

eBROKER GROUP LIMITED
電子交易集團有限公司

(incorporated in the Cayman Islands with limited liability)

Stock code: 8036

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

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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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THIRD QUARTERLY RESULTS

The Board is pleased to announce the unaudited condensed consolidated results of the Group for the three months and nine months ended 30 September 2023 together with the unaudited comparative figures for the corresponding periods in 2022, as follows:

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

For the three months and nine months ended 30 September 2023

	Note	Three months ended 30 September		Nine months ended 30 September	
		2023	2022	2023	2022
		HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)
Revenue	4	9,736	8,820	28,974	27,193
Other income	5	385	539	833	895
Other gains and losses, net	5	(881)	(1,565)	(1,115)	(2,644)
Purchases of and changes in inventories		–	–	(301)	(44)
Staff costs		(6,240)	(5,978)	(17,621)	(17,168)
Depreciation expenses		(599)	(623)	(1,808)	(1,843)
Other operating expenses	6	(2,721)	(1,486)	(7,509)	(5,377)
(Loss)/profit from operations		(320)	(293)	1,453	1,012
Finance costs	9(b)	(17)	(27)	(59)	(89)
(Loss)/profit before tax	9(a)	(337)	(320)	1,394	923
Income tax credit/(expense)	8	138	–	–	(1)
(Loss)/profit for the period attributable to owners of the Company		(199)	(320)	1,394	922
Other comprehensive income/(loss) after tax:					
<i>Items that will not be reclassified to profit or loss:</i>					
Fair value changes of equity instruments at fair value through other comprehensive income/(loss)		(89)	(472)	(170)	(645)
<i>Items that may be reclassified to profit or loss:</i>					
Exchange differences on translating financial statements of a foreign subsidiary		(42)	(1,625)	(392)	(2,392)
Other comprehensive (loss)/income for the period, net of tax		(131)	(2,097)	(562)	(3,037)
Total comprehensive (loss)/income for the periods attributable to owners of the Company		(330)	(2,417)	832	(2,115)
(Loss)/earnings per share					
– Basic (HK cent per share)	10	(0.02)	(0.03)	0.12	0.08
– Diluted (HK cent per share)	10	N/A	N/A	N/A	N/A

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the nine months ended 30 September 2023

	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000	Foreign currency translation reserve HK\$'000	Investment revaluation 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 2022	1,230	61,921	(54,333)	2,007	-	(19,898)	751	67,872	59,550
Grant of shares under shares award scheme	-	-	-	-	-	-	916	-	916
Shares vested under the share award scheme	-	-	-	-	-	190	(88)	(102)	-
Profit for the period	-	-	-	-	-	-	-	922	922
Other comprehensive loss for the period	-	-	-	(2,392)	(645)	-	-	-	(3,037)
At 30 September 2022	1,230	61,921	(54,333)	(385)	(645)	(19,708)	1,579	68,692	58,351
At 1 January 2023	1,230	61,921	(54,333)	883	(466)	(17,141)	209	68,725	61,028
Grant of shares under shares award scheme	-	-	-	-	-	-	117	-	117
Profit for the period	-	-	-	-	-	-	-	1,394	1,394
Other comprehensive loss for the period	-	-	-	(392)	(170)	-	-	(562)	(562)
At 30 September 2023	1,230	61,921	(54,333)	491	(636)	(17,141)	326	69,557	61,977

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended 30 September 2023

1. GENERAL INFORMATION

eBroker Group Limited (the “Company”) was incorporated in the Cayman Islands with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) 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.

2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements for the nine months ended 30 September 2023 have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). These unaudited condensed consolidated financial statements comply with the accounting principles generally accepted in Hong Kong and the GEM Listing Rules.

