



財華社
FINET

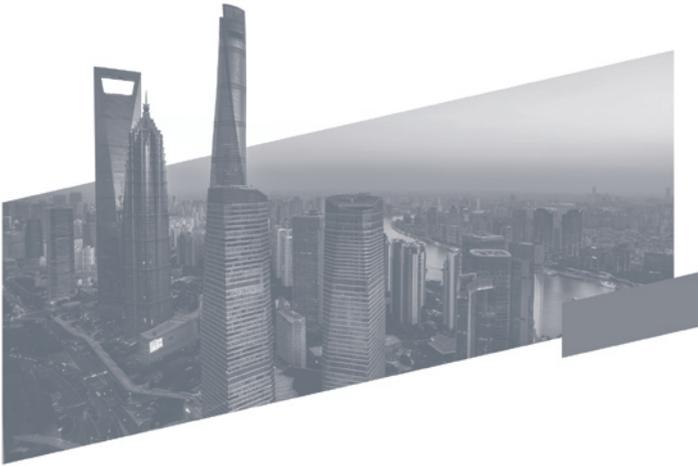
Finet Group Limited

(Continued in Bermuda with limited liability)
(Stock Code: 08317)

MOVING FORWARD

- HONG KONG
- SHENZHEN
- BEIJING

2023/2024
Interim Report



CHARACTERISTICS OF THE GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to higher market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This report, for which the directors (the “Directors”) of Finet Group Limited (the “Company”, together with its subsidiaries, the “Group”) collectively and individually accept full responsibility, includes particulars given in compliance with The Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this report 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 in this report misleading.



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CORPORATE INFORMATION

Board of Directors

Executive Directors

Ms. LO Yuk Yee (*Chairman*)

Ms. CHEN Weijie

(resigned on 24 August 2023)

Mr. FO Chen Yuh

(appointed on 24 August 2023)

Independent Non-executive Directors

Mr. WONG Wai Kin

Mr. WONG Kwok Yin

Mr. CHU Ka Chung

(resigned on 24 August 2023)

Mr. YUK Kai Yao

(appointed on 24 August 2023)

Audit Committee

Mr. WONG Wai Kin (*Chairman*)

Mr. WONG Kwok Yin

Mr. CHU Ka Chung

(resigned on 24 August 2023)

Mr. YUK Kai Yao

(appointed on 24 August 2023)

Remuneration Committee

Mr. WONG Kwok Yin (*Chairman*)

Mr. WONG Wai Kin

Ms. LO Yuk Yee

Nomination Committee

Ms. LO Yuk Yee (*Chairman*)

Mr. WONG Wai Kin

Mr. WONG Kwok Yin

Corporate Governance Committee

Mr. YUK Kai Yao (*Chairman*)

(appointed on 24 August 2023)

Mr. CHU Ka Chung (*Chairman*)

(resigned on 24 August 2023)

Mr. WONG Wai Kin

Mr. WONG Kwok Yin

Company Secretary

Ms. CHEUNG Yin, HKICPA

Authorized Representatives

Ms. LO Yuk Yee

Ms. CHEUNG Yin

Compliance Officer

Ms. LO Yuk Yee

Auditor

Crowe (HK) CPA Limited

Certified Public Accountants

Registered Office

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

Head Office and Principal Place of Business in Hong Kong

30/F, Fortis Tower

77–79 Gloucester Road, Wanchai

Hong Kong

Company Website

www.finet.hk

Principal Banker

The Hongkong and Shanghai Banking Corporation Limited

Stock Code

08317

Investor Relations

Email: ir@finet.com.hk

Website: <http://ir.finet.hk>

RESULTS HIGHLIGHTS

- The Group reported the revenue of approximately HK\$9,380,000 for the six months ended 30 September 2023, representing an increase of approximately 29.8% from approximately HK\$13,366,000 for the same period in 2022.
- The Group's unaudited consolidated loss attributable to owners of the Company for the six months ended 30 September 2023 was approximately HK\$3,781,000 (six months ended 30 September 2022: approximately HK\$1,311,000).
- The Board does not recommend the payment of dividend for the six months ended 30 September 2023.

The board of Directors (the “Board”) is pleased to present the unaudited results of the Group for the three months and six months ended 30 September 2023, together with the comparative unaudited figures for the corresponding period in 2022 as follows:

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the three months and six months ended 30 September 2023

