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eBROKER GROUP LIMITED

電子交易集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8036)

(1) EARLY TERMINATION OF CONTINUING CONNECTED TRANSACTION IN RELATION TO TENANCY AGREEMENT AND (2) VOLUNTARY ANNOUNCEMENT IN RELATION TO THE NEW TENANCY AGREEMENT

EARLY TERMINATION OF CONTINUING CONNECTED TRANSACTION IN RELATION TO TENANCY AGREEMENT

eBroker Systems was informed by Easy System Design that eBroker Limited disposed its 100% shares held in Easy System Design, which wholly owns the Property, to an Independent Third Party and such sale was completed on 31 December 2020. Following the completion of the sale of Easy System Design, Easy System Design ceased to be a connected person of the Company. Accordingly, the transaction contemplated under the Tenancy Agreement no longer constitutes continuing connected transaction for the Company pursuant to the GEM Listing Rules.

The parties also confirmed that no penalty is required to be paid by eBroker Systems and none of them shall have any claim against the other parties arising from such early termination. Hence, the Board considered that the termination of the Tenancy Agreement will not have any material adverse effect on the operation and financial position of the Group.

VOLUNTARY ANNOUNCEMENT IN RELATION TO THE NEW TENANCY AGREEMENT

In view of the change in ownership of Easy System Design, eBroker Systems and Easy System Design have mutually agreed to an early termination of the Tenancy Agreement, and entered into the New Tenancy Agreement for a term of six months commencing from 1 January 2021 to 30 June 2021 as eBroker Systems will continue to use the Property for use as office.

EARLY TERMINATION OF CONTINUING CONNECTED TRANSACTION IN RELATION TO TENANCY AGREEMENT

This announcement is made pursuant to Rule 20.33 of the GEM Listing Rules in relation to the termination of a continuing connected transaction.

Reference is made to the Prospectus of the Company. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Prospectus. As disclosed in the section headed “Connected Transactions” in the Prospectus, eBroker Systems (an indirect wholly-owned subsidiary of the Company) and Easy System Design entered into the Tenancy Agreement in relation to the leasing of the Property for a term of three years from 1 January 2019 to 31 December 2021 at a monthly rent of HK\$180,000.

eBroker Systems was informed by Easy System Design that eBroker Limited disposed its 100% shares held in Easy System Design, which wholly owns the Property, to an Independent Third Party and such sale was completed on 31 December 2020. Following the completion of the sale of Easy System Design, Easy System Design ceased to be a connected person of the Company. Accordingly, the transaction contemplated under the Tenancy Agreement no longer constitutes continuing connected transaction for the Company pursuant to the GEM Listing Rules. Further, the early termination of the Tenancy Agreement results in a decrease in the amount of right-of-use asset recognised by the Company under HKFRS16 and is regarded as a disposal of assets under the GEM Listing Rules.

The parties also confirmed that no penalty is required to be paid by eBroker Systems and none of them shall have any claim against the other parties arising from such early termination. Hence, the Board considered that the termination of the Tenancy Agreement will not have any material adverse effect on the operation and financial position of the Group.

As the applicable percentage ratio (as defined in the GEM Listing Rules) calculated based on the remaining right-of-use asset is less than 5% for the Company, the early termination of the Tenancy Agreement does not constitute a notifiable transaction for the Company under Chapter 19 of the GEM Listing Rules.

VOLUNTARY ANNOUNCEMENT IN RELATION TO THE NEW TENANCY AGREEMENT

The Board would like to make this announcement to disclose the arrangement of entering into the New Tenancy Agreement on a voluntary basis in order to keep the Shareholders informed of the recent development of the lease arrangement of the Group.

In view of the change in ownership of Easy System Design, eBroker Systems and Easy System Design have mutually agreed to an early termination of the Tenancy Agreement, and entered into the New Tenancy Agreement for a term of six months commencing from 1 January 2021 to 30 June 2021 as eBroker Systems will continue to use the Property for use as office.

Given all applicable percentage ratios (as defined in the GEM Listing Rules) in respect of the New Tenancy Agreement are less than 5% for the Company, the transaction contemplated under the New Tenancy Agreement does not constitute a notifiable transaction for the Company under Chapter 19 of the GEM Listing Rules.

DEFINITIONS

“Board”	the board of Directors from time to time
“BVI”	the British Virgin Islands
“Capital Master”	Capital Master Limited (溢本有限公司), a company incorporated in Hong Kong with limited liability, which is owned by Independent Third Parties
“Company”	eBroker Group Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on GEM of the Stock Exchange
“Directors”	the directors of the Company
“Eagle Business”	Eagle Business Consulting Limited, a company incorporated in Hong Kong with limited liability which is owned as to 95.19% by Good Steward Foundation Limited (a substantial shareholder of the Company), 4.76% by Ms. Cheung Mee Kuen, Amy (the spouse of Mr. Chan Lap Tak Douglas, the chairman and executive Director) and 0.05% by an Independent Third Party
“Easy System Design”	Easy System Design Company Limited (依時系統設計有限公司), a company incorporated in Hong Kong with limited liability, and a wholly-owned subsidiary of eBroker Limited which is in turn owned as to approximately 41.19% by Quantsmile (BVI), 32.042% by Capital Master, 3.85% by Silver Richland, 0.6% by Eagle Business, and 22.34% by the Minority Shareholders

“eBroker Systems”	eBroker Systems Limited (電子交易系統有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
“Group”	the Company and its subsidiaries
“HKFRS”	Hong Kong Financial Reporting Standards
“Independent Third Party”	any person or company and their respective ultimate beneficial owner(s) which, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and its connected persons (as defined in the GEM Listing Rules)
“Minority Shareholders”	a total of 117 shareholders including Mr. Lo Chi Ho (an executive Director and the chief executive officer) and certain members of the senior management team as well as individuals and corporate entities who are Independent Third Parties.
“New Tenancy Agreement”	the tenancy agreement entered into between eBroker Systems (as tenant) and Easy System Design (as landlord) dated 31 December 2020 in relation to the leasing of the Property for a term of six months from 1 January 2021 to 30 June 2021
“Prospectus”	the prospectus of the Company in relation to the share offer and listing of the shares of the Company on GEM of the Stock Exchange dated 30 January 2019
“Quantsmile (BVI)”	Quantsmile (BVI) Limited, one of the controlling shareholders of the Company which is interested in approximately 33.49% of the Company, a company incorporated in the BVI with limited liability
“Property”	the property located at Room 603 within offices B, C and D1 on the 6th Floor of China Insurance Group Building, No. 141 Des Voeux Road Central, No. 73 Connaught Road Central & Nos. 61 – 65 Gilman Street, Hong Kong

“Silver Richland”	Silver Richland Limited, a company incorporated in the BVI with limited liability which is wholly owned by an Independent Third Party
“Tenancy Agreement”	the tenancy agreement entered into between eBroker Systems (as tenant) and Easy System Design (as landlord) dated 5 November 2018 in relation to the leasing of the Property for a term of three years from 1 January 2019 to 31 December 2021

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

Hong Kong, 31 December 2020

As at the date of this announcement, the executive Directors are Mr. Chan Lap Tak Douglas and Mr. Lo Chi Ho; and the independent non-executive Directors are Mr. Chan Chi Kwong Dickson, Mr. Liu Kin Sing and Mr. Au Yeung Po Fung.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange 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 announcement 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 announcement misleading.

This announcement will remain on the website of GEM at www.hkgem.com on the “Latest Company Announcements” page for at least 7 days from the date of its posting and on the website of the Company at www.ebrokersystems.com.

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