The unaudited condensed consolidated financial statements for the nine months ended 30 September 2023 should be read in conjunction with the audited consolidated financial statements for the year ended 31 December 2022 and the notes thereto (the “2022 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 2022 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 nine months ended 30 September 2023

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

Certain new and revised HKFRSs have been issued. The Directors considered that the adoption of new and revised HKFRSs which are effective for the accounting period beginning on 1 January 2023 will not have any material impact on the preparation and presentation of the results and financial conditions of the current and previous periods. For the HKFRSs that are not yet effective nor have not been early adopted, the Group is in the process of making an assessment of the potential impact of the newly issued HKFRSs.

4. REVENUE

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

	Three months ended 30 September		Nine months ended 30 September	
	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)
Front office solution service income	4,338	4,568	13,127	13,934
Back office solution service income	2,627	2,684	7,873	7,836
Installation and customisation services income	1,281	251	3,813	1,466
Managed cloud service income	702	794	2,132	2,388
Others	788	523	2,029	1,569
	9,736	8,820	28,974	27,193

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended 30 September 2023

4. REVENUE (continued)

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major product or service lines and geographical regions:

	Three months ended 30 September		Nine months ended 30 September	
	2023 HK\$'000 <i>(unaudited)</i>	2022 HK\$'000 <i>(unaudited)</i>	2023 HK\$'000 <i>(unaudited)</i>	2022 HK\$'000 <i>(unaudited)</i>
<i>Products and services transferred at a point in time</i>				
Others	-	-	364	84
<i>Products and services transferred over time</i>				
Front office solution service income	4,338	4,568	13,127	13,934
Back office solution service income	2,627	2,684	7,873	7,836
Installation and customisation services income	1,281	251	3,813	1,466
Managed cloud service income	702	794	2,132	2,388
Others	788	523	1,665	1,485
Total	9,736	8,820	28,974	27,193
<i>Primary geographical markets</i>				
Hong Kong	8,920	8,568	25,895	26,316
Macau	363	205	1,198	801
Mainland China	233	-	1,269	-
Singapore	220	47	612	76
Total	9,736	8,820	28,974	27,193

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended 30 September 2023

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

	Three months ended 30 September		Nine months ended 30 September	
	2023	2022	2023	2022
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Other income				
Bank interest income	141	37	406	56
Dividends income from financial assets at fair value through profit or loss	195	179	258	141
Dividends income from financial assets at fair value through other comprehensive income	49	61	49	61
Government subsidies	–	262	120	547
	385	539	833	895
Other gains and losses, net				
Fair value loss on financial assets at fair value through profit or loss				
– Listed equity investments	(881)	(1,565)	(1,115)	(2,639)
Loss on deregistration of a joint venture	–	–	–	(5)
	(881)	(1,565)	(1,115)	(2,644)

6. OTHER OPERATING EXPENSES

	Three months ended 30 September		Nine months ended 30 September	
	2023	2022	2023	2022
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Cost of services	482	654	1,457	1,819
Amortisation of intangible assets	323	118	819	355
Auditor's remuneration	187	162	562	491
Donation	100	100	100	100
Insurance	137	133	413	353
Legal and professional fees	516	201	1,270	781
Office expenses	207	65	860	652
Expenses relating to short-term lease	169	169	513	519
Transportation and entertainment expenses	227	211	668	539
Net exchange losses/(gains)	91	(451)	377	(607)
Other miscellaneous expenses	282	124	470	375
Total other operating expenses	2,721	1,486	7,509	5,377

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended 30 September 2023

7. SEGMENT INFORMATION

During the periods, all of the Group's contract revenue has been generated from the sale of computer products, 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 periods. The geographical location of customers is based on the location to which the services were provided or the goods were delivered.