	Notes	For the three months ended 30 September		For the six months ended 30 September	
		2023 HK\$'000 Unaudited	2022 HK\$'000 Unaudited	2023 HK\$'000 Unaudited	2022 HK\$'000 Unaudited
Revenue	3	5,059	5,968	9,380	13,366
Cost of sales		(165)	(402)	(298)	(722)
Gross profit		4,894	5,566	9,082	12,644
Other income and other losses	3	2,105	1,630	3,633	3,453
Impairment loss under expected credit loss model		(1,878)	—	(1,878)	—
Selling and marketing expenses		(8)	(17)	(33)	(24)
General and administrative expenses		(6,939)	(7,668)	(12,815)	(15,398)
Finance costs	5	(14)	(189)	(33)	(391)
(Loss)/profit before income tax	6	(1,840)	(678)	(2,044)	284
Income tax expense	7	—	—	—	—
(Loss)/profit for the period		(1,840)	(678)	(2,044)	284
(Loss)/profit attributable to:					
Owners of the Company		(4,585)	(593)	(3,781)	(1,311)
Non-controlling interests		2,745	(85)	1,737	1,595
		(1,840)	(678)	(2,044)	284
Loss per share for loss attributable to owners of the Company during the period	9	(0.57)	(0.09)	(0.47)	(0.20)
— Basic and diluted (in HK cents)					

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months and six months ended 30 September 2023

Notes	For the three months ended 30 September		For the six months ended 30 September	
	2023	2022	2023	2022
	HK\$'000 Unaudited	HK\$'000 Unaudited	HK\$'000 Unaudited	HK\$'000 Unaudited
(Loss)/profit for the period	(1,840)	(678)	(2,044)	284
Other comprehensive (expense)/ income				
Currency translation differences	(39)	532	(79)	955
Other comprehensive (expense)/ income for the period	(39)	532	(79)	955
Total comprehensive (expense)/ income for the period	(1,879)	(146)	(2,123)	1,239
Attributable to:				
Owners of the Company	(4,624)	(61)	(3,860)	(356)
Non-controlling interests	2,745	(85)	1,737	1,595
	(1,879)	(146)	(2,123)	1,239

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2023

	Notes	30 September 2023 HK\$'000 Unaudited	31 March 2023 HK\$'000 Audited
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		934	965
Right-of-use assets		679	2,586
Investment properties		27,260	27,260
Intangible assets		950	950
Statutory deposits and other assets		155	205
		29,978	31,986
Current assets			
Trade receivables	10	10,336	5,622
Prepayments, deposits and other receivables		1,606	1,662
Amounts due from related companies		13,216	14,622
Client trust bank balances		171	186
Cash and cash equivalents	11	11,539	8,022
		36,868	30,114
Total assets		66,846	62,100

	Notes	30 September 2023 HK\$'000 Unaudited	31 March 2023 HK\$'000 Audited
Current liabilities			
Accounts payable	12	2,447	1,790
Contract liabilities		1,805	1,805
Accruals and other payables		5,065	5,070
Amount due to a related company		—	5
Lease liabilities		692	2,637
		10,009	11,307
Net current assets			
		26,859	18,807
Total assets less current liabilities			
		56,837	50,793
Non-current liabilities			
Loan from a shareholder		—	24,018
Deferred tax liabilities		7,722	7,721
		7,722	31,739
Net assets			
		49,115	19,054
EQUITY			
Capital and reserves attributable to owners of the Company			
Share capital	13	9,998	6,665
Reserves		44,072	19,081
		54,070	25,746
Non-controlling interests		(4,955)	(6,692)
Total equity			
		49,115	19,054

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2023

	Attributable to owners of the Company										
	Share capital HK\$'000	Share premium HK\$'000	Merger reserve HK\$'000	Employee compensation reserve HK\$'000	Other reserve HK\$'000	Translation reserve HK\$'000	Property revaluation reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000	Non-controlling interests HK\$'000	Total equity HK\$'000
As at 1 April 2022 (Audited)	6,665	320,095	4,870	1,316	3,757	1,384	9,989	(307,033)	41,043	(6,799)	34,244
Loss for the period	–	–	–	–	–	–	–	(1,311)	(1,311)	1,595	284
Other comprehensive expense											
Currency translation differences	–	–	–	–	–	955	–	–	955	–	955
Total comprehensive (expense)/income	–	–	–	–	–	955	–	(1,311)	(356)	1,955	1,239
Employee compensation reserve	–	–	–	–	–	–	–	–	–	–	–
As at 30 September 2022 (Unaudited)	6,665	320,095	4,870	1,316	3,757	2,339	9,989	(308,344)	40,687	(5,204)	35,483
As at 1 April 2023 (Audited)	6,665	320,095	4,870	1,728	3,757	2,016	9,989	(323,374)	25,746	(6,692)	19,054
Profit/(loss) for the period	–	–	–	–	–	–	–	(3,781)	(3,781)	1,737	(2,044)
Other comprehensive income											
Currency translation differences	–	–	–	–	–	(79)	–	–	(79)	–	(79)
Total comprehensive (expense)/income	–	–	–	–	–	(79)	–	(3,781)	(3,860)	1,737	(2,123)
Rights issues	3,333	28,851	–	–	–	–	–	–	32,184	–	32,184
Employee compensation reserve	–	–	–	–	–	–	–	–	–	–	–
	3,333	28,851	–	–	–	–	–	–	32,184	–	32,184
As at 30 September 2023 (Unaudited)	9,998	348,946	4,870	1,728	3,757	1,937	9,989	(319,593)	54,072	(4,955)	49,115

