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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** about this circular or as to the action to be taken, you should consult your licensed securities dealer or registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your securities in Get Nice Financial Group Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

Hong Kong Exchange and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

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**GET NICE FINANCIAL GROUP LIMITED****結好金融集團有限公司***(Incorporated in the Cayman Islands with limited liability)***(Stock Code: 1469)****CONTINUING CONNECTED TRANSACTIONS  
AND  
NOTICE OF EXTRAORDINARY GENERAL MEETING****Independent Financial Adviser to the Independent Board Committee and  
the Independent Shareholders****Nuada Limited**

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Capitalised terms used in the cover page shall have the same meanings as those defined in this circular.

A letter from the Board is set out on pages 4 to 16 of this circular. A letter from the Independent Board Committee is set out on page 17 of this circular. A letter from Nuada, the independent financial adviser to the Independent Board Committee and the Independent Shareholders containing its advice in relation to the Transactions is set out on pages 18 to 34 of this circular.

A notice convening the EGM of the Company to be held at 3/F, Cosco Tower, Grand Millennium Plaza, 183 Queen's Road Central, Hong Kong on Tuesday, 29 November 2022 at 11:00 a.m. and a form of proxy for use at the EGM is enclosed herein. Whether or not you intend to attend the EGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting if you so wish, and in such event, the form of proxy shall be deemed to be revoked.

**IMPORTANT NOTES**

In light of the ongoing Novel Coronavirus (COVID-19) pandemic, the Company will implement the following precautionary measures at the EGM to protect attending Shareholders, staff and stakeholders from the risk of infection:

- (i) compulsory body temperature checks, hand sterilisation and health declaration
- (ii) compulsory wearing of a surgical face mask for each attendee
- (iii) no distribution of corporate gift or refreshment
- (iv) appropriate seating arrangement in line with the relevant laws and regulations in Hong Kong

The Company reminds Shareholders that they may appoint the chairman of the EGM as their proxy to vote on the relevant resolution(s) at the EGM as an alternative to attending the EGM in person.

Any person who does not comply with the precautionary measures or is subject to any Hong Kong Government prescribed quarantine may be denied entry into the meeting venue.

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## DEFINITIONS

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*In this circular, unless the context otherwise requires, the following expressions have the following meanings:*

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“business day(s)”	a day on which banks are generally open for business in Hong Kong (other than a Saturday, Sunday or public holiday or a day on which a tropical cyclone warning No. 8 or above or a “black rainstorm warning signal” is hoisted or remains hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.)
“Company” or “GNFG”	Get Nice Financial Group Limited, a company incorporated in the Cayman Islands with limited liability, the securities of which are listed on the Main Board of the Stock Exchange (Stock code: 1469)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Controlled Company(ies)”	30%-controlled company(ies) held, directly or indirectly, by Mr. Hung from time to time and its/their subsidiaries, but excluding GN Holdings Group
“Director(s)”	director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened for the purpose of approving the Transactions
“Financing Services”	the provision of financial accommodation in order to facilitate the acquisition of securities listed on any stock market, and where applicable, the continued holding of those securities, by GNS or any company amongst the Group to their customers
“Financing Services Agreement”	the financing services agreement dated 3 October 2022 entered into between GNS and Mr. Hung in relation to the provision of the Financing Services to Mr. Hung and the Controlled Companies
“GN Holdings”	Get Nice Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the securities of which are listed on the Main Board of the Stock Exchange (Stock code: 64)
“GN Holdings Group”	GN Holdings and its subsidiaries

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## DEFINITIONS

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“GNS”	Get Nice Securities Limited, a company incorporated in Hong Kong with limited liability and a wholly owned subsidiary of the Company, and licensed to carry out type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the SFO
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent committee of the Board, comprising all the independent non-executive Directors, established to make recommendations to the Independent Shareholders in respect of the Transactions
“Independent Financial Adviser” or “Nuada”	Nuada Limited, a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activities under the SFO, the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the Transactions
“Independent Shareholder(s)”	Shareholders other than Mr. Hung and his associates
“Independent Third Party(ies)”	third parties independent of and not connected with the directors, chief executive and substantial shareholders of the Company or any of its subsidiaries, or any of their respective associates
“Interest Caps”	the proposed annual caps for Service Fee receivable by the Group from Mr. Hung and the Controlled Companies under the Financing Services Agreement
“Joint Announcement”	the joint announcement of the Company and GN Holdings dated 3 October 2022 in relation to, among others, the Transactions
“Latest Practicable Date”	7 November 2022, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

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## DEFINITIONS

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“Margin Caps”	the proposed annual caps for the maximum outstanding amount of margin financing at all time which may be advanced by the Group to Mr. Hung and the Controlled Companies during the Term under the Financing Services Agreement
“Mr. Hung”	Mr. Hung Hon Man, who holds various capacities in the Company and GN Holdings as described in this circular
“Proposed Annual Caps”	the Margin Caps and the Interest Caps, collectively
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Service Fee”	means margin loan interest income and, if any, miscellaneous fees, for the provision of Financing Services
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holders of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Term”	the period commencing from 15 December 2022 to and including 14 December 2025
“Transactions”	the entering into of the Financing Services Agreement and the provision of the Financing Services (including the Proposed Annual Caps)
“2019 Financing Services Agreement”	the agreement dated 1 November 2019 entered into between GNS and Mr Hung in relation to the provision of financing accommodation by GNS or any company amongst the Group to Mr Hung and the Controlled Companies
“30%-controlled company”	has the meaning ascribed thereto under the Listing Rules
“%”	per cent

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## LETTER FROM THE BOARD

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### GET NICE FINANCIAL GROUP LIMITED

### 結好金融集團有限公司

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

**(Stock Code: 1469)**

*Executive Directors:*

Mr. Shum Kin Wai, Frankie (*Managing Director*)

Mr. Hung Sui Kwan (*Chief executive officer*)

*Non-executive Director:*

Mr. Hung Hon Man (*Chairman*)

*Independent non-executive Directors:*

Ms. Ng Yau Kuen, Carmen

Mr. Cheung Chi Kong, Ronald

Mr. Chan Ka Kit

*Registered office:*

Third Floor

Century Yard

Cricket Square

P.O. Box 902

Grand Cayman KY1-1003

Cayman Islands

*Principal place of business  
in Hong Kong:*

G/F-3/F

Cosco Tower

Grand Millennium Plaza

183 Queen's Road Central

Hong Kong

10 November 2022

*To the Shareholders*

Dear Sir or Madam,

## CONTINUING CONNECTED TRANSACTIONS AND NOTICE OF EXTRAORDINARY GENERAL MEETING

### INTRODUCTION

Reference is made to the Joint Announcement. On 3 October 2022, GNS, a wholly owned subsidiary of the Company, and Mr. Hung (a non-executive Director and the chairman of the Board), entered into the Financing Services Agreement, pursuant to which GNS may (but not obliged to), provide or procure any other company amongst the Group to provide the Financing Services to Mr. Hung and/or the Controlled Companies from time to time during the Term, on a non-exclusive basis.

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## LETTER FROM THE BOARD

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The purposes of this circular are to provide the Shareholders with, among others, (i) details of the Transactions; (ii) the letter of recommendation from the Independent Board Committee to the Independent Shareholders regarding the Transactions; (iii) the letter of advice from Nuada to the Independent Board Committee and the Independent Shareholders regarding the Transactions; and (iv) the notice of EGM at which an ordinary resolution will be proposed to approve the Transactions.

### **PRINCIPAL TERMS OF THE FINANCING SERVICES AGREEMENT**

#### **Date**

3 October 2022

#### **Parties**

- (i) GNS, as provider of the Financing Services; and
- (ii) Mr. Hung, as the customer.

#### **Conditions precedent**

The Financing Services Agreement is conditional upon the followings:

- (i) the respective independent shareholders of the Company and GN Holdings having approved it by way of poll at the respective extraordinary general meeting of the Company and GN Holdings to be convened in compliance with the Listing Rules; and
- (ii) if applicable all authorisations, approvals, consents, waivers and permits required from all authorities to give effect to it having been granted, received or obtained and not revoked.

If the conditions set out above are not fulfilled on or before 14 December 2022 (or such later date as GNS and Mr. Hung may agree), the Financing Services Agreement shall lapse and be of no further force or effect.

As at the Latest Practicable Date, no authorizations, approvals, consents, waivers and permits is required to be obtained for fulfilling condition (ii) above.

#### **Services to be provided**

Pursuant to the Financing Services Agreement, GNS may (but not obliged to), upon request from Mr. Hung and/or any Controlled Company, provide or procure any other company amongst the Group to provide the Financing Services to Mr. Hung and/or, as the case may be, the relevant Controlled Company from time to time during the Term, on a non-exclusive basis. The provision of the Financing Services shall also be on normal commercial terms, on terms no less favourable to the Group than those offered to other customers of the Group who are Independent Third Parties and subject to the terms and conditions of the standard client agreement of GNS from time to time.

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## LETTER FROM THE BOARD

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### **Term**

From 15 December 2022 to and including 14 December 2025.

### **Service Fee and Pricing standards**

The Service Fee for the Financing Services to be provided shall be at the rates no less favourable to the Group than the rates offered to other customers of the Group who are Independent Third Parties for comparable engagement, in accordance with the relevant pricing policy of the Group which may be adjusted from time to time, subject to the terms and conditions of the standard client agreement of GNS and, subject to the aforesaid, at the annual interest rate of 7.236%.

The interest rates of margin loans currently charged by GNS typically range from 7.236% p.a. to 9.252% p.a. with reference to the Hong Kong dollar prime rate as a base rate plus a markup. Apart from considering the costs of funding available to the Group, such interest rates are determined case-by-case based on the client's financial background, credit standing, and the quality of securities pledged and/or other collaterals given. In general, the margin financing interest rate applicable to the new clients would be set at the highest of the range of 9.252% but such interest rate may be adjusted upwards or downwards in accordance with the abovementioned criteria.