	Three months ended 30 September		Nine months ended 30 September	
	2023 HK\$'000 (<i>unaudited</i>)	2022 HK\$'000 (<i>unaudited</i>)	2023 HK\$'000 (<i>unaudited</i>)	2022 HK\$'000 (<i>unaudited</i>)
Hong Kong	8,920	8,568	25,895	26,316
Macau	363	205	1,198	801
Mainland China	233	–	1,269	–
Singapore	220	47	612	76
	9,736	8,820	28,974	27,193

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 nine months ended 30 September 2023

8. INCOME TAX CREDIT/(EXPENSE)

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

	Three months ended 30 September		Nine months ended 30 September	
	2023	2022	2023	2022
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Current tax – Hong Kong Profits Tax	138	–	–	–
Over/(under) – provision in prior period	–	–	–	(1)
Income tax credit/(expense)	138	–	–	(1)

No provision for Hong Kong Profits Tax has been made in the financial statements for the period ended 30 September 2023 and 30 September 2022 since the Group has no assessable profit during these periods.

People's Republic of China ("PRC") Enterprise Income Tax rate for the subsidiary in the PRC is 25%. However, no provision was made for the nine months ended 30 September 2023 and 2022 as the subsidiary incurred tax loss for the periods.

9. (LOSS)/PROFIT BEFORE TAX

(a) The Group's (loss)/profit before tax is stated after charging the following:

	Three months ended 30 September		Nine months ended 30 September	
	2023	2022	2023	2022
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Amortisation of intangible assets	323	118	819	355
Auditor's remuneration	187	162	562	491
Cost of inventories sold	–	–	301	44
Depreciation of property, plant and equipment	212	289	653	841
Depreciation of right-of-use-assets	387	334	1,155	1,002
Impairment loss on trade receivables	181	43	188	117

(b) Finance costs

	Three months ended 30 September		Nine months ended 30 September	
	2023	2022	2023	2022
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Interest expense on lease liabilities	17	27	59	89

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended 30 September 2023

10. (LOSS)/EARNINGS PER SHARE

The calculation of the basic (loss)/earnings per share is based on the following:

	Three months ended 30 September		Nine months ended 30 September	
	2023	2022	2023	2022
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(<i>unaudited</i>)	(<i>unaudited</i>)	(<i>unaudited</i>)	(<i>unaudited</i>)
Earnings				
(Loss)/profit attributable to owners of the Company and (loss) earnings for the purpose of calculating basic earnings per share	(199)	(320)	1,394	922
	'000	'000	'000	'000
Number of shares				
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	1,141,720	1,128,500	1,141,720	1,128,432

The weighted average number of ordinary shares for the three months and nine months ended 30 September 2023 and 2022 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 and nine months ended 30 September 2023 and 2022 as there was no potential dilutive ordinary share in existence.

11. DIVIDEND

The Directors do not recommend any payment of dividend for the nine months ended 30 September 2023 (2022: HK\$ Nil).

12. RESERVES

The amounts of the Group's reserves and the movements therein for the period and the same period in 2022 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 financial institutions (including mainly brokerage firms, proprietary trading firms and wealth management companies) in Hong Kong. The Group derives its revenue mainly from front office solution service, back office solution service, installation and customisation services, managed cloud service and other services income.

For the nine months ended 30 September 2023, the Group recorded a revenue of approximately HK\$29.0 million, representing an increase of approximately 6.5% from approximately HK\$27.2 million recorded for the nine months ended 30 September 2022. Profit attributable to owners of the Company for the nine months ended 30 September 2023 amounted to approximately HK\$1.4 million, representing an increase of approximately 51.2% as compared with the profit of approximately HK\$0.9 million for the nine months ended 30 September 2022, such increase was attributable to (i) increase in non-recurring installation and customisation service income by HK\$2.3 million; (ii) decrease in investment loss of approximately HK\$1.5 million and, these were partially offset by (i) the increase in legal and professional fees of approximately HK\$0.5 million; (ii) increase in exchange losses of approximately HK\$1.0 million; (iii) decrease in front office solution service income of approximately HK\$0.8 million; (iv) increase in staff costs by approximately HK\$0.5 million; and increase in amortisation of intangible assets of approximately HK\$0.5 million. The Group has recorded total comprehensive income attributable to owners of the Company of approximately HK\$0.8 million for the nine months ended 30 September 2023 as compared with total comprehensive loss of approximately HK\$2.1 million for the nine months ended 30 September 2022. Such change from loss to income is mainly attributed to exchange differences on translating financial statements of foreign subsidiary approximately HK\$2.0 million during the period.