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2023

	Notes	For the six months ended 30 September	
		2023 HK\$'000 Unaudited	2022 HK\$'000 Unaudited
Net cash outflow from operating activities		(868)	(4,391)
Net cash inflow/(outflow) from investing activities		143	(36)
Proceed from Rights Issue		32,185	—
Repayment of loans from shareholder		(25,637)	—
Repayment of borrowings, interest and principal elements of lease payments		(2,084)	(2,186)
Net cash inflow/(outflow) from financing activities		4,464	(2,186)
Net increase/(decrease) in cash and cash equivalents		3,739	(6,613)
Cash and cash equivalents, at beginning of the period		8,022	17,584
Effect of exchange rate changes, net		(222)	(198)
Cash and cash equivalents, at end of the period	11	11,539	10,773

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. General Information

The principal activity of Finet Group Limited (the “Company”) is investment holding. The Company and its subsidiaries (together the “Group”) are principally engaged in (i) the development, production and provision of financial information, advertising and investor relationship service and technology solutions to corporate and retail clients in Hong Kong and People’s Republic of China (the “PRC”); (ii) provision of brokerage, underwriting and asset management; (iii) money lending business; and (iv) property investments.

The Company was incorporated and registered as an exempted company with limited liability in the Cayman Islands under the Companies Law of the Cayman Islands on 24 June 2002. On 16 June 2011, the Company was deregistered in the Cayman Islands and duly continued in Bermuda as an exempted company under the laws of Bermuda. The Company’s registered office is situated at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The Company’s principal place of business is situated at 30/F, Fortis Tower, 77–79 Gloucester Road, Wanchai, Hong Kong.

The Company’s immediate and ultimate holding company is Maxx Capital International Limited incorporated in the British Virgin Islands (“BVI”) with limited liability and Pablos International Limited incorporated in the BVI with limited liability, respectively. The ultimate controlling party is Ms. LO Yuk Yee, the controlling shareholders (as defined in the GEM Listing Rules), who controls Pablos International Limited and is also the Chairman and executive Director of the Company.

The Company’s shares have been listed on GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 7 January 2005.

The unaudited condensed consolidated financial statements are presented in Hong Kong dollars (“HK\$”) unless otherwise stated. These consolidated financial statements were approved and authorized for issue by the board of directors on 14 November 2023.

2. Basis of Preparation

The unaudited condensed consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the disclosure requirements of the GEM Listing Rules.

The principal accounting policies and methods of computation used in the preparation of these accounts are consistent with those adopted in the preparation of the annual report of the Company for the year ended 31 March 2023.

The unaudited condensed consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties and certain financial assets, which are carried at fair values.

The unaudited condensed consolidated financial statements do not include all the information and disclosures required in the annual report, and should be read in conjunction with the Group’s annual report for the year ended 31 March 2023.

In the current reporting period, the Group has applied, for the first time, certain new standards, amendments to standards and interpretations issued by the HKICPA that are mandatorily effective for its accounting period beginning on 1 April 2023. The adoption of these new and revised HKFRSs did not result in substantial changes to the Group’s accounting policies and amounts reported for the current year and prior year.

The Group has not yet applied new standards and amendments to existing standards that have been issued but not yet effective, and will apply such standards when they become effective. The Group anticipates that the application of the such new standards and amendments to existing standards have no material impact on the results and the financial position of the Group.

3. Revenue and Other Income and Other Losses

Revenue, which is also the Group's turnover, represents total invoiced value of goods supplied and services rendered. Revenue and other income and other losses recognised during the period are as follows:

	For the three months ended 30 September		For the six months ended 30 September	
	2023 HK\$'000 Unaudited	2022 HK\$'000 Unaudited	2023 HK\$'000 Unaudited	2022 HK\$'000 Unaudited
Revenue				
Service income from provision of financial information services	47	53	111	128
Advertising and investor relationship service income	4,714	5,595	8,661	12,595
Brokerage commission and service income from securities business	1	1	2	2
Rental income from investment properties	297	319	606	641
	5,059	5,968	9,380	13,366
Other income and other losses				
Income from sharing of administrative expenses	1,496	1,314	2,749	2,787
Government subsidies	—	—	—	312
Interest income	10	1	14	1
Gain on disposal of property, plant and equipment	200	—	200	—
Sundry income	399	315	670	353
	2,105	1,630	3,633	3,453

4. Segment Information

The chief operating decision-maker has been identified as the executive directors of the Company (the "executive Directors"). The executive Directors have reviewed the Group's internal reports in order to assess the performance and allocate resources; they have also determined the operating segments based on these reports. The executive Directors have further considered the business from product perspective and have assessed the performance of four main business segments: (i) Financial information, advertising and investor relationship services business; (ii) Securities business; (iii) Money lending business; and (iv) Property investment.

