to owners of the Company for the three months ended 31 March 2021 amounted to approximately HK\$869,000, representing an increase of approximately HK\$846,000 as compared with the profit of approximately HK\$23,000 for the three months ended 31 March 2020. The significant increase was primarily attributable to (i) increase of non-recurring installation and customisation service income by approximately HK\$0.9 million; (ii) decrease of front office solution service income by approximately HK\$0.2 million; and (iii) decrease of staff costs by approximately HK\$0.3 million.

## USE OF PROCEEDS FROM LISTING

The net proceeds from the share offer were approximately HK\$23.3 million, which was based on the gross proceeds from the share offer less the actual expenses related to the Listing. Subsequent to the Listing, these proceeds will be used for the purposes in accordance with the future plans as set out in the Prospectus and the breakdown of utilization of net proceeds is set out as below:

### Use of proceeds

Description of intended use of the proceeds	Net proceeds <i>HK\$ million</i>	Approximate percentage of total net proceeds	Actual use of proceeds from Listing Date to 31 March 2021 <i>HK\$ million</i>	Unutilised amount as at 31 March 2021 <i>HK\$ million</i>	Expected timeline of full utilisation of the remaining net proceeds
Expand the business in Wealth Management Solution	2.6	11%	0.94	1.66	By end of 31 December 2022
Improve the user trading applications	6.8	29%	1.34	5.46	By end of 31 December 2022
Expand the managed cloud services to local brokerage firm clients	2.6	11%	1.06	1.54	By end of 31 December 2022
Establish a research and development centre in the PRC <i>(Note)</i>	10.7	46%	9.43	1.27	By end of 31 December 2022
General working capital	0.6	3%	-	0.6	By end of 31 December 2022
	23.3	100%	12.77	10.53	

## MANAGEMENT DISCUSSION AND ANALYSIS

Note: As there was a delay in the set up of the PRC subsidiary and the acquisition of property for use as the Group's research and development centre in the PRC, the utilisation of the relevant proceeds had been delayed. Reference is made to the announcements made by the Company on 22 January 2020, 6 February 2020 and 29 April 2020 regarding the acquisition of property in the PRC and change of use of proceeds. The delay in the application of the intended use of proceeds was mainly due to the social unrest in Hong Kong in the second half of 2019 and the outbreak of COVID-19 which have an adverse impact on the local and global economic environment. Hence, the Group considers the conservative approach in postponing the utilisation of the remaining net proceeds for the intended use of proceeds. Save for the abovementioned, there is no other change in the use of proceeds from the share offer.

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

As at 31 March 2021, the interests or short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of 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 and short positions in which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) have to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, were as follows:

#### Long positions

Name of Director	Capacity and nature of interest	Number of Shares held	Approximate percentage of the issued Shares
Mr. Chan Lap Tak, Douglas ("Mr. Chan")	Interest of spouse ( <i>Note 1</i> )	2,291,420	0.19%
Mr. Lo Chi Ho ( <i>who is also the chief executive officer</i> )	Beneficial interest ( <i>Note 2</i> )	9,830,010	0.8%

#### Notes:

- (1) Mr. Chan is the spouse of Ms. Cheung Mee Kuen, Amy ("**Ms. Cheung**") and is deemed to be interested in all the Shares in which Ms. Cheung is interested by virtue of the SFO.
- (2) The interest comprises 9,100,010 Shares and 730,000 underlying Shares in respect of award Shares vested on 31 December 2020 pursuant to the Share Award Scheme.

## MANAGEMENT DISCUSSION AND ANALYSIS

Save as disclosed above, as at 31 March 2021, none of the Directors or chief executive of the Company nor their associates had registered an interest or short position in any Shares or underlying Shares and/or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have 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 in which they are taken or deemed to have under such provisions of the SFO) or that was required to be recorded in the register kept by the Company pursuant to section 352 of the SFO, or which are required to be notified to the Company and the Stock Exchange, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

### SHARE OPTION SCHEME

The Company has adopted the share option scheme on 22 January 2019. No share option has been granted for the three months ended 31 March 2021.