OUTLOOK

With the ongoing challenges posed by the macroeconomic, persistent inflation environment, as well as escalating geopolitical conflicts and tensions, the financial performance of the Group may potentially be impacted. Nonetheless, 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 service; (ii) back office solution service; (iii) installation and customisation services; (iv) managed cloud service and (v) other services income. For the nine months ended 30 September 2023, the Group recorded revenue of approximately HK\$29.0 million, representing an increase of approximately 6.5% as compared with the previous corresponding period of approximately HK\$27.2 million. Such increase was mainly attributable to the significant increase in installation and customisation services income. The installation and customisation services income increased by approximately 160.1% from approximately HK\$1.5 million for the nine months ended 30 September 2022 to approximately HK\$3.8 million for the nine months ended 30 September 2023. The Group's managed cloud service income decreased by approximately 10.7% from approximately HK\$2.39 million for the nine months ended 30 September 2022 to approximately HK\$2.1 million for the nine months ended 30 September 2023. Back office solution service income increased by approximately 0.5% from approximately HK\$7.8 million for the nine months ended 30 September 2022 to approximately HK\$7.9 million for the nine months ended 30 September 2023. Front office solution service income decreased by approximately 5.8% from approximately HK\$13.9 million for the nine months ended 30 September 2022 to approximately HK\$13.1 million for the nine months ended 30 September 2023.

Purchases of and Changes in Inventories

The Group's purchases of and changes in inventories for the nine months ended 30 September 2023 increased by approximately HK\$257,000. Such increase was primarily due to an increase of approximately HK\$280,000 in product sales of the Group for the nine months ended 30 September 2023.

Profit before Tax

The Group's profit before tax for the nine months ended 30 September 2023 was approximately HK\$1.4 million, representing an increase by approximately 51.0% when compared with its profit before tax of approximately HK\$0.9 million for the nine months ended 30 September 2022. This was primarily due to the increase in installation and customisation income by approximately HK\$2.3 million for the nine months ended 30 September 2023.

Other Income

The Group's other income consists of government subsidies and interest income on bank deposits. The Group's other income decreased to approximately HK\$833,000 from approximately HK\$895,000 for the nine months ended 30 September 2022 due to an increase in interest income by approximately HK\$350,000 and decrease in the government subsidies by approximately HK\$427,000.

MANAGEMENT DISCUSSION AND ANALYSIS

Staff costs

For the nine months ended 30 September 2023, the Group's staff costs increased by approximately HK\$0.5 million (30 September 2022: approximately HK\$17.2 million).

Depreciation

The Group's depreciation expenses decreased by approximately HK\$35,000 for the nine months ended 30 September 2023 representing a decrease of approximately 1.9% from approximately HK\$1.8 million for the nine months ended 30 September 2022. The decrease was primarily due to the decrease of depreciation expenses for right-of-use-assets during the period.

Other Operating Expenses

The Group's other operating expenses mainly include (i) cost of services; and (ii) building management fee and rates. The Group's other operating expenses for the nine months ended 30 September 2023 were approximately HK\$7.5 million, representing an increase of approximately 39.7% over the other operating expenses of approximately HK\$5.4 million for the nine months ended 30 September 2022. The increase was primarily attributable to an increase in exchange losses of approximately HK\$1.0 million.

Income Tax Credit/(Expense)

The Group's income tax expense for the nine months ended 30 September 2023 was nil, representing a decrease from a tax expense approximately HK\$1,000 for the nine months ended 30 September 2022. Such decrease was due to the tax loss brought forward from the year 2022. The tax credit/(expense) for the period ended 30 September 2023 and 2022 represented the over/(under)-provision of profits tax in prior period.