Under the Financing Services Agreement, the margin loan interest rate charged by GNS to Mr. Hung and the Controlled Companies is initially set at 7.236% per annum, taking into consideration of Mr. Hung's strong financial background, diversified stock portfolio with low margin ratio and good repayment history. In particular, Mr. Hung used to maintain his securities collaterals with market value over HK\$1 billion. The interest rate set for Mr. Hung is the same among the comparable clients. The interest rate of 7.236% per annum is (i) comparable to rates offered by the Group to other customers who are Independent Third Parties of similar credit standing, trading record and/or quality of collaterals given; and (ii) subject to adjustment according to the pricing policy of GNS from time to time.

### **Margin financing ratio**

GNS determines the grant of margin loans to clients based on the following criteria: (i) investment experience of the client; (ii) investment objective of the client; (iii) financial background of the client; (iv) client's securities collateral maintained and (v) prevailing market conditions. The account executive would propose a margin loan limit for the client based on the above factors for the credit committee's approval. The credit committee will then determine the margin loan limit of the client. For granting of the margin loan limit, where the amount is HK\$500,000 or below, it has to be authorized by a credit committee member, where the amount exceeds HK\$500,000, it has to be authorized by two credit committee members, and where the amount is larger than HK\$5,000,000, it has to be authorized by two credit committee members (including the chief executive officer). After the credit committee approved the margin loan limit, Mr. Hung is able to utilize the margin financing to execute his investments plans within the margin loan limit.

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## LETTER FROM THE BOARD

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The members of credit committee are senior management of GNS, including two responsible officers, the chief executive officer and head of risk management. The committee does not include independent non-executive directors as they are independent from the Group's daily operation. Mr. Hung, as the non-executive director of the Company, also has no management responsibility in the securities business thus he has no any influence to the credit committee.

According to the standard client agreement of GNS, all margin financing advanced to any client must be secured by pledge of listed equity securities acceptable to the Group. GNS advances margin financing to its clients which amounts up to 80% of the value of pledged blue-chip securities (securities of companies listed on the Stock Exchange which are constituents of the Hang Seng Index), and 10% to 80% of the value of other approved securities. The margin financing ratio of each approved stock varies depending on its quality, liquidity and market capitalisation. It is the Group's policy not to provide margin financing for securities listed on the GEM of the Stock Exchange, warrants and A-shares.

The amount of margin loan(s) to be granted to Mr. Hung and/or the relevant Controlled Company(ies) will be determined based on the same policies.

### **Payment terms**

According to the standard client agreement of GNS, the principal amount of the margin financing shall be repayable on demand by GNS and the accrued interest on financing utilized shall be charged on monthly basis.

### **Default terms**

According to the standard client agreement of GNS, in the event that any shortfall remains unsettled after the second margin call, the pledged securities may be sold in the market after due notification to repay the amount due. Should any outstanding balance remains unpaid following the sale of the pledged securities, further recovery actions will be sought.

### **INTERNAL CONTROL PROCEDURES GOVERNING THE TRANSACTIONS**

The following internal control procedures have been established to ensure that the margin loan interest rate offered to Mr. Hung and the Controlled Companies is no less favourable to the Group than those rates offered to other customers who are Independent Third Parties:

- (i) Upon the opening of the margin account for Mr. Hung and each Controlled Companies in GNS, a customer service officer had performed checking on whether the proposed margin loan interest rate offered to Mr. Hung and/or, as the case may be, the relevant Controlled Company is comparable to the margin loan interest rates offered to all comparable clients of the Group who were Independent Third Parties, taking into consideration the credit standing of Mr. Hung and the relevant Controlled Company and the quality of collaterals given as assessed by the credit committee. After checking by the customer service officer, the margin loan interest rate for Mr. Hung and/or, as the case may be, the relevant Controlled Company has to be reviewed and approved by an independent responsible officer and a credit committee member in order to ensure such rate was no less favourable to the Group than those rates offered to other customers of the Group who were Independent Third Parties.

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## LETTER FROM THE BOARD

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- (ii) Customer service officer will review with Mr. Hung about his customer profile annually and a responsible officer will monitor the market value and margin value of Mr. Hung's securities collateral to ensure the margin loan balances are within the margin value.
- (iii) The independent non-executive Directors will perform an annual review pursuant to Rule 14A.55 of the Listing Rules on whether the Financing Services provided to Mr. Hung and the Controlled Companies are conducted (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms or better, or on terms no less favourable to the Group than those offered to the Independent Third Parties; and (iii) according to the Financing Services Agreement governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole.
- (iv) Pursuant to Rule 14A.56 of the Listing Rules, the Company's auditor will confirm, amongst others things, whether (i) the Financing Services provided to Mr. Hung and the Controlled Companies have been approved by the Board; (ii) the Financing Services provided to Mr. Hung and the Controlled Companies are in accordance with the pricing policies of the Group; (iii) the Financing Services provided to Mr. Hung and the Controlled Companies have been entered into in accordance with the Financing Services Agreement; and (iv) the Proposed Annual Caps have been exceeded.

The Group will also monitor the maximum daily outstanding amount of margin financing advanced by the Group to Mr. Hung and the Controlled Companies, as well as the relevant margin loan interest income receivable by the Group to ensure that the Proposed Annual Caps would not be exceeded.

Based on the above procedures and policies, the Board considers that there are adequate internal controls in place to ensure the transactions under the Financing Services Agreement will be conducted on normal commercial terms and not prejudicial to the interests of the Company and the minority Shareholders.

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## LETTER FROM THE BOARD

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### PROPOSED ANNUAL CAPS UNDER THE FINANCING SERVICES AGREEMENT

#### The Margin Caps

##### *The Margin Caps under the 2019 Financing Services Agreement*

The annual caps of margin financing loan under the 2019 Financing Services Agreement to Mr. Hung and the Controlled Companies are set out below:

<b>Period</b>	<b>Approved margin cap amount HK\$'000</b>
From 15 December 2019 to and including 31 March 2020	330,000
For the year ended 31 March 2021	330,000
For the year ended 31 March 2022	330,000
From 1 April 2022 to and including 14 December 2022	330,000

##### *The historical maximum outstanding amount under the 2019 Financing Services Agreement*

The historical maximum outstanding amount of the margin financing granted by the Group to Mr Hung and the Controlled Companies under the 2019 Financing Services Agreement are set out below:

<b>Period</b>	<b>Maximum outstanding amount HK\$'000</b>
From 15 December 2019 to and including 31 March 2020	314,912
For the year ended 31 March 2021	320,196
For the year ended 31 March 2022	320,991
For the five months ended 31 August 2022	212,869

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## LETTER FROM THE BOARD

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### *Proposed Margin Caps*

The Margin Caps, being the proposed annual caps for the maximum outstanding amount of margin financing at all time, which may be advanced by the Group to Mr. Hung and the Controlled Companies during the Term, are set out below:

<b>Period</b>	<b>Proposed margin cap amount HK\$'000</b>
From 15 December 2022 to and including 31 March 2023	330,000
For the year ending 31 March 2024	330,000
For the year ending 31 March 2025	330,000
From 1 April 2025 to and including 14 December 2025	330,000

The Margin Caps have been determined after arm's length negotiations between GNS and Mr. Hung, taking into consideration:

- (i) the historical maximum outstanding amount of the margin financing granted by the Group to Mr Hung and the Controlled Companies under the 2019 Financing Services Agreement;
- (ii) the market value of Hong Kong listed securities of approximately HK\$1,789 million as at 31 August 2022 maintained in the securities account of Mr Hung with GNS, and the corresponding margin value of approximately HK\$561 million that could then have been applied by GNS therefrom (if it did) as estimated with reference to the relevant policy of the Group as described in the sub-section headed "Principal terms of the Financing Services Agreement – Margin financing ratio" in this letter. In particular, among the abovementioned securities value of approximately HK\$1,789 million, approximately HK\$1,763 million worth of securities carried margin financing with margin ratios ranging from 10% to 70% as determined under the relevant policy of the Group, and gave rise to the aggregate margin value of approximately HK\$561 million. The remaining approximately HK\$26 million worth of securities carried no margin value;
- (iii) Mr. Hung's perception on the securities market and the investment plans and strategies of Mr. Hung and the Controlled Companies. During the five months ended 31 August 2022, due to the extreme negative market sentiment, it is the risk management of Mr. Hung to adopt conservative approach in his investment strategy. However, Mr. Hung is confident of the securities market in Hong Kong in the long term and plans to increase his activity level (whether personally and/or through one or more Controlled Companies) in securities investment; and
- (iv) a buffer to allow higher flexibility for Mr. Hung and the Controlled Companies to conduct investment activities.

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## LETTER FROM THE BOARD

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In view of the above, the Directors (including the independent non-executive Directors after having taken into account the advice from Nuada as set out in their letter to the Independent Board Committee and Independent Shareholders) are of the view that the above Margin Caps are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

### **The Interest Caps**

#### *The Interest Caps under the 2019 Financing Services Agreement*

The annual caps for the margin loan interest income under the 2019 Financing Services Agreement for Mr. Hung and the Controlled Companies are set out below:

<b>Period</b>	<i>HK\$'000</i>
From 15 December 2019 to and including 31 March 2020	7,500
For the year ended 31 March 2021	25,000
For the year ending 31 March 2022	29,000
From 1 April 2022 to and including 14 December 2022	22,000

#### *The historical margin loan interest income under the 2019 Financing Services Agreement*

The historical margin loan interest income paid by Mr. Hung and the Controlled Companies to the Group under the 2019 Financing Services Agreement are set out below:

<b>Period</b>	<i>HK\$'000</i>
From 15 December 2019 to including 31 March 2020	5,171
For the year ended 31 March 2021	17,304
For the year ended 31 March 2022	13,051
For the five months ended 31 August 2022	5,791

#### *Proposed Interest Caps*

The Interest Caps, being the proposed annual caps for Service Fee under the Financing Services Agreement payable by Mr. Hung and the Controlled Companies during the Term, are set out below:

<b>Period</b>	<i>HK\$'000</i>
From 15 December 2022 to and including 31 March 2023	7,500
For the year ending 31 March 2024	29,000
For the year ending 31 March 2025	29,000
From 1 April 2025 to and including 14 December 2025	22,000

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## LETTER FROM THE BOARD

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The Interest Caps have been determined after arm's length negotiations between GNS and Mr. Hung, taking into consideration (i) the historical margin loan interest paid by Mr. Hung and the Controlled Companies to the Group under the 2019 Financing Services Agreement, with the annual caps of margin financing loan to Mr. Hung and the Controlled Companies under the 2019 Financing Services Agreement being HK\$330,000,000; (ii) the proposed maximum outstanding amount of margin financing of HK\$330,000,000 under the Financing Services Agreement at all time during the Term; (iii) the margin loan interest rate of 7.236% per annum charged by GNS to Mr. Hung under the 2019 Financing Services Agreement and to be charged by GNS under the Financing Services Agreement which has been arrived at by making reference to the Hong Kong dollar prime rate as mentioned in the sub-section headed "Principal terms of the Financing Services Agreement – Service Fee and Pricing standards" in this letter; and (iv) a buffer to allow any possible rise in margin loan interest rate as a result of adjustment in the pricing policy of the Group applied to all clients from time to time.