At 30 September 2023, the Group is organized into four main operating segments:

- (i) Financial information, advertising and investor relationship service business — the development, production and provision of financial information service and technology solutions to corporate and retail clients in Hong Kong and the PRC, this segment also includes results of the media business, providing advertising, investor relationship and branding promotion and communication service;
- (ii) Securities business that specializes in the provision of brokerage, underwriting and asset management services;
- (iii) Money lending business; and
- (iv) Property investment business.

Segment results for the six months ended 30 September 2023 about these businesses are as follows:

	Unaudited				Group HK\$'000
	Financial information, advertising and investor relationship service business HK\$'000	Securities business HK\$'000	Money lending business HK\$'000	Property investment business HK\$'000	
Revenue	8,772	2	—	606	9,380
Segment results	(1,545)	(742)	(2)	278	(2,011)
Finance costs					(33)
Loss before income tax					(2,044)
Income tax expense					—
Loss for the period					(2,044)

Segment results for the six months ended 30 September 2022 about these businesses are as follows:

	Unaudited				Group HK\$'000
	Financial information, advertising and investor relationship service business HK\$'000	Securities business HK\$'000	Money lending business HK\$'000	Property investment business HK\$'000	
Revenue	12,723	2	—	641	13,366
Segment results	1,556	(1,362)	(4)	485	675
Finance costs					(391)
Profit before income tax					284
Income tax expense					—
Profit for the period					<u>284</u>

	For the six months ended 30 September	
	2023	2022
	HK\$'000	HK\$'000
	Unaudited	Unaudited
Revenue from contracts with customers		
— Service income from provision of financial information services	111	128
— Advertising and investor relationship service income	8,661	12,595
— Brokerage commission and services income from securities business	2	2
	8,774	12,725
Represented by:		
Timing of revenue recognition		
— At a point in time	8,663	12,597
— Over time	111	128
	8,774	12,725
Revenue from other sources		
— Rental income from investment properties	606	641
	606	641
	9,380	13,366

The segment assets and liabilities at 30 September 2023 are as follows:

	Unaudited				
	Financial information, advertising and investor relationship service business HK\$'000	Securities business HK\$'000	Money lending business HK\$'000	Property investment business HK\$'000	Group HK\$'000
Assets	28,838	7,672	46	30,290	66,846
Liabilities	6,000	358	—	11,373	17,731

The segment assets and liabilities at 31 March 2023 are as follows:

	Audited				
	Financial information, advertising and investor relationship service business HK\$'000	Securities business HK\$'000	Money lending business HK\$'000	Property investment business HK\$'000	Group HK\$'000
Assets	27,655	5,804	48	28,593	62,100
Liabilities	31,792	433	—	10,821	43,046

5. Finance Costs

	For the three months ended 30 September		For the six months ended 30 September	
	2023	2022	2023	2022
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	Unaudited	Unaudited	Unaudited	Unaudited
Interest expenses on				
— bank borrowings	—	156	—	318
— lease liabilities	14	33	33	73
	14	189	33	391

6. Profit/(Loss) Before Income Tax

	For the three months ended 30 September		For the six months ended 30 September	
	2023	2022	2023	2022
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	Unaudited	Unaudited	Unaudited	Unaudited
Profit/(loss) before income tax is arrived at after charging:				
Expenses related to short-term leases/operating lease charges				
— in respect of rental premises	1,063	1,200	2,084	2,405
Depreciation of property, plant and equipment	65	145	130	302
Depreciation of right-of-use assets	1,057	914	2,148	1,832
Employee benefits expense (including directors' emoluments)	3,495	4,727	7,001	9,959

7. Income Tax Expense

No Hong Kong profits tax has been provided for the six months ended 30 September 2023 (2022: Nil) as the Group had no assessable profit arising in or derived from Hong Kong for the period.

Under the law of the PRC on Enterprise Income Tax (the "EIT Law") and Regulations on the Implementation of the EIT Law, the PRC subsidiaries are subject to Enterprise Income Tax of tax rate of 25%. No Enterprise Income Tax for the PRC subsidiary has been provided during the six months ended 30 September 2023 (six months ended 30 September 2022: Nil).

The PRC income tax of nil during the six months ended 30 September 2023 (six months ended 30 September 2022: nil) was mainly attributable to the net rental income from the investment properties of the Company in the PRC.

8. Dividend

The Board does not recommend the payment of dividend for the six months ended 30 September 2023 (six months ended 30 September 2022: Nil).

9. Loss Per Share

a) Basic

The calculation of basic loss per share is based on the loss attributable to owners of the Company for the three months and six months ended 30 September 2023 of approximately HK\$4,585,000 and HK\$3,781,000 respectively (three months and six months ended 30 September 2022: loss of approximately HK\$593,000 and HK\$1,311,000 respectively) and on the weighted average number of 797,661,156 shares in issue during the three months and six months ended 30 September 2023 (three months and six months ended 30 September 2022: weighted average number of 666,538,774 shares in issue).

b) Diluted

The computation of diluted loss per share for the three months and six months ended 30 September 2023 and 2022 did not assume the exercise of the Company's outstanding share options during those periods since they are anti-dilutive, as their exercise would result in a decrease in loss per share.