Profit for the period attributable to owners of the Company

Profit attributable to owners of the Company for the nine months ended 30 September 2023 amounted to approximately HK\$1.4 million, representing an increase of approximately 51.0% as compared with the profit of approximately HK\$0.9 million for the nine months ended 30 September 2022. The significant increase was primarily attributable to the increase in installation and customisation service income of approximately HK\$2.3 million for the nine months ended 30 September 2023.

DIVIDEND

The Board did not recommend the payment of any dividend for the nine months ended 30 September 2023 (2022: Nil).

SIGNIFICANT INVESTMENTS AND PLAN FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Saved as disclosed herein, there was no significant investment held by the Group or have any other plans for material investments or capital assets.

MANAGEMENT DISCUSSION AND ANALYSIS

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

As at 30 September 2023, 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 in the shares and underlying shares of the Company

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>)	12,210,010	0.99%

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 10,810,010 Shares and 1,190,000 award Shares which were vested to Mr Lo on 9 January 2023 and 210,000 award Shares granted to Mr. Lo on 20 January 2022 but yet to be vested. For further details, please refer to the announcements of the Company dated 20 January 2022 and 27 January 2022.

Save as disclosed above, as at 30 September 2023, 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.

MANAGEMENT DISCUSSION AND ANALYSIS

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

As at 30 September 2023, 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 and 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	88,280,000 <i>(note 5)</i>	7.18%

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, 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 95.19% 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 30 September 2023, 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.

SHARE OPTION SCHEME

The Company has adopted the Share Option Scheme on 22 January 2019. No share option has been granted since the adoption date of the Share Option Scheme. Therefore, no share options have been granted, exercised, cancelled or lapsed pursuant to the Share Option Scheme.

As at 1 January 2023 and 30 September 2023, being the beginning and the end of the period under review, the number of options available for grant under the Share Option Scheme limit was 123,000,000.

MANAGEMENT DISCUSSION AND ANALYSIS

SHARE AWARD SCHEME

On 12 August 2019, the Company adopted the Share Award Scheme. 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 (being 123,000,000 Shares) from time to time. The maximum number of Shares which may be awarded to one selected person under the Share Award Scheme shall not exceed 1% of the issued share capital of the Company from time to time.

During the nine months ended 30 September 2023, the trustee of the Share Award Scheme, pursuant to the terms of the rules and trust deed of the Share Award Scheme, did not make any purchase any Shares on the Stock Exchange. As at 30 September 2023, there were 88,280,000 Shares held by the trustee pursuant to the Share Award Scheme.

On 20 January 2022, the Board has resolved to grant an aggregate of 9,280,000 award Shares, all in the form of existing Shares, to 45 selected persons under the Share Award Scheme. Subject to the satisfaction of the vesting conditions, 980,000 of the award Shares shall be vested on the date of grants, 4,640,000 of these award Shares shall be vested to the respective selected persons on 31 December 2022 and 3,660,000 of the award shares shall be vested to the respective selected persons on 31 December 2023. For details, please refer to the Company's announcement dated 20 January 2022.

As at 1 January 2023 and 30 September 2023, being the beginning and the end of the period under review, the number of award Shares available for grant under the Share Award Scheme shall be 88,280,000 and 88,280,000 respectively, representing approximately 7.18% and 7.18% of the Company's issued share capital as at that date respectively.

MANAGEMENT DISCUSSION AND ANALYSIS

Details of the movements in award Shares under the Share Award Scheme during the nine months ended 30 September 2023 are as follows:

Name or category of participants	Date of grant ¹	Vesting date	Number of unvested award Shares					As at 30 September 2023
			As at 1 January 2023	Granted during the period	Vested during the period	Cancelled during the period	Lapsed during the period	
Director								
Mr. Lo Chi Ho (<i>being an executive Director and the chief executive officer</i>) ²	20 January 2022	31 December 2023	210,000	-	-	-	-	210,000
Associates of Directors								
Mr. Timothy Chan ⁴	20 January 2022	31 December 2023	110,000	-	-	-	-	110,000
Ms. Catherine Chan ⁵	20 January 2022	31 December 2023	40,000	-	-	-	-	40,000
One of the five highest paid individual other than Directors during the financial year in aggregate ²	20 January 2022	31 December 2023	210,000	-	-	-	-	210,000
Employees other than above (including ex-employees in aggregate)	20 January 2022	31 December 2023	2,800,000	-	-	-	-	2,800,000
Total			3,370,000	-	-	-	-	3,370,000