In view that (i) the Interest Caps have been determined based on the Margin Caps; and (ii) the margin loan interest rate to be charged thereon is no less favourable to the Group than such rate offered to other customers of the Group who are Independent Third Parties as mentioned above, the Directors (including the independent non-executive Directors after having taken into account the advice from Nuada as set out in their letter to the Independent Board Committee and Independent Shareholders) are of the view that the Proposed Annual Caps are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

### INFORMATION OF MARGIN LOAN CUSTOMERS

The information of margin loan customers of the past three years are set out below:

	As at 31 March		
	2022	2021	2020
The total number of margin loan customers	447	491	422
% of amount of margin loan granted to Mr. Hung as compared to total outstanding loan balance	5.93%	7.54%	8.46%
For the year ended 31 March			
	2022	2021	2020
% of margin loan interests contributed by top five margin loan customers	25.32%	29.69%	22.34%
% of margin loan interests contributed by Mr. Hung	4.54%	4.34%	3.3%

### Concentration risk

GNS has set maximum margin cap for each margin loan customer based on financial background, credit standing and the quality of securities pledged and/or other collaterals given. With reference to the Guidelines for Securities Margin Financing Activities issued by the Securities and Futures Commission, GNS has adopted a benchmark of up to 40% of the shareholders' funds as the maximum margin loan to a single client or a group of related clients.

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## LETTER FROM THE BOARD

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As the percentage of amount of margin loan granted to Mr. Hung as compared to total outstanding loan balance and the percentage of margin loan interests contributed by Mr. Hung are less than 10%, Mr. Hung as a client has low impact on the Group's operation and financial position. Based on the information above, the Board considered that the concentration risk on the margin loan granted to Mr. Hung is insignificant.

The securities margin financing business of the Group target a niche market segment of high-net-worth individuals by offering quality and personal client services. Mr. Hung, with strong financial background, diversified stock portfolio with low margin ratio and good repayment history, is our typical target client. The proposed margin loan limit to be granted to Mr. Hung is in the ordinary and usual course of business of the Group with no significant impact on the cashflow and risk management of the Company. Based on the above, the Board considered Mr. Hung as a low-risk client. As such, the major terms of the margin loans to Mr. Hung are similar to the other low risk clients.

### REASONS FOR ENTERING INTO THE FINANCING SERVICES AGREEMENT

The Company is an investment holding company and the Group is principally engaged in the provision of financial services including securities dealing and broking, futures and options broking, asset management, underwriting and placements, securities margin financing and corporate finance services in Hong Kong. The Company is owned as to 72.99% by GN Holdings.

GN Holdings is an investment holding company and GN Holdings Group (including the Group) is principally engaged in (i) money lending; (ii) property development and holding and investment in financial instruments; (iii) real estate broking; and (iv) the provision of financial services.

GNS is a company incorporated in Hong Kong with limited liability and a wholly owned subsidiary of the Company. GNS is a corporation licensed to carry out type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the SFO.

The Directors (including the independent non-executive Directors after having taken into account the advice from Nuada as set out in their letter to the Independent Board Committee and Independent Shareholders) consider that the entering into of the Financing Services Agreement and the subsequent provision of the Financing Services are in the ordinary and usual course of business of the Group, and can enhance the revenue of the Group. Furthermore, the terms of the Financing Services Agreement have been determined after arm's length negotiation between GNS and Mr. Hung, pursuant to which (i) the Financing Services shall be provided on normal commercial terms; (ii) the interest rates to be charged and the other terms for the provision of Financing Services by the Group to Mr. Hung and the Controlled Companies shall be no less favourable to the Group than those offered to other customers of the Group who are Independent Third Parties for comparable engagement, and in accordance with the relevant pricing policies of the Group which may be adjusted from time to time; and (iii) the provision of the Financing Services shall be subject to the terms and conditions of the standard client agreement of GNS from time to time.

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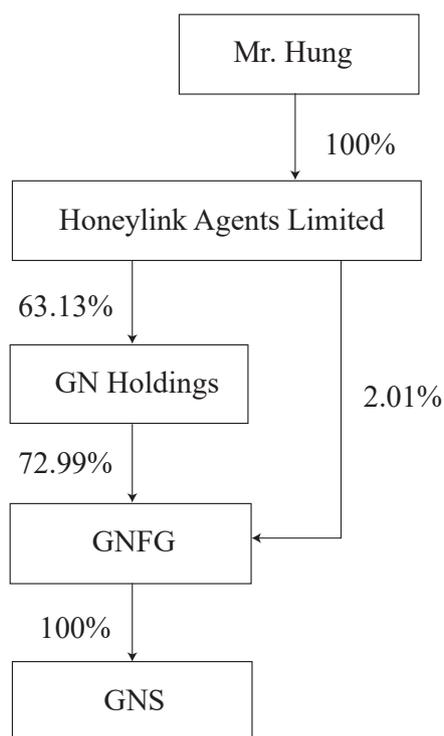
## LETTER FROM THE BOARD

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Accordingly, the Directors (including the independent non-executive Directors after having taken into account the advice from Nuada as set out in their letter to the Independent Board Committee and Independent Shareholders) are of the view that the terms of the Financing Services Agreement (including the Proposed Annual Caps) are fair and reasonable and on normal commercial terms, taking into account the potential customer concentration risks and the relatively low interest rate, and that the entering into of the Financing Services Agreement is in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole.

### LISTING RULES IMPLICATIONS

The relationship between Mr. Hung, the Company, GN Holdings and GNS are set out in the structural chart below:



As at the Latest Practicable Date, apart from his positions and capacities in GN Holdings, Mr. Hung is also a non-executive Director and the chairman of the Board. Therefore Mr. Hung is a connected person of the Company and the Financing Services Agreement constitutes continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios for the Proposed Annual Caps calculated under the Listing Rules are over 5% and the aggregate amount exceeds HK\$10,000,000, the Transactions are subject to the reporting, announcement, annual review and independent shareholders' approval requirements of the Company under Chapter 14A of the Listing Rules.

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## **LETTER FROM THE BOARD**

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Any Shareholder with a material interest in the Transactions is required to abstain from voting on the resolution in relation to the Transactions at the EGM. Mr. Hung and his associates (including GN Holdings), who are deemed to be interested in 1,875,000,000 Shares, representing 75% of the issued share capital of the Company, are required to abstain from voting at the EGM.

Save and except for Mr. Hung and his associates, to the best of the Directors' knowledge, information and belief, as at the Latest Practicable Date no other Shareholder has a material interest in the Transactions and is required to abstain from voting on the relevant resolution in relation to the Transaction at the EGM.

Mr. Hung had also abstained from voting on the relevant Board resolution in relation to the Transactions. Save for Mr. Hung, no other Director has material interest in the Transactions and was required to abstain from voting on the relevant Board resolution relating to the Transactions.

### **INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

The Independent Board Committee comprising all the independent non-executive Directors (namely Mr. Cheung Chi Kong, Ronald, Mr. Chan Ka Kit and Ms. Ng Yau Kuen, Carmen) has been established to advise the Independent Shareholders in respect of the Transactions. Nuada has been appointed by the Company with the approval of the Independent Board Committee to advise the Independent Board Committee and the Independent Shareholders in this regard.

### **EXTRAORDINARY GENERAL MEETING**

A notice convening the EGM of the Company to be held at 3/F, Cosco Tower, Grand Millennium Plaza, 183 Queen's Road Central, Hong Kong on Tuesday, 29 November 2022 at 11:00 a.m. and a form of proxy for use at the EGM is enclosed herein.

Whether or not you intend to attend the EGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting if you so wish, and in such event, the form of proxy shall be deemed to be revoked.

### **RECOMMENDATION**

The Board considers that the Transactions are fair and reasonable and in the interest of the Company and the Shareholders as a whole and accordingly recommends the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM for approving the Transactions.

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## LETTER FROM THE BOARD

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The Independent Board Committee, having taken into account the advice of Nuada, considers that the Transactions are fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole, and accordingly recommends the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM for approving the Transactions.

### GENERAL INFORMATION

Your attention is drawn to the letter of advice from Nuada set out on pages 18 to 34 of this circular which contains its advice to the Independent Board Committee and the Independent Shareholders in connection with the Transactions and the letter from the Independent Board Committee set out on page 17 of this circular which contains its recommendation to the Independent Shareholders in relation to the Transactions.

### FURTHER INFORMATION

Your attention is also drawn to the additional information set out in the appendix to this circular.

