

TARGET

Intelligence Report

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**eBROKER GROUP LTD:
MINORITY SHAREHOLDERS MIGHT WELL SUGGEST:
THIS COMPANY HAS HAD FIVE YEARS OF NOTHINGNESS !**

From the day that Management of eBroker Group Ltd (電子交易集團有限公司) (Stock Code: 8036) sought and obtained a listing of its entire Issued and Fully Paid-Up Share Capital on The Growth Enterprise Market – The GEM – the secondary equity market of The Hongkong Special Administrative Region (HKSAR) of The Peoples Republic of China (PRC) on or about February 19, 2019 – there has been little to applaud Management's acuteness in respect of any demonstrable, penetrating intelligence.

At Page 76 of the 2023 Annual Report of the Company, the Five-Year Financial Summary indicates the downward plunges of certain key indices, indicating just how Management's length and breadth of its ineptitude to turn to the proverbial tables round:

'RESULTS

	<i>Year ended 31 December</i>				
	<i>2023</i>	<i>2022</i>	<i>2021</i>	<i>2020</i>	<i>2019</i>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<i>Continuing operations</i>					
<i>Revenue</i>	37,632	38,584	41,631	40,409	44,287
<i>Profit before tax</i>	1,945	1,969	231	1,474	1,719
<i>Income tax (expense)/credit</i>	(26)	3	96	36	(705)
<i>Profit for the year from continuing operations</i>	1,919	1,972	327	1,510	1,014
<i>Profit and total comprehensive income for the year attributable to owners of the Company</i>	1,415	382	1,090	2,706	1,062

ASSETS AND LIABILITIES

<i>Non-current assets</i>	21,772	24,501	22,700	18,066	4,725
<i>Current assets</i>	44,883	44,267	45,120	45,873	59,438
<i>Non-current liabilities</i>	(162)	(646)	(1,740)	(121)	(2,364)
<i>Current liabilities</i>	(3,925)	(7,094)	(6,530)	(6,860)	(8,201)
<i>Net assets</i>	62,568	61,028	59,550	56,958	53,598
<i>Equity attributable to owners of the Company:</i>					
<i>Paid-up capital</i>	1,230	1,230	1,230	1,230	1,230
<i>Reserves</i>	61,338	59,798	58,320	55,728	52,368
<i>Total equity</i>	62,568	61,028	59,550	56,958	53,598

THE CHAIRMAN HAS HIS SAY

At Page Three of the 2023 Annual Report of eBroker Group Ltd, Mr Douglas Chan Lap Tak (陳立德), the Chairman of the Board of Directors of the Company, took the trouble to take pen to paper in four paragraphs, inscribing his thoughts about the Company that he had founded:

‘On behalf of the Board, I am pleased to present the audited consolidated financial results of the Group for the year ended 31 December 2023.

‘For the year ended 31 December 2023, the Group recorded revenue of approximately HK\$37.6 million, representing a decrease of approximately 2.5% as compared to the year ended 31 December 2022. Profit attributable to owners of the Company decreased by approximately 2.7% from approximately HK\$2.0 million for the year ended 31 December 2022 to approximately HK\$1.9 million for the year ended 31 December 2023.

‘With the weakness of the Hong Kong stock market and the current economic environment in China, the business environment was challenging for the financial industry and for us in 2023. We continue to rely on our business model emphasizing recurring income and cost control measures to maintain profitability while investing on additional products and services using the latest technologies.

‘Our investment on R&D (Research and Development) paid off in 2023 with our eBrAI^{ny} AI investment technology on market timing, which is applicable to any liquid financial asset including stocks, commodities and foreign currencies around the world. The technology allows us to grow into other markets beyond Hong Kong. We are exploring opportunities to partner with local partners in other markets on application of the technology.’

Words! Words! Words! They could hardly put bread on the table.

At the following Page Four of the 2023 Annual Report of the Company, under the heading, ‘**MANAGEMENT DISCUSSION AND ANALYSIS**,’ one was informed, under the subhead, ‘**BUSINESS REVIEW**,’ the following three paragraphs:

‘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 services, back office solution services, installation and customisation services, managed cloud services and other services income.

‘For the year ended 31 December 2023, the Group recorded a revenue of approximately HK\$37.6 million, representing a decrease of approximately 2.5% from approximately HK\$38.6 million recorded for the year ended 31 December 2022. Profit attributable to owners of the Company for the year ended 31 December 2023 amounted to approximately HK\$1.9 million,

representing a decrease of approximately 2.7% as compared with the profit of approximately HK\$2.0 million for the year ended 31 December 2022 mainly due to the decrease of revenue of approximately HK\$1.0 million.

‘OUTLOOK

‘Hong Kong’s post-pandemic economic recovery was short-lived and softer than expected. With the ongoing challenges posed by the macroeconomic, escalating geopolitical conflicts and tensions suggest that Hong Kong’s economy will continue to struggle and a dimmer economic outlook in 2024. However, the Group will continue to navigate the challenges while seeking to capture the opportunities ahead, driven by the progress of technology and innovation so as to achieve a sustainable business growth and long-term benefits of the Shareholders.’

THE FINANCIALS OF eBROKER GROUP LTD

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