Notes:

- The award Shares were granted at nil consideration. The closing price of Shares immediately before the date on which the award Shares granted on 20 January 2022 was HK\$0.09 per award Share. The fair value of the award Shares granted on 20 January 2022 was HK\$0.09 per share, which was determined based on the market price of the Shares as at the date of grant. The amount to be expensed as share-based compensation expenses is determined by reference to the fair value of the award Shares granted, taking into account all non-vesting conditions associated with the grants on grant date.
- One of the five top-paid individuals during the period was Mr. Lo Chi Ho who is a Director, whose interests in the awarded Shares had been disclosed separately under "**Director**" in the table above and not aggregated to the "**One of the five highest paid individual other than Director during the financial year in aggregate**". Other than Mr. Lo Chi Ho, there is only one individual among the five top-paid individuals who was granted the award Shares or held unvested award Shares during the year.
- The numbers of award Shares available for grant under the Scheme as at 1 January 2023 and 30 September 2023 was 88,280,000 award Shares and 88,280,000 award Shares.
- Mr. Timothy Chan, an employee of the Group and the son of Mr. Chan Lap Tak Douglas (an executive Director and the chairman of the Company), who therefore is a connected person of the Company (as defined under Chapter 20 of the GEM Listing Rules).
- Ms. Catherine Chan, an employee of the Group and the daughter of Mr. Chan Lap Tak Douglas (an executive Director and the chairman of the Company), who therefore is a connected person of the Company (as defined under Chapter 20 of the GEM Listing Rules).
- There is no performance target attached to the award Shares.
- There are no participants with awarded Shares granted in excess of the individual limit and no grants to related entity and suppliers of good and services.
- The vesting period of the awarded Shares refers to the period from the date of grant until the date of vesting.

MANAGEMENT DISCUSSION AND ANALYSIS

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 nine months ended 30 September 2023 and up to the date of this report, none of the Directors or the Controlling Shareholders or their 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.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to achieving high standards of corporate governance. The Directors believe that sound and reasonable corporate governance practices are essential in providing a framework for the Company to safeguard the interests of Shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has adopted and complied with the code provisions as set out in the Corporate Governance Code contained in Part 2 of Appendix 15 of the GEM Listing Rules as the basis of the Company’s corporate governance practices during the nine months ended 30 September 2023.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules as its code of conduct regarding directors’ securities transactions (“**Required Standard of Dealings**”).

Having made specific enquiry with all the Directors, all Directors have confirmed that they have complied with the Required Standard of Dealings and no non-compliance events with the Required Standard of Dealings have to be reported during the nine months ended 30 September 2023.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the nine months ended 30 September 2023, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities.

EVENTS AFTER THE REPORTING PERIOD

There is no material event undertaken by the Company or by the Group subsequent to 30 September 2023 and up to the date of this report.

MANAGEMENT DISCUSSION AND ANALYSIS

AUDIT COMMITTEE

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 D.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 of the Company, which consists of Mr. Au Yeung Po Fung, Mr. Chan Chi Kwong Dickson and Mr. Liu Kin Sing, all being independent non-executive Directors, has reviewed this report and the Group’s unaudited condensed consolidated financial results for the nine months ended 30 September 2023, and is of the opinion that the preparation of such results complied with applicable accounting standards, the GEM Listing Rules and other applicable legal requirements, and that adequate disclosures have been made in respect thereof.

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

Hong Kong, 13 November 2023

DEFINITIONS

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
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong” or “HK”	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
“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
“Share Option Scheme”	the share option scheme of the Company adopted on 22 January 2019
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent