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**ETS GROUP LIMITED**  
**易通訊集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8031)**

**SUPPLEMENTAL ANNOUNCEMENT**  
**IN RELATION TO**  
**ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023**  
**AND**  
**CHANGE IN USE OF PROCEEDS**

Reference is made to the annual report (the “**2023 Annual Report**”) of ETS Group Limited (the “**Company**”) for the year ended 31 December 2023. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the 2023 Annual Report.

In addition to the information provided in the 2023 Annual Report, the board (the “**Board**”) of directors (the “**Director(s)**”) of the Company would like to provide the shareholders and investors of the Company with additional information pursuant to Rule 18.32A of the GEM Listing Rules in relation to the use of the net proceeds of approximately of HK\$8.7 million raised from the issue of the Convertible Bonds, details of which are set out in the announcements of the Company dated 10 May 2021, 5 August 2021, 11 August 2023 and the circular of the Company dated 15 July 2021.

## USE OF PROCEEDS FROM ISSUE OF THE CONVERTIBLE BONDS UNDER SPECIFIC MANDATE

The status of the use of such net proceeds from the issue of the Convertible Bonds for the year ended 31 December 2023 is shown as follows:

Purpose of net proceeds	Intended use of net proceeds <i>HK\$'000</i>	Actual use of net proceeds up to 31 December 2023 <i>HK\$'000</i>	Remaining balance of unutilised net proceeds as at 31 December 2023 <i>HK\$'000</i>
Expansion of the financial services business of the Group, including costs of hiring additional staff for business development purposes of the Group's securities and asset management business as and when suitable candidates are available (“ <b>Financial Services Business Expansion</b> ”)	6,200	1,183	5,017
Potential office relocation and renovation expenses of the Group's securities and asset management business	807	807	–
Replenishment of working capital and general corporate purposes of the Group	1,693	1,693	–
<b>Total</b>	<b>8,700</b>	<b>3,683</b>	<b>5,017</b>

As at the 31 December 2023, the Group has applied approximately HK\$3,683,000 of the net proceeds from the issue of the Convertible Bonds in accordance with the proposed applications as set out in the circular of the Company dated 15 July 2021 and the announcement of the Company dated 24 August 2022. As at 31 December 2023, the unutilised net proceeds from the issue of the Convertible Bonds amounted to approximately HK\$5,017,000 (the “**Unutilised Net Proceeds**”).

As disclose in the announcement of the Company dated 24 August 2022, the Unutilised Net Proceeds were expected to be utilised on or before 31 December 2023.

Further, as disclosed in the announcement of the Company dated 12 October 2023, Eastside Fortune Limited, being a direct wholly-owned subsidiary of the Company, entered into sale and purchase agreements with each of Ji Tao, Gu Lina and Huan Shuangyuan to dispose the entire equity interest in Gear Future Limited (the “**Disposal**”), which is the holding company of Gear Asset Management Limited and Gear Securities Investment Limited (together with Gear Future Limited and Gear Asset Management Limited, collectively the “**Disposal Group**”), which were the then subsidiaries of the Company principally engaged in the Group’s securities and asset management business. Completion of the Disposal took place on 12 October 2023 and the Group ceased to hold any interest in the Disposal Group since then.

As the Company had been contemplating to dispose of the Disposal Group at the material time and the Disposal was completed in October 2023, the Unutilised Net Proceeds had not been applied for the Financial Services Business Expansion during the year ended 31 December 2023.

The above additional information supplements, and should be read in conjunction with, the 2023 Annual Report which does not affect other information contained in the 2023 Annual Report. Save as disclosed above, all information contained in the 2023 Annual Report remains unchanged.

## **CHANGE IN USE OF PROCEEDS**

Upon and after completion of the Disposal, the Company ceased to have any equity interest in the Disposal Group which were the then operating subsidiaries of the Group’s securities and asset management business. As such, the Unutilised Net Proceeds will no longer be applied for the Financial Services Business Expansion.

After careful consideration and detailed evaluation of the Group’s operations and the business strategies, the Board has resolved to apply the Unutilised Net Proceeds for its general working capital instead, which is expected to be utilised on or before 31 December 2024.

The Board considers that such change of use of the Unutilised Net Proceeds will allow the Company to deploy its unallocated financial resources more effectively and is in the interests of the Company and its shareholders as a whole.

By order of the Board

**ETS Group Limited**

**Tang Yiu Sing**

*Executive Director and Chief Executive Officer*

Hong Kong, 19 June 2024

*As at the date of this announcement, the executive director of the Company is Mr. Tang Yiu Sing; and the independent non-executive directors of the Company are Mr. Wong Kam Tai, Ms. Kwong Yuk Ying and Ms. Tsang Lee Mei.*

*This announcement, 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 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 “Latest Listed Company Information” page of the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) for at least 7 days from the date of its publication and on the Company’s website at [www.etsgroup.com.hk](http://www.etsgroup.com.hk).*