Yours faithfully,  
By order of the Board  
**Get Nice Financial Group Limited**  
**Hung Sui Kwan**  
*Executive director and chief executive officer*

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## LETTER FROM THE INDEPENDENT BOARD COMMITTEE

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### GET NICE FINANCIAL GROUP LIMITED

結好金融集團有限公司

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

**(Stock Code: 1469)**

10 November 2022

*To the Independent Shareholders,*

Dear Sir or Madam,

### CONTINUING CONNECTED TRANSACTIONS

We refer to the circular of the Company dated 10 November 2022 (the “**Circular**”) to the Shareholders of which this letter forms part. Terms defined in the Circular shall have the same meanings when used herein unless the context otherwise requires.

We have been appointed as the Independent Board Committee to advise the Independent Shareholders on whether the Transactions are on normal commercial terms, fair and reasonable and in the interest of the Company and the Shareholders as a whole.

We wish to draw your attention to the letter from the Board set out on pages 4 to 16 of the Circular and the letter from Nuada, the Independent Financial Adviser appointed to advise the Independent Board Committee and the Independent Shareholders in relation to the Transactions, set out on pages 18 to 34 of the Circular.

Having considered the factors and reasons considered by and the opinion of Nuada stated in its letter of advice contained in the Circular, we are of the view that the Transactions are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the Transactions.

Yours faithfully,

For and on behalf of

the Independent Board Committee

**Mr. Cheung Chi Kong, Ronald    Mr. Chan Ka Kit    Ms. Ng Yau Kuen, Carmen**

*Independent non-executive Directors*

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## LETTER FROM NUADA

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*The following is the text of a letter of advice to the Independent Board Committee and the Independent Shareholders from Nuada Limited dated 10 November 2022 prepared for the purpose of inclusion in this circular.*

**Nuada Limited**

Unit 1606, 16/F  
OfficePlus @Sheung Wan  
93-103 Wing Lok Street  
Sheung Wan, Hong Kong  
香港上環永樂街93-103號  
協成行上環中心16樓1606室

10 November 2022

*To the Independent Board Committee and the Independent Shareholders of  
Get Nice Financial Group Limited*

Dear Sirs,

### **CONTINUING CONNECTED TRANSACTIONS**

#### **INTRODUCTION**

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Transactions, details of which are set out in the section headed “Letter from the Board” (the “**Board Letter**”) in the Company’s circular dated 10 November 2022 to the Shareholders, of which this letter forms part. Our appointment as the Independent Financial Adviser has been approved by the Independent Board Committee. Terms used in this letter shall have the same meanings as defined in this circular unless the context requires otherwise.

Reference is made to the Joint Announcement. On 3 October 2022, GNS, a wholly owned subsidiary of the Company, and Mr. Hung (a non-executive Director and the chairman of the Board), entered into the Financing Services Agreement, pursuant to which GNS may (but not obliged to), provide or procure any other company amongst the Group to provide the Financing Services to Mr. Hung and/or the Controlled Companies from time to time during the Term, on a non-exclusive basis.

As at the Latest Practicable Date, apart from his positions and capacities in GN Holdings, Mr. Hung is also a non-executive Director and the chairman of the Board. Therefore Mr. Hung is a connected person of the Company and the Financing Services Agreement constitutes continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios for the Proposed Annual Caps calculated under the Listing Rules are over 5% and the aggregate amount exceeds HK\$10,000,000, the Transactions are subject to the reporting, announcement, annual review and independent shareholders’ approval requirements of the Company under Chapter 14A of the Listing Rules.

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## LETTER FROM NUADA

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Any Shareholder with a material interest in the Transactions is required to abstain from voting on the resolution in relation to the Transactions at the EGM. Mr. Hung and his associates (including GN Holdings), who are deemed to be interested in 1,875,000,000 Shares, representing 75% of the issued share capital of the Company, are required to abstain from voting at the EGM.

Save and except for Mr. Hung and his associates, to the best of the Directors' knowledge, information and belief, as at the Latest Practicable Date, no other Shareholder has a material interest in the Transactions and is required to abstain from voting on the relevant resolution in relation to the Transaction at the EGM.

The Independent Board Committee has been formed to advise the Independent Shareholders as to the fairness and the reasonableness of the terms of the Transactions and as to how to vote at the EGM. We, Nuada Limited, have been appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the Transactions.

During the past two years immediately preceding and up to the date of our appointment as the Independent Financial Adviser, there were no other engagements between the Group and Nuada Limited. Apart from normal professional fees for our services to the Company in connection with this appointment as the Independent Financial Adviser and the engagement with GN Holdings in connection with the Transactions, no other arrangement exists whereby we have received/will receive any fees and/or benefits from the Company or any other parties that could reasonably be regarded as relevant to our independence. Accordingly, pursuant to Rule 13.84 of the Listing Rules, we are independent from, and are not associated with the Company or their respective substantial shareholder(s) or connected person(s) as defined under the Listing Rules, and accordingly are considered eligible to give independent advice on the Transactions.

### **BASIS OF OUR OPINION**

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the accuracy of the statements, information, opinions and representations contained or referred to in this circular and the information and representations provided to us by the Company, the Directors and the management of the Company ("**Management**"). We have no reason to believe that any information or representation relied on by us in forming our opinion is untrue, inaccurate or misleading, nor are we aware of any material facts the omission of which would render the information provided and the representations made to us untrue, inaccurate or misleading. We have assumed that all information, representations and opinions contained or referred to in this circular, which have been provided by the Company, the Directors and the Management and for which they are solely and wholly responsible, were true and accurate at the time when they were made and continue to be true up to the Latest Practicable Date and should there be any material changes after the despatch of this circular, the Shareholders would be notified as soon as possible.

The Directors have jointly and severally accepted full responsibility for the accuracy of the information contained in this circular and have confirmed in this circular, having made all reasonable inquiries, that to the best of their knowledge, opinion expressed in this circular have been arrived at after due and careful consideration and there are no other facts the omission of which would make any statement in this circular misleading.

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## LETTER FROM NUADA

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Our review and analysis were based upon, among other things, (i) the Financing Services Agreement; (ii) the financial information of the Group for the three years ended 31 March 2020 (“FY2020”), 31 March 2021 (“FY2021”) and 31 March 2022 (“FY2022”) respectively as shown in the annual reports of the Company for FY2021 (the “**Annual Report 2021**”) and FY2022 (the “**Annual Report 2022**”); (iii) the historical transaction amounts under the 2019 Financing Services Agreement; (iv) the internal credit manual of GNS; (v) the internal control policy for continuing connected transactions of the Group; (vi) Mr. Hung’s investment plan; (vii) the auditor’s letters on the continuing connected transactions of the Group for FY2020, FY2021 and FY2022; (viii) the annual review reports of continuing connected transactions by independent non-executive Directors for FY2020, FY2021 and FY2022; (ix) the margin loan clients list of GNS as at 31 August 2022 and (x) this circular.

We consider that we have reviewed sufficient information, including relevant information and documents provided by the Company and the Directors and the information published by the Company, to enable us to reach an informed view and to justify reliance on the accuracy of the information contained in this circular to provide a reasonable basis for our opinions and recommendations. We have not, however, carried out any independent verification of the information provided by the Company and the Directors, nor have we conducted an independent in-depth investigation into the business and affairs, financial condition and future prospects of the Group.

### PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our recommendation in respect of the terms of the Transactions, we have taken into account the following principal factors and reasons:

#### 1. Background information of the Group and Mr. Hung

##### *(i) Information of the Company, GN Holdings and GNS*

The Company is an investment holding company and the Group is principally engaged in the provision of financial services including securities dealing and broking, futures and options broking, asset management, underwriting and placements, securities margin financing and corporate finance services in Hong Kong. The Company is owned as to 72.99% by GN Holdings.

GN Holdings is an investment holding company and GN Holdings Group (including the Group) is principally engaged in (i) money lending; (ii) property development and holding and investment in financial instruments; (iii) real estate broking; and (iv) the provision of financial services.

GNS, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company. GNS is a corporation licensed to carry out type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the SFO.

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## LETTER FROM NUADA

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**(ii) Information of Mr. Hung**

As at the Latest Practicable Date, apart from his positions and capacities in GN Holdings, Mr. Hung is also a non-executive Director and the chairman of the Board. As such, Mr. Hung is a connected person of the Company.

**(iii) Financial information of the Group**

The table below summarises the financial results of the Group for FY2020 and FY2021 as extracted from the Annual Report 2021 and the financial results for the Group for FY2022 as extracted from the Annual Report 2022.

*Table 1: Consolidated statement of profit or loss and other comprehensive income of the Group*

	<b>For FY2022</b> <b>(audited)</b> <b>HK\$'000</b>	For FY2021 (audited) HK\$'000	For FY2020 (audited) HK\$'000
<b>Revenue</b>	<b>354,827</b>	381,320	369,362
–Broking	<b>62,721</b>	73,812	43,938
–Securities margin financing	<b>287,051</b>	306,603	325,167
–Corporate finance	<b>2,672</b>	905	257
–Asset management	<b>2,383</b>	–	–
–Investments	–	–	–
<b>Profit before taxation</b>	<b>499,720</b>	257,884	171,265
<b>Profit for the year</b>	<b>466,867</b>	213,209	139,782

*For FY2022 and FY2021*

The Group recorded a revenue of approximately HK\$354.83 million for FY2022, representing a decrease of approximately 6.95% as compared with that of approximately HK\$381.32 million for FY2021. As disclosed in the Annual Report 2022 and according to the Management, the decrease was mainly attributable to the decrease in underwriting and placing commission and proof of funds commission with lower turnover and decrease in interest income from margin financing during the year. However, the profit for the year of the Group increased from approximately HK\$213.21 million for FY2021 to approximately HK\$466.87 million for FY2022, representing an significant increase of approximately 118.97%. According to the Annual Report 2022, such increase was mainly attributable to (i) gain on disposal of subsidiaries (i.e. from nil in FY2021 to approximately HK\$338.82 million in FY2022 according to note 10 to the consolidated financial statements in Annual Report 2022) and (ii) decrease in finance costs resulted from reduction in bank borrowings, clients' accounts and loan from the immediate holding company.

