



Get Nice Financial Group Limited

(Incorporated in the Cayman Islands with limited liability)

Stock code : 1469

INTERIM REPORT 2023/24



UNAUDITED INTERIM RESULTS

The Board of Directors (the “Board” or the “Directors”) of Get Nice Financial Group Limited (the “Company”) is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30 September 2023 together with comparative figures for the last corresponding period. The unaudited condensed consolidated interim financial statements for the six months ended 30 September 2023 have been reviewed by the Company’s audit committee.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	<i>Notes</i>	Unaudited	
		Six months ended	
		30 September	
		2023	2022
		HK\$'000	HK\$'000
Revenue from contracts with customers within HKFRS 15		29,350	20,691
Interest revenue calculated using the effective interest method		138,894	154,179
Revenue	4	168,244	174,870
Other operating income		781	3,419
Other gains and losses, net		7,450	(4,851)
Depreciation expense		(5,971)	(6,577)
Commission expenses		(3,396)	(3,886)
Net impairment loss on accounts receivable		(45,905)	(56,544)
Staff costs		(10,113)	(11,274)
Finance costs		(89)	(189)
Other expenses		(8,387)	(9,214)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Continued)

		Unaudited	
		Six months ended	
		30 September	
		2023	2022
	Notes	HK\$'000	HK\$'000
Profit before taxation		102,614	85,754
Income tax expense	5	<u>(16,657)</u>	<u>(14,023)</u>
Profit for the period		85,957	71,731
Other comprehensive income (expenses)			
<i>Items that will not be reclassified to profit or loss</i>			
Surplus on revaluation of properties		31	131
Deferred tax arising on revaluation of properties		<u>(5)</u>	<u>(22)</u>
Total other comprehensive income for the period		<u>26</u>	<u>109</u>
Total comprehensive income for the period		<u>85,983</u>	<u>71,840</u>
Dividends	6	<u>150,000</u>	<u>150,000</u>
Earnings per share	7		
Basic and diluted		<u>3.4 (HK cents)</u>	<u>2.9 (HK cents)</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		Unaudited At 30 September 2023	Audited At 31 March 2023
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Non-current assets			
Property and equipment		17,546	23,023
Intangible assets		7,964	8,514
Other assets		7,705	4,486
Investments		17,401	18,447
Deferred tax assets		259	259
Goodwill		2,000	2,000
		<u>52,875</u>	<u>56,729</u>
Current assets			
Accounts receivable	8	1,933,645	2,079,209
Prepayments, deposits and other receivables		3,429	3,581
Tax recoverable		400	8,673
Investments		138	157
Bank balances – client accounts		293,159	318,857
Bank balances – general accounts and cash		2,399,097	2,235,035
		<u>4,629,868</u>	<u>4,645,512</u>



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

		Unaudited At 30 September 2023 Notes	Audited At 31 March 2023 HK\$'000
Current liabilities			
Accounts payable	9	317,452	349,235
Accrued charges and other payables		4,155	7,701
Lease liabilities		3,577	7,117
Tax payable		8,529	146
		<u>333,713</u>	<u>364,199</u>
Net current assets		<u>4,296,155</u>	<u>4,281,313</u>
Total assets less current liabilities		<u>4,349,030</u>	<u>4,338,042</u>
Non-current liabilities			
Deferred tax liabilities		125	120
		<u>125</u>	<u>120</u>
Net assets		<u>4,348,905</u>	<u>4,337,922</u>
Capital and reserves			
Share capital	10	25,000	25,000
Reserves		4,323,905	4,312,922
Total equity		<u>4,348,905</u>	<u>4,337,922</u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Unaudited						
	Six months ended 30 September 2023						
	Attributable to owners of the Company						
	Share capital	Share premium	Contributed surplus	Property revaluation reserve	Other reserve	Retained profits	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Balance as at 1 April 2023	25,000	375,407	1,486,951	981	159,933	2,289,650	4,337,922
Profit for the period	-	-	-	-	-	85,957	85,957
Other comprehensive income for the period							
<i>Items that will not be reclassified to profit or loss</i>							
Surplus on revaluation of properties	-	-	-	31	-	-	31
Deferred tax liability arising on revaluation of properties	-	-	-	(5)	-	-	(5)
Total other comprehensive income	-	-	-	26	-	-	26
Total comprehensive income for the period	-	-	-	26	-	85,957	85,983
Transactions with equity holders							
<i>Contributions and distributions</i>							
Dividend recognized as distribution	-	-	-	-	-	(75,000)	(75,000)
	-	-	-	-	-	(75,000)	(75,000)
At 30 September 2023	25,000	375,407	1,486,951	1,007	159,933	2,300,607	4,348,905