10. Trade Receivables

		30 September 2023 HK\$'000 Unaudited	31 March 2023 HK\$'000 Audited
Trade receivables	(i)	10,336	5,622

- (i) The credit terms granted by the Group to its customers range from 10 days to 90 days. An aging analysis of trade receivables by invoice day as at the end of the reporting period is as follows:

		30 September 2023 HK\$'000 Unaudited	31 March 2023 HK\$'000 Audited
0-30 days		1,355	2,974
31-60 days		1,176	—
61-90 days		1,242	19
Over 90 days		6,563	2,629
		10,336	5,622

11. Cash and Cash Equivalents

For the purpose of the statement of cash flow, cash and cash equivalents comprise the following at 30 September 2023:

		30 September 2023 HK\$'000 Unaudited	31 March 2023 HK\$'000 Audited
Cash at banks and on hand		11,539	8,022

12. Accounts Payable

	30 September 2023 HK\$'000 Unaudited	31 March 2023 HK\$'000 Audited
Accounts payable arising from securities broking		
— Clients	843	186
Other accounts payable	1,604	1,604
	2,447	1,790

An aging analysis of accounts payable to suppliers of financial information services business as at the end of the reporting period is as follows:

	30 September 2023 HK\$'000 Unaudited	31 March 2023 HK\$'000 Audited
Over 90 days	1,604	1,604

13. Share Capital

	30 September 2023		31 March 2023	
	Number of shares	Amount HK\$'000	Number of shares	Amount HK\$'000
Authorized:				
Ordinary shares of HK\$0.01 each	15,000,000,000	150,000	15,000,000,000	150,000
Issued and fully paid:	999,808,161	9,998	666,538,774	6,665

14. Related Party Transactions

In addition to the transactions and balances disclosed elsewhere in the unaudited condensed consolidated financial statements, the Group had the following related party transactions during the period:

	For the three months ended 30 September		For the six months ended 30 September	
	2023	2022	2023	2022
	HK\$'000 Unaudited	HK\$'000 Unaudited	HK\$'000 Unaudited	HK\$'000 Unaudited
Income from financial information services received from Top 100 Hong Kong Listed Company Research Centre Company Limited <i>(note i)</i>	—	—	3,000	—
Incomes from sharing of administrative expenses received from International Links Limited <i>(note i)</i>	180	180	360	360
Incomes from sharing of administrative expenses received from Maxx Capital Finance Limited <i>(note i)</i>	860	508	907	1,072
Incomes from sharing of administrative expenses received from Top 100 Hong Kong Listed Companies Research Centre Company Limited <i>(note i)</i>	—	—	—	—
Income from sharing of administrative expenses received from China Hong Kong Finance Group Limited <i>(note i)</i>	520	700	1,122	1,429
Rental expenses paid to Cyber Feel Limited <i>(note i)</i>	1,350	810	1,620	1,620
Income from management services received from PR Smart Limited <i>(note i)</i>	960	—	960	—

Note:

- (i) International Links Limited, Maxx Capital Finance Limited, Top 100 Hong Kong Listed Companies Research Centre Company Limited, China Hong Kong Finance Group Limited, Cyber Feel Limited and PR Smart Limited are beneficially owned by Ms. LO Yuk Yee, the chairman and the executive Director of the Company.



15. Event After the Reporting Period

Save as disclosed above, there were no any significant events subsequent to period end and up to the date of this report.

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

Financial Information, Advertising and Investor Relationship

Service Business

The service income generated from advertising and investor relationship business continues to be the major source of revenue of our Group.

Service income from provision of financial information service business was relatively insignificant in recent years.

Media Business

In addition to the production and distribution of programmes through the branding “FinTV”, the Group also engaged in investor relationship business and creative advertising. For the purpose of segment reporting in this annual results, the results of the media business has been included in the “Financial information, advertising and investor relationship service business” segment.

Securities Brokerage and Assets Management Business

The Group through its wholly-owned subsidiary, Finet Securities Limited, holds licence under the SFC (“Licence”), to engage in Type 1, 4 and 9 regulated activities. The Group focuses on securities brokerage, underwriting and asset management businesses.

Property Investment Business

The investment properties in the PRC continued to provide income and result a positive contribution to the financial results of the Group.

Money Lending Business

The Group holds Money Lenders Licence to engage in money lending business for providing loan and financing to customers. In order to minimize the default risk of loan receivable, we need to tighten our internal works of credit control measurement. The difficulties in granting loan became higher and relevant income is insignificant in recent years.

