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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)

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO THE ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Reference is made to the annual report of eBroker Group Limited (the “**Company**”) for the year ended 31 December 2022 (“**2022 Annual Report**”). Unless otherwise defined herein, capitalised terms herein shall have the same meanings as those defined in the 2022 Annual Report.

As disclosed in the announcement of the Company dated 12 August 2019, the Company adopted the share award scheme (“**Scheme**”) on 12 August 2019. In addition to the information disclosed in the 2022 Annual Report, the Company would like to provide the following supplemental information.

Movement of the award Shares

Movement of the award Shares, which were granted under the Scheme, during the year ended 31 December 2022 is set out below:

			Number of awarded shares						Unvested
				Unvested	Granted	Vested	Cancelled	Lapsed	as at
Date	Vesting period	Purchase Price	1 January 2022	during the year	during the year	during the year	during the year	during the year	31 December 2022
Director									
Mr. Lo Chi Ho	20/01/2022	N/A	N/A	–	980,000	(980,000)	–	–	–
(being an executive Director and the chief executive officer)	20/01/2022	20/01/2022 – 31/12/2022	N/A	–	1,190,000	(1,190,000)	–	–	–
	20/01/2022	20/01/2022 – 31/12/2023	N/A	–	210,000	–	–	–	210,000
Associates of directors									
Mr. Timothy Chan	10/02/2021	10/02/2021 – 31/12/2022	N/A	300,000	–	(300,000)	–	–	–
	20/01/2022	20/01/2022 – 31/12/2022	N/A	–	110,000	(110,000)	–	–	–
	20/01/2022	20/01/2022 – 31/12/2023	N/A	–	110,000	–	–	–	110,000
Ms. Catherine Chan	10/02/2021	10/02/2021 – 31/12/2022	N/A	10,000	–	(10,000)	–	–	–
	20/01/2022	20/01/2022 – 31/12/2022	N/A	–	40,000	(40,000)	–	–	–
	20/01/2022	20/01/2022 – 31/12/2023	N/A	–	40,000	–	–	–	40,000
One of the five highest paid individual other than Director during the financial year in aggregate	10/02/2021	10/02/2021 – 31/12/2022	N/A	780,000	–	(780,000)	–	–	–
	20/01/2022	20/01/2022 – 31/12/2022	N/A	–	210,000	(210,000)	–	–	–
	20/01/2022	20/01/2022 – 31/12/2023	N/A	–	210,000	–	–	–	210,000
Employees other than above (including ex-employees in aggregate)	10/02/2021	10/02/2021 – 31/12/2022	N/A	8,730,000	–	(7,780,000)	–	(950,000)	–
	20/01/2022	20/01/2022 – 31/12/2022	N/A	–	3,090,000	(2,800,000)	–	(290,000)	–
	20/01/2022	20/01/2022 – 31/12/2023	N/A	–	3,090,000	–	–	(290,000)	2,800,000
Total				<u>9,820,000</u>	<u>9,280,000</u>	<u>(14,200,000)</u>	<u>–</u>	<u>(1,530,000)</u>	<u>3,370,000</u>

Notes:

1. The award Shares were granted at nil consideration. The fair value of the award Shares granted on 10 February 2021 was HK\$0.104 per Share, which was determined based on the market price of the Shares as at the date of grant.

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.
2. The weighted average closing price of the Shares immediately before 20 January 2022 and 31 December 2022 on which the awarded Shares were vested was HK\$0.09 and HK\$0.088 respectively.
3. One of the five top-paid individuals during 2022 was Mr. Lo Chi Ho who is a Director, whose interests in the awarded Shares had been disclosed separately under “**Directors**” 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.
4. The numbers of award Shares available for grant under the Scheme as at 1 January 2022 and 31 December 2022 was 102,480,000 award Shares and 88,280,000 award Shares.
5. 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).
6. 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).
7. There is no performance target attached to the award Shares.
8. 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.
9. The vesting period of the awarded Shares refers to the period from the date of grant until the date of vesting.

Remuneration committee (the “Remuneration Committee”) of the Board

The primary objectives and duties of the Remuneration Committee are set forth in its terms of reference adopted in compliance with the requirements under the CG Code, which include, inter alia, making recommendations to the Board on the remuneration policy and structure for all the Directors and the senior management of the Company and on the establishment of a set of formal and transparent procedures for developing its remuneration policy and reviewing and approving matters related to the Scheme.