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## LETTER FROM NUADA

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*For FY2021 and FY2020*

The Group recorded an increase of revenue from approximately HK\$369.36 million for FY2020 to approximately HK\$381.32 million for FY2021, representing a slight increase of approximately 3.24%. As stated in the Annual Report 2021 and according to the Management, the increase in revenue was mainly attributable to the increase in brokerage commission with higher turnover during the year. The profit for the year of the Group increased from approximately HK\$139.78 million for FY2020 to approximately HK\$213.21 million for FY2021, which represents an increase of approximately 52.53%. As stated in the Annual Report 2021, such increase was mainly attributable to (i) decrease in net impairment loss on account receivable from margin clients and (ii) decrease in finance costs resulted from the absence of imputed interests of convertible bonds.

As shown in the table above, For FY2020, FY2021 and FY2022, the revenue generated from securities margin financing amounted to approximately HK\$325.17 million, HK\$306.60 million and HK\$287.05 million respectively, representing approximately 88.04%, 80.40% and 80.90% of the total revenue of the Group for respective financial years. Broking segment was the second largest source of revenue of the Group based on the segment revenue for FY2022, the revenue generated from the broking segment of the Group amounted to approximately HK\$43.94 million, HK\$73.81 million and HK\$62.72 million for FY2020, FY2021 and FY2022 respectively, representing approximately 11.90%, 19.36%, 17.68% of the total revenue of the Group for respective financial years.

With reference to the Annual Report 2022 and Annual Report 2021, for FY2020, FY2021 and FY2022, the segment profits generated from securities margin financing segment of the Group amounted to approximately 98.11%, 91.84% and 97.07% of the total consolidated segment profits from all segments of the Group. The segment profit margin of the securities margin financing segment of the Group (calculated by the segment profit divided by the segment revenue x 100%) was approximately 65.80%, 81.83% and 54.69% for FY2020, FY2021 and FY2022 respectively. On the other hand, the segment profits generated from broking segment of the Group amounted to approximately 1.81% and 7.94% of the total consolidated segment profits from all segments of the Group for FY2020 and FY2021 respectively and recorded segment loss of approximately HK\$700,000 for FY2022. The segment profit margin of the broking segment of the Group was approximately 9.0% and 29.39% for FY2020 and FY2021 respectively. Based on the above, securities margin financing segment has been the major source of revenue of the Group with relatively high profit margin and has been essential to the profitability of the Group in recent financial years.

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## LETTER FROM NUADA

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*Table 2: Financial position of the Group*

	As at 31 March 2022 (audited) <i>HK\$'000</i>	As at 31 March 2021 (audited) <i>HK\$'000</i>
<b>Current assets</b>	<b>4,550,902</b>	4,749,143
–Accounts receivable	<b>2,826,396</b>	3,655,082
–Bank balances – general accounts and cash	<b>1,226,573</b>	328,186
<b>Current liabilities</b>	<b>531,729</b>	751,166
–Accounts payable	<b>517,124</b>	695,799
–Deposits received for disposal of a subsidiary	–	37,000
<b>Non-current assets</b>	<b>326,000</b>	28,201
<b>Net current assets</b>	<b>4,019,173</b>	3,993,760
<b>Total equity</b>	<b>4,337,962</b>	4,021,046

As stated in the Annual Report 2022, as at 31 March 2022, the current assets of the Group amounted to approximately HK\$4,550.90 million as compared with approximately HK\$4,749.14 million as at 31 March 2021, out of which the increase of bank balances of general accounts and cash from approximately HK\$328.19 million as at 31 March 2021 to approximately HK\$1,226.57 million as at 31 March 2022 was offset by the decrease of accounts receivable from approximately HK\$3,655.08 million as at 31 March 2021 to approximately HK\$2,826.40 million as at 31 March 2022. According to the consolidated statement of cash flows of the Group in Annual Report 2022, the net cash generated from operating activities has increased from approximately HK\$205.34 million for FY2021 to approximately HK\$943.57 million for FY2022. The current liabilities of the Group decreased from approximately HK\$751.17 million as at 31 March 2021 to approximately HK\$531.73 million as at 31 March 2022. It is noted that the decrease was mainly due to (i) the decrease of accounts payable from approximately HK\$695.80 million as at 31 March 2021 to approximately HK\$517.12 million as at 31 March 2022; and (ii) the deposit received for disposal of subsidiaries decreased from HK\$37.0 million as at 31 March 2021 to nil as at 31 March 2022. Based on the above, the total equity increased from approximately HK\$4,021.05 million as at 31 March 2021 to approximately HK\$4,337.96 million as at 31 March 2022.

Based on the fact that (i) the entering of Financing Services Agreement is in the ordinary and usual course of business of the Group; (ii) the margin financing segment of the Group has been the major source of revenue for the Group in recent financial years; and (iii) the profitability of the margin financing segment of the Group has been essential for the profitability of the Group with relatively high profit margin in recent financial years, we are of the view and concur with the Management's view that enter into the Financial Services Agreement to maintain the revenue source of the Group is in the interests of the Group and Shareholders as a whole.

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## LETTER FROM NUADA

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### 2. Reasons for entering into the Financing Services Agreement

As stated in the Board Letter, entering into the Financing Services Agreement can enhance the revenue of the Group. Furthermore, the terms of the Financing Services Agreement have been determined after arm's length negotiation between GNS and Mr. Hung pursuant to which (i) the Financing Services shall be provided on normal commercial terms; (ii) the interest rates to be charged and the other terms for the provision of the Financing Services by the Group to Mr. Hung and the Controlled Companies shall be no less favourable to the Group than those offered to other customers of the Group who are Independent Third Parties for comparable engagement, and in accordance with the relevant pricing policies of the Group which may be adjusted from time to time; and (iii) the provision of the Financing Services shall be subject to the terms and conditions of the standard client agreements of GNS from time to time.

As stated in the Board Letter, the historical margin loan interest income paid by Mr. Hung and the Controlled Companies to the Group amounted to approximately HK\$17.30 million for FY2021 and approximately HK\$13.05 million for FY2022 respectively, which represents approximately 5.64% and 4.55% of the revenue generated from securities margin financing business segment of the Group for FY2021 and FY2022 respectively. Based on the terms of the Financing Services Agreement as stated above that could safeguard the interests of the Group including but not limited to that the provision of the Financing Services by the Group to Mr. Hung and the Controlled Companies shall be no less favourable to the Group than those offered to other customers of the Group who are Independent Third Parties for comparable engagement, and in accordance with the relevant pricing policies of the Group which may be adjusted from time to time. We are of the view and concur with the view of the Management that entering into the Financing Services Agreement, which is in the ordinary and usual course of business of the Group as stated under the paragraph headed "1. Background information of the Group and Mr. Hung" above in this letter, would be able to maintain the revenue source for the securities margin financing segment of the Group on the basis that the terms of the Financing Services Agreement can safeguard the interests of the Group to adjust the engagement with Mr. Hung and Controlled Companies from time to time to in line with the Group's internal policies and standard client agreement.

### 3. Principal terms of the Financial Services Agreement

#### (a) *Principal terms of the Financial Services Agreement*

Set out below are the principal terms of the Financial Services Agreement:

Date: 3 October 2022

Parties: (i) GNS, as provider of the Financing Services; and  
(ii) Mr. Hung, as the customer

Term: From 15 December 2022 to and including 14 December 2025

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## LETTER FROM NUADA

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### *Services to be provided*

Pursuant to the Financing Services Agreement, GNS may (but not obliged to), upon request from Mr. Hung and/or any Controlled Company, provide or procure any other company amongst the Group to provide the Financing Services to Mr. Hung and/or, as the case may be, the relevant Controlled Company from time to time during the Term, on a non-exclusive basis. The provision of the Financing Services shall also be on normal commercial terms, on terms no less favourable to the Group than those offered to other customers of the Group who are Independent Third Parties and subject to the terms and conditions of the standard client agreement of GNS from time to time.

### *Service fee and pricing standards*

As stated in the Board Letter, the Service Fee for the Financing Services to be provided shall be at the rates no less favourable to the Group than the rates offered to other customers of the Group who are Independent Third Parties for comparable engagement, in accordance with the relevant pricing policy of the Group which may be adjusted from time to time, subject to the terms and conditions of the standard client agreement of GNS and, subject to the aforesaid, at the annual interest rate of 7.236%.

The interest rates of margin loans currently charged by GNS typically range from 7.236% p.a. to 9.252% p.a. with reference to the Hong Kong dollar prime rate as a base rate plus a markup. Apart from considering the costs of funding available to the Group, such interest rates are determined case-by-case based on the client's financial background, credit standing, and the quality of securities pledged and/or other collaterals given. In general, the margin financing interest rate applicable to the new clients would be set at the highest of the range of 9.252% but such interest rate may be adjusted upwards or downwards in accordance with the abovementioned criteria.

Under the Financing Services Agreement, the margin loan interest rate charged by GNS to Mr. Hung and the Controlled Companies is initially set at 7.236% per annum, taking into consideration of the Mr. Hung's financial background, diversified stock portfolio with low margin ratio and repayment history. In particular, Mr. Hung used to maintain his securities collaterals with market value over HK\$1 billion. The interest rate set for Mr. Hung is the same among the comparable clients. The interest rate of 7.236% per annum which is (i) comparable to rates offered by the Group to other customers who are Independent Third Parties of similar credit standing, trading record and/or quality of collaterals given; and (ii) subject to adjustment according to the pricing policy of GNS from time to time.

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## LETTER FROM NUADA

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### *Margin financing ratio*

As stated in the Board Letter, GNS determines the grant of margin loans to clients based on the following criteria: (i) investment experience of the client; (ii) investment objective of the client; (iii) financial background of the client; (iv) client's securities collateral maintained and (v) prevailing market conditions. The account executive would propose a margin loan limit for the client based on the above factors for the credit committee of GNS's approval. The credit committee will then determine the margin loan limit of the client. For granting of the margin loan limit, where the amount is HK\$500,000 or below, it has to be authorized by a credit committee member, where the amount exceeds HK\$500,000, it has to be authorized by two credit committee members, and where the amount is larger than HK\$5,000,000, it has to be authorized by two credit committee members (including the chief executive officer of the Group). After the credit committee approved the margin loan limit, Mr. Hung is able to utilise the margin financing to execute his investments plans within the margin loan limit.