Financial Review

The Group reported the turnover of approximately HK\$9,380,000 for the six months ended 30 September 2023, representing an increase of approximately 29.8% from approximately HK\$13,366,000 for the same period in 2022.

During the six months ended 30 September 2023, the Group recorded cost of sales amounting to approximately HK\$298,000, representing a decrease of approximately 58.7% from approximately HK\$722,000 for the same period in 2022.

Other income and other losses of the Group remained stable at approximately HK\$3,633,000 for the six months ended 30 September 2023 (six months ended 30 September 2022: gain of approximately HK\$3,453,000).

General and administrative expenses of the Group for the six months ended 30 September 2023 was approximately HK\$12,815,000 (six months ended 30 September 2022: approximately HK\$15,398,000), which represented a decrease of approximately 16.8% when compared to the same period of 2022. The decrease was mainly due to the decrease in staff costs and professional fee.

Finance costs for the six months ended 30 September 2023 was approximately HK\$33,000 (six months ended 30 September 2022: approximately HK\$391,000), which represented interest expenses on bank borrowings and lease liabilities. Finance costs for the six months ended 30 September 2023 included interest expenses on lease liabilities.

The Group's unaudited consolidated loss attributable to the owners of the Company for the six months ended 30 September 2023 was approximately HK\$3,781,000 (six months ended 30 September 2022: loss of approximately HK\$1,311,000).

Liquidity and Financial Resources

At 30 September 2023, the net current assets of the Group was approximately HK\$26,859,000 (At 31 March 2023: approximately HK\$18,807,000); the total equity of the Group was approximately HK\$49,115,000 (At 31 March 2023: approximately HK\$19,054,000); the cash and cash equivalents of the Group was approximately HK\$11,539,000 (At 31 March 2023: approximately HK\$8,022,000); and no unutilised banking facilities of the Group (At 31 March 2023: Nil).

Charges of Assets

At 30 September 2023, certain property, plant and equipment of the Group with aggregate carrying value of approximately HK\$27,260,000 (At 31 March 2023: approximately HK\$27,260,000) were pledged as securities for the borrowing facilities of the Group.

Gearing Ratio

The Group's gearing ratio, representing net debt (bank and other borrowings and lease liabilities less cash and cash equivalents) divided by total equity, was approximately (22.1)% as at 30 September 2023 (At 31 March 2023: approximately 97.8%).

Prospect

We will continue to allocate our resources to strengthen our leading position in providing financial news services. With our competitive edge and strength arising from our integrated multiple platforms in our three vertical websites and two mobile App (Finet.hk, FinTV.hk, Finet.com.cn, FinTV APP, Finet Finance Pro APP), we can achieve a further improvement in our market share in the media industry in China and Hong Kong, and further strengthen our digital marketing business development.

We will continue to strengthen our sales and marketing team to boost and diversify the Group revenue. Moreover, FinTV is expected to provide strong support to our investor relationship business ("IR business"). IR business is expected to become our profitable stream of the Group in the coming years. IR business will both cover the listed companies and pre-IPO assignments. The services that we have been providing include the followings: (1) production of promotional videos; (2) arrangement of press conferences and celebration events; (3) arrangement of investor meetings; (4) preparing of investor relationship articles; (5) news distribution for the listed companies and pre-IPO assignments; and (6) online results announcement.

Our outstanding FinTV production team will continue to support the growth and expansion of our IR business.

The Group continues to host the TOP 100 HK Listed Companies selection events that created a strong foundation for us to develop the event management business and to achieve lots of reputation and recognition in China including Hong Kong.

Meanwhile, Finet Securities Limited ("Finet Securities"), our securities arm, continue to expand our services including discretionary portfolio management, investment advisory and management of private funds. Finet Securities is expected to generate satisfactory management fee and performance fee income from fund management business in near future.



The board of Directors (the “Board”) acknowledges that the global economy, Mainland China and Hong Kong stock market will continue to face significant challenges and uncertainties. Besides, the mainland China is imposing sporadic lockdown and restriction measures to control the epidemic, which remains to be a barrier to the economic recovery. In order to mitigate possible financial risk related to the equity investments, the management will closely monitor the performances of the equity investments and the changes of market condition.

Significant Investments Held, Material Acquisitions and Disposals of Subsidiaries and Associated Companies

As at 30 September 2023, there was no significant investments held which exceed 5% of the total assets of the Group.

The Group did not have any material acquisitions and disposals of subsidiaries and associated companies during the reporting period.

Exposure to Fluctuation in Exchange Rates

The Group holds investment properties in Renminbi. The Group is therefore exposed to currency risks, as the rental income will fluctuate due to change in exchange rates. The risk of currency exposure is considered to be insignificant by the Directors and specific hedges may be taken out if necessary in the future.

Contingent Liabilities

At 30 September 2023, the Group had no significant contingent liabilities (At 31 March 2023: Nil).

Employee Information

At 30 September 2023, the Group had 56 (At 31 March 2023: 58) full-time employees (including directors) in Hong Kong and the PRC.