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)

	Unaudited						
	Six months ended 30 September 2022						
	Attributable to owners of the Company						
	Share capital	Share premium	Contributed surplus	Property revaluation reserve	Other reserve	Retained profits	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Balance as at 1 April 2022	25,000	375,407	1,486,951	852	159,933	2,289,819	4,337,962
Profit for the period	-	-	-	-	-	71,731	71,731
Other comprehensive income for the period							
<i>Items that will not be reclassified to profit or loss</i>							
Surplus on revaluation of properties	-	-	-	131	-	-	131
Deferred tax liability arising on revaluation of properties	-	-	-	(22)	-	-	(22)
Total other comprehensive income	-	-	-	109	-	-	109
Total comprehensive income for the period	-	-	-	109	-	71,731	71,840
Transactions with equity holders							
<i>Contributions and distributions</i>							
Dividend recognized as distribution	-	-	-	-	-	(75,000)	(75,000)
	-	-	-	-	-	(75,000)	(75,000)
At 30 September 2022	25,000	375,407	1,486,951	961	159,933	2,286,550	4,334,802

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited	
	Six months ended	
	30 September	
	2023	2022
	HK\$'000	HK\$'000
Net cash generated from operating activities	233,471	191,117
Net cash generated from investing activities	9,190	227,284
Net cash used in financing activities	(78,599)	(79,369)
Net increase in cash and cash equivalents	164,062	339,032
Cash and cash equivalents at beginning of the period	2,235,035	1,226,573
Cash and cash equivalents at end of the period	2,399,097	1,565,605
Represented by:		
Bank balances – general accounts and cash	2,399,097	1,565,605



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2023

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands under the Companies Act (as revised) of the Cayman Islands as an exempted company limited by shares on 31 August 2015 and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The Company’s immediate holding company is Get Nice Holdings Limited (“GN Holdings”), a company incorporated in the Cayman Islands with its shares listed on the Stock Exchange. The Company’s ultimate holding company is Honeylink Agents Limited, a company incorporated in the British Virgin Islands with limited liability of which the entire issued share capital is beneficially owned by Mr. Hung Hon Man, who is also a director of the Company.

The Company’s registered office is located at Third Floor, Century Yard, Cricket Square, P.O. Box 902, Grand Cayman, KY-1103, Cayman Islands and its principal place of business is located at Ground Floor to 3rd Floor, Cosco Tower, Grand Millennium Plaza, 183 Queen’s Road Central, Hong Kong.

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are engaged in (i) the provision of financial services, including securities dealing and broking, futures and options broking, underwriting and placements, securities margin financing, corporate finance services and asset management and (ii) investment in financial instruments.

The unaudited condensed consolidated financial statements of the Group are presented in Hong Kong dollars (“HK\$”), which is also the functional currency of the Company.

2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 Interim Financial Reporting issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).



3. PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments, which are measured at revalued amounts or fair values at the end of each reporting period.

Other than changes in accounting policies resulting from application of new Hong Kong Financial Reporting Standards (“HKFRSs”), the accounting policies and methods of computation used in the unaudited condensed consolidated financial statements for the six months ended 30 September 2023 are the same as those followed in the preparation of the Group’s audited consolidated financial statements for the year ended 31 March 2023.

Details of any changes in accounting policies are set out below.

Application of new and amendments to Hong Kong Financial Reporting Standards

In the current interim period, the Group has applied, for the first time, the following new and amendments to HKFRSs issued by the HKICPA that are relevant for the preparation of the Group’s unaudited condensed consolidated financial statements:

Amendments to HKAS 1	Disclosure of Accounting Policies
Amendments to HKAS 8	Definition of Accounting Estimates
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to HKAS 12	International Tax Reform – Pillar Two Model Rules
HKFRS 17	Insurance Contracts
Amendment to HKFRS 17	Initial Application of HKFRS 17 and HKFRS 9 – Comparative Information

The application of the new or amendments to HKFRSs in current period has had no material effect on the Group’s financial performance and positions for the current period and prior years and/or disclosures set out in these unaudited condensed consolidated financial statements.