The members of credit committee are senior management of GNS, including two responsible officers of GNS, the chief executive officer of the Group and head of risk management of GNS. The committee does not include independent non-executive Directors as they are independent from the Group's daily operation. According to the Management, Mr. Hung, as the non-executive Director, is not the member of credit committee of GNS and also has no management responsibility in the securities business thus he has no any influence to the credit committee.

According to the standard client agreement of GNS, all margin financing advanced to any client must be secured by pledge of listed equity securities acceptable to the Group. GNS advances margin financing to its clients which amounts up to 80% of the value of pledged blue-chip securities (securities of companies listed on the Stock Exchange which are constituents of the Hang Seng Index), and 10% to 80% of the value of other approved securities. The margin financing ratio of each approved stock varies depending on its quality, liquidity and market capitalisation. It is the Group's policy not to provide margin financing for securities listed on the GEM of the Stock Exchange, warrants and A-shares.

For detailed terms of the Financing Services Agreement, please refer to the paragraph headed "Principal terms of the Financing Services Agreement" in the Board Letter.

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## LETTER FROM NUADA

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*(b) Our view on principal terms of the Financing Services Agreement*

As stated in the Board Letter, the interest rates of margin loans charged by GNS are determined case-by-case based on the client's financial background, credit standing, and the quality of securities pledged and/or other collaterals given. We have obtained the full margin loan clients list of GNS as at 31 August 2022 from the Management and found that over 90% of the margin loan clients would be charged by GNS of interest rates with a range between 7.236% p.a. to 9.252% p.a. ("**Interest Range**"). As discussed with the Management, there are approximately 7% of margin clients among all the margin loan clients of GNS who are charged with higher interest rate than the Interest Range. These clients generally obtained shorter term of margin loan or having invested in higher risk of investment products. The remaining margin clients, which represents approximately 3% margin accounts among the margin loan clients list of GNS, being charged with lower interest rates than the Interest Range are either dormant accounts or clients who GNS intended to provide competitive terms. As stated in the Board Letter, the terms of the Financing Services Agreement are subject to the terms and conditions of the standard client agreement of GNS that engaged with other Independent Third Parties from time to time.

In order to assess the securities pledged and the size of the investment portfolio of Mr Hung's securities account, we have obtained the monthly statements of Mr Hung and the Controlled Companies' securities accounts at GNS from April 2022 to September 2022. With reference to the monthly statement of Mr Hung and the Controlled Companies' securities accounts at GNS for August 2022, the total market value of Hong Kong listed securities maintained was approximately HK\$1,789 million, with corresponding margin value of approximately HK\$561 million. If excluded the market value of the Company and GN Holdings in Mr Hung and the Controlled Companies' securities accounts at GNS, which are not eligible for margin financing according to the Management, the total market value of Hong Kong listed securities maintained would be HK\$1,285 million with corresponding margin value of approximately HK\$561 million.

With reference to the monthly statement of Mr Hung and the Controlled Companies' securities accounts at GNS for September 2022, the total market value of Hong Kong listed securities maintained was approximately HK\$1,721 million with corresponding margin value of approximately HK\$533 million. If excluded the market value of the Company and GN Holdings in Mr Hung and the Controlled Companies' securities accounts at GNS, the market value of Hong Kong listed securities maintained in Mr. Hung's securities account was approximately HK\$1,218 million, with corresponding margin value of approximately HK\$533 million.

According to the Management, as at the Latest Practicable Date, there were no default history from Mr. Hung's securities account at GNS since the account has been opened. Based on the above, the Management confirmed that the credit standing and financial strength of Mr Hung are satisfactory to justify the interest rate of the Service Fee (i.e. 7.236%) and the interest rate of Service Fee under the Financing Services Agreement is no less favourable to the Group than the rates offered to other customers of the Group who are Independent Third Parties and with similar financial strength and credit standing of Mr. Hung.

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## LETTER FROM NUADA

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With reference to the Board Letter, GNS advances margin financing to its clients which amounts up to 80% of the value of pledged blue-chip securities (securities of companies listed on the Stock Exchange which are constituents of the Hang Seng Index), and 10% to 80% of the value of other approved securities. The margin financing ratio of each approved stock varies depending on its quality, liquidity and market capitalisation. It is the Group's policy not to provide margin financing for securities listed on the GEM of the Stock Exchange, warrants and A-shares. The amount of margin loans to be granted to Mr. Hung and/or the relevant Controlled Companies will be determined based on the same policies. According to the credit manual of GNS provided by the Management, the margin loan ratio would be reviewed quarterly by the credit committee, which comprises four members including the chief executive officer of the Group, two responsible officers of GNS and the head of risk management of GNS, and determined with reference to the margin ratio provided by four commercial banks in Hong Kong. According to the Management, such credit committee does not include independent non-executive Directors as they are independent from the Group's daily operation. Mr. Hung, as the non-executive Director, is not the member of the credit committee of GNS and also has no management responsibility in the securities business thus he has no any influence to the credit committee. Based on the above and having considered the internal procedure measures adopted by the Group as stated under the paragraph headed "5. Internal control procedures in governing the Transactions" below in this letter, we are of the view and concur with the Management's view that GNS has implement sufficient policy for margin financing clients to safeguard the risk level of the Group and no preferential margin financing ratio would be provided to Mr. Hung as compared to other Independent Third Parties clients.

Having considered (i) the terms of the Financing Services Agreement are subject to the terms and conditions of the standard client agreement of GNS that engaged with other Independent Third Parties from time to time; (ii) the interest rate of Service Fee under the Financing Services Agreement is no less favourable to the Group than the rates offered to other customers of the Group who are Independent Third Parties and with similar financial strength and credit standing of Mr. Hung; (iii) the credit standing and financial strength of Mr Hung are satisfactory to justify the interest rate of the Service Fee; and (iv) GNS has implement sufficient policy to safeguard the risk level of the Group and no preferential margin financing ratio would be provided to Mr. Hung as compared to other Independent Third Parties clients, we are of the view and concur with the Management's view that the terms of the Financing Services Agreement is fair and reasonable.

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## LETTER FROM NUADA

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### 4. The annual caps

The table below shows (i) the proposed Interest Caps; and (ii) the proposed Margin Caps:

*Table 3: The proposed Interest Caps and the proposed Margin Caps*

<b>Period</b>	<b>Proposed Interest Caps <i>HK\$'000</i></b>	<b>Proposed Margin Caps <i>HK\$'000</i></b>
From 15 December 2022 to and including 31 March 2023	7,500	330,000
From the year ending 31 March 2024	29,000	330,000
For the year ending 31 March 2025	29,000	330,000
From 1 April 2025 to and including 14 December 2025	22,000	330,000

Please refer to the paragraph headed “Proposed annual caps under the Financing Services Agreement” under the Board Letter for the details of bases in determined the Interest Caps and Margin Caps.

With reference to the Board Letter, set out below are (i) the historical annual caps and margin financing loan granted under the 2019 Financing Services Agreement; and (ii) historical annual caps and margin loan interest income paid by Mr. Hung and the Controlled Companies to the Group under the 2019 Financing Services Agreement:

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## LETTER FROM NUADA

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*Table 4: the historical figures under the 2019 Financing Services Agreement*

<b>Period</b>	<b>Historical annual caps for of the margin financing loan HK\$'000</b>	<b>Historical maximum outstanding amount of the margin financing granted HK\$'000</b>	<b>Historical margin loan interest income under the 2019 Financing Services Agreement HK\$'000</b>	<b>Historical margin loan interest income paid by Mr. Hung and the Controlled Companies to the Group under the 2019 Financing Services Agreement HK\$'000</b>
From 15 December 2019 to and including 31 March 2020	330,000	314,912	7,500	5,171
For the year ended 31 March 2021	330,000	320,196	25,000	17,304
For the year ended 31 March 2022	330,000	320,991	29,000	13,051
From 1 April 2022 to and including 14 December 2022	330,000	212,869 <i>(Note)</i>	22,000	5,791 <i>(Note)</i>

*Note:* The relevant figures represent the period from 1 April 2022 to 31 August 2022

Based on the table above, except the period for the five months ended 31 August 2022, the historical outstanding amount of margin financing loans under the 2019 Financing Services Agreement have been utilised over 95% for each of the period from 15 December 2019 to and including 31 March 2020, FY2021 and FY2022 during term of the 2019 Financing Services Agreement. According to the Management, only approximately 64.5% of the historical annual caps for the margin financing loan during the period for the five months ended 31 August 2022 have been utilised was mainly attributable to the market condition of Hong Kong stock market. According to the official website of Hang Seng Index (source: <https://www.hsi.com.hk/eng/indexes/all-indexes/hsi>), the Hang Seng Index has been decreasing from over 30,000 index points in February 2021 to below 20,000 index points in August 2022. With reference to the reports of Securities and Derivatives Markets Quarterly Report for first quarter 2022 and second quarter 2022 respectively issued by the Stock Exchange, the total turnover in value of Hong Kong stock market amounted to approximately HK\$8,929 billion in first quarter 2022, which represents a decrease of approximately 34.56% as compared to approximately HK\$13,644 billion in first quarter 2021. The total turnover in value amounted to approximately HK\$7,641 billion in second quarter 2022, which represents a decrease of approximately 14.42% as compared to that in first quarter 2022 (i.e. HK\$8,929 billion) and a decrease of approximately 15.65% as compared to that in second quarter of 2021 (i.e. HK\$9,059 billion).