The total staff costs (including Directors’ remuneration) for the six months ended 30 September 2023 was approximately HK\$7,001,000 (six months ended 30 September 2022: approximately HK\$9,959,000). Other benefits provided by the Group to the employees include contribution to the mandatory provident fund under the Mandatory Provident Fund Schemes Ordinance and medical coverage.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed above, there were no other significant events subsequent to the period end and up to the date of this report.

USE OF PROCEEDS FROM THE RIGHTS ISSUE

References are made to the announcements of the Company dated 26 April 2023, 5 May 2023, 11 June 2023, 10 July 2023 and 20 July 2023 and the circular of the Company dated 10 July 2023.

The net proceeds (after deducting the placing fee and other related expenses incurred in the Rights Issue) was approximately HK\$32.5 million. During the six months ended 30 September 2023, the Company had applied the net proceeds according to the disclosure as set out in the announcement dated 20 July 2023 (the "Announcement").

Details of the use of the net proceeds from the Rights Issue for the six months ended 30 September 2023 are as follows:

	Planned use of net proceeds as stated in the Announcement (HK\$'000)	Actual use of net proceeds up to 30 September 2023 (HK\$'000)	Net proceeds utilised during the six months ended 30 September 2023 (HK\$'000)	Unutilised net proceeds as at 30 September 2023 (HK\$'000)	Expected timeline for utilising the unutilised net proceeds (HK\$'000)
Set-off the Shareholder's Loan	22,500	22,500	22,500	—	
Expansion of the IR business	9,000	825	825	8,175	March 2024
General working capital	1,000	1,000	1,000	—	
Total	32,500	24,325	24,325	8,175	

OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES

So far as is known to the Directors, as at 30 September 2023, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (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 required standard of dealings by directors of listed issuers as referred to in Rule 5.46 to 5.67 of the GEM Listing Rules, were as follows:

Long Positions in the Shares and Underlying Shares of the Company and its Associated Corporations

Name of Director	Name of Group member/ associated corporations	Number of shares and capacity in which the shares were held		% of shares in issue (Note 2)
		Beneficial owner	Interest of controlled corporation	
Executive Director:				
Ms. LO Yuk Yee ("Ms. LO")	The Company	79,349,087 (L)	594,340,889 (L)	65.27%
Ms. LO	Maxx Capital International Limited ("Maxx Capital") (Note 1)	—	2 ordinary shares	100%
Ms. LO	Pablos International Limited ("Pablos") (Note 1)	1,000 ordinary shares	—	100%

(L) denotes long positions

Notes:

- 594,340,889 ordinary shares were held by Maxx Capital which was wholly-owned by Pablos, and Pablos was wholly owned by Ms. LO. 33,000,000 and 14,600,000 shares were held by Wise Capital International Limited and Shine Kingdom Inc Limited respectively. Accordingly, Ms. LO were deemed by virtue of the SFO to be interested in 673,689,976 ordinary shares.
- As at 30 September 2023, the Company had 999,808,161 ordinary shares in issue.

Save as disclosed above, as at 30 September 2023, none of the Directors or chief executive of the Company nor their respective associates had any interests or short positions in the shares, underlying shares and debentures 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 required standard of dealings by directors of listed issuers as referred to in Rule 5.46 of the GEM Listing Rules.

SUBSTANTIAL SHAREHOLDERS' INTEREST AND SHORT POSITION IN THE SHARES OF THE COMPANY

As at 30 September 2023, so far as the Directors are aware, persons other than Directors or chief executives of the Company who had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO, were as follows:

Long Positions in the Shares and Underlying Shares of the Company

Name of Shareholders	Capacity	Number of Shares held	Approximate percentage of existing shareholding (Note 2)
Substantial shareholders			
Pablos (Note 1)	Interest of Controlled Corporation	594,340,889 (L)	59.45%
Maxx Capital (Note 1)	Beneficial Owner	594,340,889 (L)	59.45%

(L) denotes long positions

Notes:

- 594,340,889 ordinary shares were held by Maxx Capital, which was wholly-owned by Pablos and Pablos was wholly-owned by Ms. LO, a director of the Company. Ms. LO is a director of each of Maxx Capital and Pablos.
- As at 30 September 2023, the Company had 999,808,161 ordinary Shares in issue.

OTHER PERSONS WHO ARE REQUIRED TO DISCLOSE THEIR INTERESTS

Save as disclosed above, the Directors are not aware of other person who, as at 30 September 2023, had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO.

CHANGE IN INFORMATION OF DIRECTORS AND CHIEF EXECUTIVES

Change in Directors' information since the date of approval on the Annual Report 2023 of the Company, which is required to be disclosure pursuant to Rule 17.50A(1) of the GEM Listing Rules, is set out below:

With effect from 24 August 2023, Ms. Chen Weijie resigned as an executive Director and Mr. Fo Chen Yuh appointed as an executive Director.

With effect from 24 August 2023, Mr. Chu Ka Chung resigned as an independent non-executive Director, chairman of the Corporate Governance Committee and a member of the Audit Committee and Mr. Yuk Kai Yao appointed as an independent non-executive Director, chairman of the Corporate Governance Committee and a member of the Audit Committee.

Save as disclosed above, during the six months ended 30 September 2023 and up to the date of this interim report, there has been no change in Directors of the Company, and there is no other information that is required to be disclosed pursuant to Rule 17.50A(1) of the GEM Listing Rules.

MOVEMENT OF OPTIONS

Details of movements of the share options granted under the share option scheme adopted on 4 September 2014 for the six months ended 30 September 2023 are as follows:

Name of grantee	Date of grant <i>(Note 1)</i>	Exercise price	Number of share options			Balance as at 30 September 2023
			Balance as at 1 April 2023	Granted during the period <i>(Note 2)</i>	Forfeited during the period	
Employee	1 December 2020	HK\$0.5523	11,200,000	1,492,720	(1,800,000)	10,892,720

Note:

- For share options granted on 1 December 2020

Validity period: From 1 December 2020 ("Date of grant") to 3 September 2024 (both days inclusive)

Vesting period: 2 years after 1 December 2020 100%

- Allotment and issue new shares under Rights Issue.

COMPETING INTERESTS

None of the Directors nor the controlling shareholder of the Company nor any of their respective close associates (as defined in GEM Listing Rules) had any interest in a business that competed or was likely to compete, either directly or indirectly, with the business of the Group, other than being a director of the Company and/or its subsidiaries.

AUDIT COMMITTEE

The Company established an audit committee with written terms of reference in accordance with Rule 5.28 and 5.29 of the GEM Listing Rules. The audit committee of the Company comprises three members who are independent non-executive directors, namely, Mr. WONG Wai Kin (Chairman), Mr. WONG Kwok Yin and Mr. YUK Kai Yao, with written terms of reference in accordance with code provision D.3.3 and D.3.7 of the CG Code.

The principal duties of the audit committee of the Company are to review and supervise the financial reporting process and internal control procedures of the Group.

The unaudited condensed consolidated financial statements of the Group for the six months ended 30 September 2023 have been reviewed by the audit committee of the Company.

DIRECTORS' INTEREST IN CONTRACTS

Except for the transactions stated in Note 15 to the unaudited condensed consolidated financial statements, no contracts of significance in relation to the Group's business to which the Group was a party and in which any of the Directors had a material interest, whether directly or indirectly, subsisted during or at the end of the six months ended 30 September 2023 or at any time during such period (2022: Nil).

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard of dealings ("Required Standard of Dealings") as set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding securities transactions by the Directors. Specific enquiry has been made with all Directors and Directors have confirmed that they have complied with the Required Standard of Dealings throughout the six months ended 30 September 2023.

The Company has adopted a compliance manual for securities transactions by senior management as written guidelines no less exacting than the Required Standard of Dealing for relevant employees ("Written Guidelines") in respect of dealing in the Company's share. During the six months ended 30 September 2023, the Company is not aware of any incident of non-compliance of the Required Standard of Dealing and Written Guidelines by the relevant employees.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY LISTED SHARES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed shares during the six months ended 30 September 2023.

CORPORATE GOVERNANCE PRACTICES

The Board considers good corporate governance a key element in managing the business and affairs of the Group.

The Company has complied with the code provisions as set out in the Code on Corporate Governance Practices ("CG Code") contained in Appendix 15 to the GEM Listing Rules during the six months ended 30 September 2023, except for the following deviation:

Code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive officer should be separate and should not be the same individual. Ms. LO Yuk Yee is the chairman of our Board and she has been managing the Group's business and supervising the overall operations of the Group since 2011. The Directors consider that vesting the roles of the chairman of the Board and the chief executive officer of the Company in Ms. LO is beneficial to the management and business development of the Group and will provide a strong and consistent leadership to the Group. The Board will continue to review and consider separating the roles of the chairman of the Board and the chief executive officer at a time when it is appropriate by taking into account the circumstances of the Group as a whole.

The Company has not arranged insurance cover in respect of legal action against its directors as the Board considers that the Board adopts prudent management policy. The needs for insurance policy will be reviewed from time to time.

APPRECIATION

The Board would like to take this opportunity to express its sincere gratitude to the Group's customers, business partners and shareholders for their continuous support for and trust in the Group. The Board also wishes to express its heartfelt appreciation to all of the staff of the Group for their dedication and hard work throughout the period.

By Order of the Board

LO Yuk Yee

Chairman and executive Director

Hong Kong, 14 November 2023

As at the date of this report, the executive Directors are Ms. LO Yuk Yee and Mr. FO Chen Yuh; and the independent non-executive Directors are Mr. WONG Wai Kin, Mr. WONG Kwok Yin and Mr. YUK Kai Yao.