During the year ended 31 December 2022, the Remuneration Committee reviewed and approved the remuneration policy, remuneration packages of the Directors and senior management of the Company, and to consider, approve and make recommendation to the Board in relation to the grant of award Shares to 45 grantees who were either the Directors or the employees of the Group (collectively, the “Grantees”).

Summary of matters relating to the Scheme reviewed by the Remuneration Committee

Grant of award Shares under the Scheme

During the year ended 31 December 2022, a total of 9,280,000 award Shares were granted to the Grantees under the Scheme.

Vesting Period

Subject to the satisfaction of the vesting conditions, 980,000 of the award Shares shall be vested on the date of grants (i.e. 20 January 2022), 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. The Remuneration Committee has noted that the purpose of the Scheme is to provide incentive or reward to the Grantees for their contribution to the Group and to recognise past contributions of the Grantees, and that the Scheme does not restrictively specify the vesting period.

Having considered that the past performance and contributions to the Group of each of the Grantees, the Remuneration Committee and the Board consider that the grant of such award Shares with a shorter vesting period:

- (i) aligns the interests of the Grantees with that of the Company and the Shareholders as a whole;
- (ii) rewards and recognises the contribution of the Grantees to the Group;
- (iii) provides incentive to the Grantees to continue to work for the success and improved performance of the Group; and
- (iv) reinforces their commitment to long-term services to the Group.

All of these are consistent with the purpose of the Scheme.

Performance target

There is no performance target attached with the award Shares. The Remuneration Committee has noted that the purpose of the Scheme is to provide incentive or reward to the Grantees for their contribution to the Group. The Remuneration Committee has also considered (a) the importance of the roles and responsibilities of the Grantees; (b) the past performance and contributions of the Grantees; and (c) the expected contributions of the Grantees to be made to the future development of the Group and is of the view that the grant of award Shares without any performance target aligns with the purpose of the Scheme.

Clawback mechanism

There is no clawback mechanism attached to the award Shares. The award Shares granted shall lapse and cannot be exercised with immediate effect if the Grantees, who is an employee or a Director, ceases to be an employee of the Group or a Director on the ground including, but without limitation to, that he or she has been guilty of serious misconduct.

In respect of the award Shares granted during the year ended 31 December 2022, the Remuneration Committee considers that the Scheme is intended to reward eligible participants who have contributed to the business development of the Group and to encourage eligible participants to work towards enhancing the value of the Company for the benefit of the Company and the Shareholders as a whole. In addition, the Remuneration Committee also consider that:

- (i) the Grantees are eligible participants under the Scheme who would contribute directly to the overall business performance and sustainable development of the Group;
- (ii) the granting of award Shares to the Grantees is a recognition for their past contributions to the Group; and
- (iii) the award Shares are subject to the terms of the Scheme which provides for circumstances under which the award Shares may lapse.

Major Terms of the Scheme

The major terms of the Scheme are summarised as follows:

(1) Eligible participants

Eligible participants include any employee (including but not limited to any executive director) of any member of the Group (other than any excluded employee) whom the Board selects to grant award Shares.

(2) Amount payable on application or acceptance of the award and the period within which payment or calls must or may be made or loans for such purposes must be repaid

None. Selected grantees are not required to make any payment to accept award Shares.

(3) The basis of determining the purchase price of Shares awarded, if any

Not applicable as there is no purchase price under the Scheme.

(4) The remaining life of the Scheme

Subject to any early termination determined by the Board in accordance with the rules of the Scheme, the Scheme is valid and effective for a term of 10 years commencing on its adoption date (i.e. from 12 August 2019 to 11 August 2029). The remaining life of the Scheme shall be approximately 5 years and 10 months, as at the date of this announcement.

The supplemental information provided in this announcement does not affect other information contained in the 2022 Annual Report. Save as disclosed in this announcement, the contents of the 2022 Annual Report remain unchanged.

On behalf of the Board
eBroker Group Limited
Chan Lap Tak, Douglas
Chairman

Hong Kong, 9 October 2023

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.