### SHARE AWARD SCHEME

On 12 August 2019, the Company adopted a share award scheme (the “Share Award Scheme”). The Share Award Scheme does not constitute a share option scheme or an arrangement analogous to a share option scheme for the purpose of Chapter 23 of the GEM Listing Rules. The shares under the Share Award Scheme will be acquired by the trustee by way of subscription of new shares (whether pursuant to general mandate or specific mandate granted by the Shareholders or otherwise) and/or purchase of shares from the market out of the funds contributed by the Group and be held on trust for the participants until such awarded Shares are vested in the relevant selected participants in accordance with the rules of the Share Award Scheme. Subject to any early termination as may be determined by the Board by resolution, the Share Award Scheme shall be valid and effective for a term of 10 years commencing from the date of adoption of the Share Award Scheme. The Board shall not make any further award of awarded shares which will result in the total number of issued Shares awarded by the Board under Share Award Scheme exceeding 10% of the total number of issued Shares from time to time.

During the three months ended 31 March 2021, the trustee of the Share Award Scheme, pursuant to the terms of the rules and trust deed of the Share Award Scheme, did not purchase any Shares on the Stock Exchange. As at 31 March 2021, there were 112,300,000 Shares held by the trustee pursuant to the Share Award Scheme. On 10 February 2021, the Board has resolved to grant an aggregate of 21,400,000 award shares, all in the form of existing shares, to 50 selected persons under the Share Award Scheme. Subject to the satisfaction of the vesting conditions, 50% of these award Shares shall be vested to the respective selected persons on 31 December 2021 and the remaining 50% of the award shares shall be vested to the respective selected persons on 31 December 2022. For details, please refer to the Company’s announcement dated 10 February 2021.

## MANAGEMENT DISCUSSION AND ANALYSIS

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 March 2021, the following persons (other than the Directors or chief executive of the Company) had interests and short positions in the Shares or underlying Shares of the Company which were required to be notified to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO or as recorded in the register of interests required to be kept by the Company pursuant to section 336 of the SFO were as follows:

#### Long positions in the Shares

Name	Capacity and nature of interest	Number of Shares held	Approximate percentage of the issued Shares
Quantsmile (BVI) Limited ("Quantsmile BVI")	Beneficial interests	411,902,870 <i>(note 1)</i>	33.49%
Eagle Business Consulting Limited ("Eagle Business Consulting")	Beneficial interests/Interest in a controlled corporation	664,296,910 <i>(note 1 and note 2)</i>	54.01%
Good Steward Foundation Limited ("Good Steward Foundation")	Interest in a controlled corporation	664,296,910 <i>(note 2 and note 3)</i>	54.01%
Financial Data Technologies Limited ("Financial Data Technologies")	Beneficial interests	130,000,000 <i>(note 4)</i>	10.57%
Mr. Nie Lehui	Interest in a controlled corporation	130,000,000 <i>(note 4)</i>	10.57%
Bank of Communications Trustee Ltd.	Trustee	112,300,000 <i>(note 5)</i>	9.13%

# MANAGEMENT DISCUSSION AND ANALYSIS

Notes:

- (1) Quantsmile (BVI) is an investment holding company incorporated in the BVI and is held as to approximately 50.85% by Eagle Business Consulting, 23.73% by Supergrand and 25.42% jointly by Mr. Chan (an executive Director) and Ms. Cheung (the spouse of Mr. Chan). By virtue of the SFO, Eagle Business Consulting is deemed to be interested in the Shares held by Quantsmile (BVI) in the Company.
- (2) Eagle Business Consulting is an investment holding company incorporated in Hong Kong and is held as to approximately 95.24% by Good Steward Foundation and 4.76% by Ms. Cheung (the spouse of Mr. Chan). By virtue of the SFO, Good Steward Foundation is deemed to be interested in the Shares held by Quantsmile (BVI), which held approximately 33.49% interests in the Company.
- (3) Good Steward Foundation is a charitable company incorporated in Hong Kong and holds approximately 95.24% interest in Eagle Business Consulting, which holds approximately 50.85% in Quantsmile (BVI), which in turn held approximately 33.49% interests in the Company. By virtue of the SFO, Good Steward Foundation is deemed to be interested in the Shares held by Eagle Business Consulting.
- (4) Financial Data Technologies is beneficially and wholly owned by Mr. Nie Lehui.
- (5) Bank of Communication Trustee Ltd is the trustee appointed by the Company in relation to the Share Award Scheme.