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## LETTER FROM NUADA

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Under the circumstances, we are of the view and concur with the Management's view that it is justifiable that the utilisation rate of the annual cap for the margin loan amount granted for the period from 1 April 2022 to and including 14 December 2022 under 2019 Financing Services Agreement as at 31 August 2022 is not as highly utilised as other periods. Based on Mr. Hung's investment plan, he intends to maintain the investment portfolio of him and the Controlled Companies with market value of over HK\$1,000 million. Accordingly, it is necessary to provide a buffer to allow higher flexibility for Mr. Hung and the Controlled Companies to conduct investment activities is needed when the market condition recovered in the coming years. Based on the above, we are of the view and concur with the Management's view that to maintain the Margin Caps same as the historical annual caps of margin financing loan under the 2019 Financing Services Agreement is fair and reasonable.

According to the monthly statements of Mr. Hung and the Controlled Companies' securities accounts at GNS from April 2022 to September 2022 provided by the Management, we noted that during this six-month period, if excluded the market value of the Company and GN Holdings, the average market value of listed securities maintained in Mr. Hung's securities account was approximately HK\$1,286 million with average margin value of approximately HK\$560 million. As at 30 September 2022, the market value of listed securities maintained in Mr. Hung's securities account was approximately HK\$1,218 million, with corresponding margin value of approximately HK\$533 million, which is higher than the proposed annual caps for the maximum outstanding amount of margin financing under the Financing Services Agreement (i.e. HK\$330 million). Furthermore, according to the Management, GNS has set maximum margin cap for each margin loan customer based on financial background, credit standing and the quality of securities pledged and/or other collaterals given. With reference to the Guidelines for Securities Margin Financing Activities issued by the Securities and Futures Commission (source: <https://www.sfc.hk/-/media/EN/assets/components/codes/files-current/web/guidelines/guidelines-for-securities-margin-financing-activities/guidelines-for-securities-margin-financing-activities.pdf>), GNS has adopted a benchmark of up to 40% of the shareholders' funds as the maximum margin loan to a single client or a group of related clients.

With reference to the Annual Report 2022, the net current assets of the Group amounted to approximately HK\$4.0 billion for FY2022. The Margin Caps of approximately HK\$330.0 million per year represents approximately 8.2% of the net current assets of the Group for FY2022. As the margin amount to be provided to Mr. Hung under the Financing Service Agreement would also taking into consideration of the market value of listed securities maintained in Mr Hung and the Controlled Companies' securities accounts, we are of the view and concur with Management's view that the possibility of cash flow risk causing by the Financing Services Agreement is low.

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## LETTER FROM NUADA

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Having considered (i) the entering of Financing Services Agreement could maintain the revenue source of the Group as stated under the paragraph headed “1. Background information of the Group and Mr. Hung” above in this letter; (ii) the market value and margin value of listed securities maintained in Mr. Hung’s securities accounts at GNS is much higher than the Margin Caps; (iii) there were no default history of Mr. Hung and the Controlled Companies’ securities account at GNS as stated under the paragraph headed “3. Principal terms of the Financial Services Agreement” above in this letter; (iv) the possibility of cash flow risk causing by the Financing Services Agreement is low as stated above and (v) the internal policies as stated under the section headed “5. Internal control procedures in governing the Transactions” would safeguard the Group’s risk level as stated below in this letter, we are of the view and concur with the Management’s view that the proposed annual caps for the maximum outstanding amount of margin financing under the Financing Services Agreement are fair and reasonable.

With reference to the Board Letter, the Interest Caps have been determined taking into consideration, among others, the historical margin loan interest paid by Mr. Hung and the Controlled Companies to the Group under the 2019 Financing Services Agreement and the annual caps of margin financing loan to Mr. Hung and the Controlled Companies under the 2019 Financing Services Agreement being HK\$330,000,000, which is same as the Margin Caps. The Interest Caps for the year ending 31 March 2024 and 31 March 2025 respectively (i.e. HK\$29.0 million per year) represent approximately 10.1% of the total revenue generated from the securities margin financing segment of the Group for FY2022 (i.e. HK\$287.05 million) and 8.2% of the total revenue of the Group for FY2022 (i.e. HK\$354.83 million). According to the Management and with reference to the Board Letter, the percentage of amount of margin loan granted to Mr. Hung out of the total outstanding margin loan balance are less than 10% for each year as at 31 March 2020, 2021 and 2022, respectively. The percentage of amount of margin loan interest generated from Mr. Hung out of the total margin loan interests generated from all clients are less than 5% as at 31 March 2020, 2021 and 2022 respectively. The Margin Caps (i.e. HK\$330 million) represents approximately 6.8% only of the total assets of the Group for FY2022 (i.e. HK\$4.88 billion). Accordingly, we are of the view and concur with the Management’s view that the possibility of concentration risk to be caused by the Financial Service Agreement is low. Since (i) the revenue and profitability of the securities margin financing segment of the Group is essential to the Group as mention under the paragraph headed “1. Background information of the Group and Mr. Hung” above in this letter and the interest income from the Service Fee under the Financing Services Agreement can maintain the revenue sources of the Group; (ii) the concentration risk to be caused by the Financing Service Agreement is low as mentioned above; (iii) we are of the view an concur with the Management’s view that the Margin Caps are fair and reasonable as mentioned above and it is one of the bases in determined the Interest Caps; and (iv) the Interest Caps provide a buffer to allow any possible rise in margin loan interest rate as a result of the adjustment in the pricing policy of the Group applied to all clients from time to time, we are of the view and concur with the Management’s view that the Interest Caps are fair and reasonable.

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## LETTER FROM NUADA

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### 5. Internal control procedures in governing the Transactions

According to the Management, the Group has established the following internal control procedures in order to ensure that the margin loan interest rate offered to Mr. Hung and the Controlled Companies are no less favourable to the Group than those rates offered to other customers who are Independent Third Parties:

1. Upon the opening of the margin account for Mr. Hung and each Controlled Company in GNS, the customer service officer had performed checking on whether the margin loan interest rate offered to Mr. Hung and/or, as the case may be, the relevant Controlled Company is comparable to the margin loan interest rates offered to all comparable clients of the Group who were Independent Third Parties, taking into consideration the credit standing of Mr. Hung and the relevant Controlled Company and the quality of the collaterals given as assessed by the credit committee. After checking by the customer service officer, the margin loan interest rate for Mr. Hung and/or, as the case may be, the relevant Controlled Company has to be reviewed and approved by an independent responsible officer and a credit committee member in order to ensure such rate are no less favourable to the Group than those rates offered to other customers of the Group who are Independent Third Parties.
2. Customer service officer will review with Mr. Hung about his customer profile annually and a responsible officer of GNS will monitor the market value and margin value of Mr. Hung's securities collateral to ensure the margin loan balances are within the margin value.
3. The independent non-executive Directors will perform an annual review pursuant to Rule 14A.55 of the Listing Rules on whether the Financing Services provided to Mr. Hung and the Controlled Companies are conducted (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms or better, or on terms no less favourable to the Group than those offered to the Independent Third Parties; and (iii) according to the Financing Services Agreement governing them on terms that are fair and reasonable and in the interests of the shareholders of each of the Companies as a whole.
4. Pursuant to Rule 14A.56 of the Listing Rules, the Company's auditor will confirm, amongst others things, whether (i) the Financing Services provided to Mr. Hung and the Controlled Companies have been approved by the Board; (ii) the Financing Services provided to Mr. Hung and the Controlled Companies are in accordance with the pricing policies of the Group; (iii) the Financing Services provided to Mr. Hung and the Controlled Companies have been entered into in accordance with the Financing Services Agreement; and (iv) the Proposed Annual Caps have been exceeded.

The Group will also monitor the maximum daily outstanding amount of margin financing advanced by the Group to Mr. Hung and the Controlled Companies, as well as the relevant margin loan interest income receivable by the Group to ensure that the Proposed Annual Caps would not be exceeded. As GNS will monitor Mr Hung and the Controlled Companies' securities accounts on daily basis with reference to above mentioned measures, we are of the view and concur with the Management view that there are adequate internal control measures to safeguard the interests of the Group.

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## LETTER FROM NUADA

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Regarding items (3) and (4) above, we also reviewed the relevant statements and letters issued by the independent non-executive Directors and the auditors of the Company respectively for the previous continuing connected transactions of the Group under, among others, the 2019 Financing Services Agreement, and did not notice any anomaly. We also reviewed the internal credit manual of GNS and the internal control policy for continuing connected transactions of the Group provided by the Management and did not notice any anomaly. Based on the above, we consider that there are adequate and enforceable internal control measures in place regarding the Transactions.

### RECOMMENDATION

Having considered the above principal factors and reasons, we are of the opinion that (i) the entering of Financing Services Agreement is in the ordinary and usual course of business of the Group; and (ii) the terms of Financing Services Agreement are on normal commercial terms, fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole. Accordingly, we advise the Independent Shareholders, and the Independent Board Committee to recommend the Independent Shareholders, and we also recommend the Independent Shareholders, to vote in favour of the relevant resolution(s) to be proposed at the EGM to approve the Transactions.

Yours faithfully,

For and on behalf of

**Nuada Limited**

**Kevin Wong**

**Herman Luk**

*Vice President*

*Assistant Manager*

*Mr. Kevin Wong is a person licensed to carry out type 6 (advising on corporate finance) regulated activity under the SFO and is a responsible officer of Nuada Limited who has over 14 years of experience in corporate finance industry.*

*Mr. Herman Luk is a person licensed to carry out type 6 (advising on corporate finance) regulated activity under the SFO and is a responsible officer of Nuada Limited who has over 7 years of experience in corporate finance industry.*

## 1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the 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 circular 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 circular misleading.

## 2. DISCLOSURE OF INTERESTS

### Directors and chief executive of the Company

As at the Latest Practicable Date, the interests of the Directors and their associates in the shares of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the “**Model Code**”), were as follows:

#### 1. Long positions in the ordinary shares of HK\$0.01 each of the Company

Name	Capacity	Number of issued ordinary shares held	Percentage of the Company’s issued share capital (%)
Mr. Hung	Held by controlled corporation (Note)	1,875,000,000	75.00

*Note:* Mr. Hung is deemed to be interested in (i) 50,309,829 Shares which are held by Honeylink Agents Limited (“**Honeylink**”), a company incorporated in the British Virgin Islands with limited liability, the entire issued share capital of which is beneficially owned by Mr. Hung; and (ii) 1,824,690,171 Shares which are held by GN Holdings. Honeylink is interested in 6,100,481,872 ordinary shares of GN Holdings, representing 63.13% of issued share capital of GN Holdings.

2. *Long positions in the non-voting deferred shares of HK\$1.0 each of GNS, a wholly owned subsidiary of the Company*

Name	Capacity	Number of non-voting deferred shares* held	Percentage of the issued non-voting deferred shares of GNS (%)
Mr. Hung	Beneficial owner	36,000,000	90
Mr. Shum Kin Wai, Frankie	Beneficial owner	4,000,000	10
		40,000,000	100

\* The non-voting deferred shares carry practically no rights to dividends nor to receive notice of nor to attend or vote at any general meeting of GNS and on liquidation, the assets of GNS available for distribution among the holders of ordinary shares and the holders of non-voting deferred shares shall be applied first in paying to the holders of ordinary shares the sum of HK\$1,000,000,000,000 per ordinary share and secondly in repaying to the holders of non-voting deferred shares the nominal amount paid up or credited as paid up on such shares, and the balances of the GNS's assets shall belong to and be distributed among the holders of ordinary shares in proportion to the amount paid up or credited as paid up on such ordinary shares respectively.

3. *Long positions in the ordinary shares of HK\$0.1 each of GN Holdings, the immediate holding company of the Company*

Name	Capacity	Number of issued ordinary shares held	Percentage of GN Holdings' issued share capital (%)
Mr. Hung	Held by controlled corporation (Note)	6,100,481,872	63.13

*Note:* Mr. Hung is deemed to be interested in 6,100,481,872 ordinary shares of GN Holdings which are held by Honeylink, a company incorporated in the British Virgin Islands with limited liability, the entire issued share capital of which is beneficially owned by Mr. Hung.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor their associates had any interests or short positions in any shares or underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

### Substantial Shareholders

As at the Latest Practicable Date, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO showed that the following shareholders had an interest of 5% or more in the issued share capital of the Company and this interest represents long positions in the ordinary shares of HK\$0.01 each of the Company.

#### *Long positions in the ordinary shares of HK\$0.01 each of the Company*

Name	Capacity	Number of issued/underlying ordinary shares held	Percentage of the Company's issued share capital (%)
GN Holdings	Beneficial owner	1,824,690,171	72.99
Honeylink	Held by controlled corporation (Note)	1,824,690,171	72.99
	Beneficial owner (Note)	50,309,829	2.01
Mr. Hung	Held by controlled corporation (Note)	1,875,000,000	75.00

*Note:* Mr. Hung is deemed to be interested in (i) 50,309,829 Shares which are held by Honeylink, a company incorporated in the British Virgin Island with limited liability, the entire issued share capital of which is beneficially owned by Mr. Hung; and (ii) 1,824,690,171 Shares which are held by GN Holdings. Honeylink is interested in 6,100,481,872 ordinary shares of GN Holdings, representing 63.13% of issued share capital of GN Holdings.

Save as disclosed above, the Company had not been notified of any other relevant interests or short positions in the issued share capital of the Company as at the Latest Practicable Date.

### 3. DIRECTORS' INTERESTS

As at the Latest Practicable Date, none of the Directors had any interests, either directly or indirectly, in any assets which had been acquired or disposed of by or leased to any member of the Group, or which were proposed to be acquired or disposed of by or leased to any member of the Group since 31 March 2022, the date to which the latest published audited consolidated accounts of the Group were made up.

As at the Latest Practicable Date, there was no subsisting contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly.

#### 4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse changes in the financial or trading position of the Group since 31 March 2022, being the date to which the latest published audited consolidated financial statements of the Group were made up.

#### 5. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors nor their respective associates had an interest in any business apart from the Group's business which competes or is likely to compete, either directly or indirectly, with the Group's business.

#### 6. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

#### 7. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with the Company or any of its subsidiaries which is not expiring nor determinable by the Company or any of its subsidiaries within one year without payment of compensation other than statutory compensation.

#### 8. EXPERTS AND CONSENTS

The following is the qualification of the expert who has given opinions or advice contained in this circular:

<b>Name</b>	<b>Qualification</b>
Nuada	a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activities under the SFO

Nuada has confirmed that as at the Latest Practicable Date, it did not have any beneficial shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group nor did it have any direct or indirect interests in any assets which have since 31 March 2022 (being the date to which the latest published audited consolidated financial statements of the Company were made up) been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

Nuada has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its opinion prepared for the purpose of incorporation in this circular, and the references to its name and opinion in the form and context in which they respectively appear.

**9. DOCUMENTS ON DISPLAY**

Copies of the following documents will be published on the website of the Company (<http://www.getnicefg.com.hk>) and the Stock Exchange's website (<http://www.hkexnews.hk>) for a period of 14 days from the date of this circular:

- (i) the Financing Services Agreement;
- (ii) the letter of recommendation from the Independent Board Committee, the text of which is set out on page 17 of this circular;
- (iii) the letter of advice from Nuada to the Independent Board Committee and the Independent Shareholders, the text of which is set out on pages 18 to 34 of this circular; and
- (iv) the written consent as referred to under the section headed "Experts and Consents" in this appendix.

**10. MISCELLANEOUS**

- (i) The registered office of the Company is situated at Third Floor, Century Yard, Cricket Square, P.O. Box 902, Grand Cayman KY1-1103, Cayman Islands and the principal office of the Company is situated at G/F-3/F, Cosco Tower, Grand Millennium Plaza, 183 Queen's Road, Central, Hong Kong.
- (ii) The Hong Kong branch share registrar and transfer office of the Company is Tricor Secretaries Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (iii) The company secretary of the Company is Mr. Ko Yat Fei, who was appointed as the company secretary of the Company on 3 September 2019. He is a member of the Hong Kong Institute of Certified Public Accountants.
- (iv) In the event of any inconsistency, the English text of this circular shall prevail over the Chinese text.

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## NOTICE OF EGM

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### GET NICE FINANCIAL GROUP LIMITED

### 結好金融集團有限公司

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

**(Stock Code: 1469)**

## NOTICE OF EXTRAORDINARY GENERAL MEETING

### IMPORTANT NOTES

In light of the ongoing Novel Coronavirus (COVID-19) pandemic, the Company will implement the following precautionary measures at the EGM to protect attending Shareholders, staff and stakeholders from the risk of infection:

- (i) compulsory body temperature checks, hand sterilisation and health declaration
- (ii) compulsory wearing of a surgical face mask for each attendee
- (iii) no distribution of corporate gift or refreshment
- (iv) appropriate seating arrangement in line with the relevant laws and regulations in Hong Kong

The Company reminds Shareholders that they may appoint the chairman of the EGM as their proxy to vote on the relevant resolution(s) at the EGM as an alternative to attending the EGM in person.

Any person who does not comply with the precautionary measures or is subject to any Hong Kong Government prescribed quarantine may be denied entry into the meeting venue.

**NOTICE IS HEREBY GIVEN** that the extraordinary general meeting (“EGM”) of Get Nice Financial Group Limited (the “**Company**”) will be held at 11:00 a.m. on Tuesday, 29 November 2022 at 3/F, Cosco Tower, Grand Millennium Plaza, 183 Queen’s Road Central, Hong Kong for the purpose of considering and, if thought fit, passing the following resolution as ordinary resolution of the Company:

### ORDINARY RESOLUTION

“**THAT:**

- (a) the Financing Services Agreement (as defined in the circular to the shareholders of the Company dated 10 November 2022 (the “**Circular**”)) and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified;
- (b) the Proposed Annual Caps (as defined in the Circular), for the period/year ending 31 March 2023, 2024 and 2025 and from 1 April 2025 to and including 14 December 2025, respectively, be and are hereby approved; and

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## NOTICE OF EGM

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- (c) the board of directors of the Company be and is hereby authorised to sign, execute, perfect, deliver and do all such documents, deeds, acts, matters and things as it considers necessary or desirable for the purposes of or in connection with or to give effect to the aforesaid Financing Services Agreement and the transactions contemplated thereunder (including the Proposed Annual Caps).”

By order of the Board  
**Get Nice Financial Group Limited**  
**Ko Yat Fei**  
*Company Secretary*

Hong Kong, 10 November 2022

*Registered office:*

Third Floor,  
Century Yard,  
Cricket Square  
P.O. Box 902  
Grand Cayman KY1-1103  
Cayman Islands

*Principal place of business in Hong Kong:*

G/F-3/F  
Cosco Tower  
Grand Millennium Plaza  
183 Queen's Road Central  
Hong Kong

*Notes:*

1. A member of the Company who is a holder of two or more shares, and who is entitled to attend and vote at the EGM is entitled to appoint more than one proxy or a duly authorised corporate representative to attend and vote in his stead. A proxy need not be a member of the Company. Completion and return of the form of proxy will not preclude a member of the Company from attending the EGM and vote in person. In such event, his form of proxy will be deemed to have been revoked.
2. A form of proxy for the EGM is enclosed. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, must be deposited at the Company's Hong Kong branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time for holding the EGM or any adjournment thereof.
3. Delivery of an instrument appointing a proxy should not preclude a member from attending and voting in person at the above meeting or any adjournment thereof and in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. In the case of joint holders of a share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she/it were solely entitled thereto to. If more than one of such joint holders are present at the above meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
5. The register of members of the Company will be closed from Thursday, 24 November 2022 to Tuesday, 29 November 2022, both dates inclusive, during which period no transfer of shares will be effected. In order to qualify for attending and voting at the EGM, all transfers of shares accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on 23 November 2022.
6. As at the date of this notice, the executive Directors are Shum Kin Wai, Frankie (managing Director) and Mr. Hung Sui Kwan (chief executive officer). The non-executive Director is Mr. Hung Hon Man (Chairman). The independent non-executive Directors are Mr. Cheung Chi Kong, Ronald, Mr. Chan Ka Kit and Ms. Ng Yau Kuen, Carmen.