Save as disclosed above, as at 31 March 2021, so far as is known by or otherwise notified to the Directors, no other entity or person (other than a Director or the chief executive officer of the Company) had interests or short positions in the Shares, underlying Shares or debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required, pursuant to section 336 of the SFO, to be recorded in the register referred to therein.

## COMPETING INTEREST AND DEED OF NON-COMPETITION

Each of the Controlling Shareholders entered into a deed of non-competition in favour of the Company on 22 January 2019, details of which are set out in the section headed “Relationship with our Controlling Shareholders – Non-competition undertaking” in the Prospectus.

During the three months ended 31 March 2021 and up to the date of this report, none of the Directors or the Controlling Shareholders or their respective close associates (as defined in the GEM Listing Rules) are interested in any business which competes or may compete, either directly or indirectly, with the business of the Group nor did they have any conflicts of interest with the Group.

# MANAGEMENT DISCUSSION AND ANALYSIS

## INTERESTS OF THE COMPLIANCE ADVISER

In accordance with Rule 6A.19 of the GEM Listing Rules, the Group has appointed Somerley Capital Limited as its compliance adviser, which will provide advice and guidance to the Group in respect of compliance with the applicable laws and the GEM Listing Rules including various requirements relating to directors' duties and internal controls. Except for the compliance adviser agreement entered into between the Company and the compliance adviser dated 19 December 2018, neither the compliance adviser nor its directors, employees or close associates had any interests in relation to the Company which is required to be notified to the Group pursuant to Rule 6A.32 of the GEM Listing Rules.

## REVIEW OF FINANCIAL STATEMENTS

The Company established an audit committee on 19 June 2018 (the "**Audit Committee**") in accordance with Rule 5.28 of the GEM Listing Rules. Written terms of reference in compliance with Rule 5.29 of the GEM Listing Rules and code provision C.3.3 of the CG Code have been adopted. The primary duties of the Audit Committee are mainly to make recommendations to the Board on appointment, reappointment and removal of the external auditor, review and supervise the financial reporting process and the financial controls, internal control and risk management systems of the Company.

The Audit Committee consists of three independent non-executive Directors, being Mr. Au Yeung Po Fung, Mr. Chan Chi Kwong Dickson and Mr. Liu Kin Sing. Mr. Au Yeung Po Fung is the chairman of the Audit Committee.

The Group's unaudited condensed consolidated financial statements for the three months ended 31 March 2021, the accounting policies and practices adopted by the Group, and this report have been reviewed by the Audit Committee.

## PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the three months ended 31 March 2021, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

# MANAGEMENT DISCUSSION AND ANALYSIS

## EVENTS AFTER THE REPORTING PERIOD

Save as disclosed above, no other significant events took place subsequent to 31 March 2021 and up to the date of this report.

By order of the Board  
**eBroker Group Limited**  
**Chan Lap Tak, Douglas**  
*Chairman and executive Director*

Hong Kong, 13 May 2021

In this report, unless the context otherwise requires, the following expressions have the following meaning:

“Board”	The board of Directors
“China” or PRC”	The People’s Republic of China and, except where the context requires otherwise and only for the purposes of this report, references to China or the PRC exclude Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Company”	eBroker Group Limited (電子交易集團有限公司), a company incorporated as an exempted company with limited liability in the Cayman Islands on 23 May 2016
“Controlling Shareholder(s)”	Has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	The director(s) of the Company
“GEM Listing Rules”	The Rules Governing the Listing of Securities on GEM of the Stock Exchange, as amended, supplemented or otherwise modified from time to time as the context may require
“Group”	The Company and its subsidiaries, or any of them or, where the context so requires, in respect of the period before the Company became the holding company of its present subsidiaries, such subsidiaries as if they were subsidiaries of the Company at that time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong” or “HK”	The Hong Kong Special Administrative Region of the PRC
“Listing”	The listing of the Shares on GEM on the Stock Exchange on 19 February 2019
“Listing Date”	19 February 2019, the date on which the Shares were listed on GEM of the Stock Exchange
“Prospectus”	The prospectus of the Company published on 30 January 2019 in connection with the Listing
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share(s)”	Ordinary share(s) of HK\$0.001 each in the share capital of the Company

## DEFINITIONS

“Shareholder(s)”	Holder(s) of the Shares
“Share Award Scheme”	the share award scheme adopted by the Company on 12 August 2019, as amended from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	Per cent