The Group has not early applied any new and revised HKFRSs that have been issued but are not yet effective for the current accounting period.



4. SEGMENT INFORMATION

The following is an analysis of the Group's unaudited revenue and results by reportable and operating segments:

For the six months ended 30 September 2023

	Broking HK\$'000	Securities margin financing HK\$'000	Corporate finance HK\$'000	Asset management HK\$'000	Investments HK\$'000	Consolidated HK\$'000
Segment revenue	<u>66,125</u>	<u>100,617</u>	<u>1,205</u>	<u>297</u>	<u>-</u>	<u>168,244</u>
Segment result	<u>40,712</u>	<u>54,711</u>	<u>1,224</u>	<u>295</u>	<u>(1,056)</u>	<u>95,886</u>
Unallocated other gains and losses, net						9,103
Unallocated other income and corporate expenses, net						<u>(2,375)</u>
Profit before taxation						<u>102,614</u>

For the six months ended 30 September 2022

	Broking HK\$'000	Securities margin financing HK\$'000	Corporate finance HK\$'000	Asset management HK\$'000	Investments HK\$'000	Consolidated HK\$'000
Segment revenue	<u>24,120</u>	<u>148,999</u>	<u>474</u>	<u>1,277</u>	<u>-</u>	<u>174,870</u>
Segment result	<u>(5,231)</u>	<u>92,454</u>	<u>419</u>	<u>1,183</u>	<u>(1,711)</u>	<u>87,114</u>
Unallocated other gains and losses, net						(95)
Unallocated other income and corporate expenses, net						<u>(1,265)</u>
Profit before taxation						<u>85,754</u>

4. SEGMENT INFORMATION (Continued)

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

As at 30 September 2023

Unaudited

	Broking	Securities margin financing	Corporate finance	Asset management	Investments	Consolidated
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment assets	<u>2,436,025</u>	<u>2,089,996</u>	<u>12,568</u>	<u>6,700</u>	<u>42,699</u>	4,587,988
Unallocated assets						<u>94,755</u>
Consolidated assets						<u>4,682,743</u>
Segment liabilities	<u>163,414</u>	<u>170,046</u>	<u>131</u>	<u>152</u>	<u>-</u>	333,743
Unallocated liabilities						<u>95</u>
Consolidated liabilities						<u>333,838</u>



4. SEGMENT INFORMATION (Continued)

As at 31 March 2023

Audited

	Broking HK\$'000	Securities margin financing HK\$'000	Corporate finance HK\$'000	Asset management HK\$'000	Investments HK\$'000	Consolidated HK\$'000
Segment assets	<u>2,390,823</u>	<u>2,231,005</u>	<u>12,220</u>	<u>6,754</u>	<u>43,755</u>	4,684,557
Unallocated assets						<u>17,684</u>
Consolidated assets						<u>4,702,241</u>
Segment liabilities	<u>173,443</u>	<u>190,436</u>	<u>136</u>	<u>162</u>	<u>-</u>	364,177
Unallocated liabilities						<u>142</u>
Consolidated liabilities						<u>364,319</u>

All segments' operations are primarily located in Hong Kong and the majority of the Group's revenue is derived from Hong Kong.

5. TAXATION

	Six months ended 30 September	
	2023	2022
	HK\$'000	HK\$'000
Current tax		
Hong Kong Profits Tax	16,657	15,159
Over provision in prior years	<u>-</u>	<u>(1,136)</u>
	<u>16,657</u>	<u>14,023</u>

The profit tax rate for the first HK\$2,000,000 assessable profits arising from Hong Kong of qualifying entities will be taxed at 8.25%, and assessable profits arising from Hong Kong above HK\$2,000,000 will continue be taxed at the rate of 16.5% under two-tiered profits tax rates regime. As only one of the subsidiaries in the Group is eligible to elect the two-tiered profits tax rates, profits of the remaining subsidiaries of the Group will continue to be taxed at a flat rate of 16.5%.

For both periods, Hong Kong Profits Tax is calculated in accordance with the two-tiered profits tax rates regime.

6. DIVIDENDS

	Six months ended 30 September	
	2023 HK\$'000	2022 HK\$'000
Final dividend paid	75,000	75,000
Proposed interim dividend of HK3.0 cents (2022: HK3.0 cents) per share	75,000	75,000
	150,000	150,000

On 7 September 2023, a dividend of HK3 cents per share was paid to shareholders as the final dividend for the year ended 31 March 2023.

At a meeting held on 23 November 2023, the Directors recommended an interim dividend of HK3 cents per share for the six months ended 30 September 2023 to the shareholders whose names appear in the register of members on 15 December 2023. This proposed interim dividend is not reflected as a dividend payables in these unaudited condensed consolidated interim financial statements, but will be reflected as an appropriation of retained earnings for the year ended 31 March 2024.

7. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share is based on profit attributable to the equity holders of the Company and the weighted average number of ordinary shares in issue during the period as follows:

	Six months ended 30 September	
	2023 HK\$'000	2022 HK\$'000
Earnings		
Earnings for the purpose of basic and diluted earnings per share		
Profit for the period attributable to equity shareholders of the Company	85,957	71,731

7. EARNINGS PER SHARE (Continued)

	2023 '000	2022 '000
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	2,500,000	2,500,000

Diluted earnings per share is same as the basic earnings per share for the periods ended 30 September 2023 and 2022 because there were no potential dilutive ordinary shares outstanding.

8. ACCOUNTS RECEIVABLE

	At 30 September 2023 HK\$'000	At 31 March 2023 HK\$'000
Accounts receivable arising from the business of dealing in securities:		
– Cash clients	2,655	6,160
– Margin clients:		
– Directors and their close family members	33,460	48,863
– Other margin clients	2,358,057	2,411,235
– Hong Kong Securities Clearing Company Limited	217	12,032
– Broker	–	514
Accounts receivable from futures clearing house arising from the business of dealing in futures contracts	11,346	26,590
	2,405,735	2,505,394
Less: Loss allowances	(472,090)	(426,185)
	1,933,645	2,079,209

The normal settlement terms of accounts receivable from cash clients and securities clearing house are two days after trade date while for accounts receivable from futures clearing house is one day after trade date. All the accounts receivable (net of loss allowance), except for accounts receivables from margin clients, are expected to be recovered within one year.

Included in the accounts receivable from cash clients are debtors with a carrying amount of approximately HK\$183,000 (31 March 2023: HK\$77,000) which are past due at the end of the reporting period but which the directors of the Company consider not to be impaired as there has not been a significant change in credit quality and a substantial portion of the carrying amount is subsequently settled.

8. ACCOUNTS RECEIVABLE (Continued)

In respect of accounts receivable from cash clients which are past due but not impaired at the end of the reporting period, the ageing analysis (from settlement date) is as follows:

	At 30 September 2023 HK\$'000	At 31 March 2023 HK\$'000
0 – 30 days	70	11
31 – 60 days	8	7
Over 60 days	105	59
	<u>183</u>	<u>77</u>

The accounts receivable from cash clients with a carrying amount of approximately HK\$2,472,000 (31 March 2023: HK\$6,083,000) are neither past due nor impaired at the end of the reporting period and the directors of the Company are of the opinion that the amounts are recoverable.

Accounts receivable from margin clients are secured by clients' pledged securities with fair value of approximately HK\$8,764,852,000 (31 March 2023: HK\$7,066,718,000). Significant portion of the pledged securities are listed equity securities in Hong Kong. The loans are repayable on demand subsequent to settlement date and carry interest typically at a range from 7.236% to 9.252% per annum (31 March 2023: range from 7.236% to 9.252% per annum) at 30 September 2023. Securities are assigned with specific margin ratios for calculating their margin values. Additional funds or collaterals are required if the outstanding amount exceeds the eligible margin value of securities deposited. The collateral held can be pledged and can be sold at the Group's discretion to settle any outstanding amount owed by margin clients upon failure to provide additional fund against shortfalls. No ageing analysis is disclosed, as in the opinion of the directors of the Company, the ageing analysis does not give additional value in view of the nature of business of securities margin financing.

Included in accounts receivable from margin clients arising from the business of dealing in securities are amounts due from directors of the Company and their close family members and a controlling entity. The details are as follows:

Name	Balance at 1 April 2023 HK\$'000	Balance at 30 September 2023 HK\$'000	Maximum amount outstanding during the period HK\$'000	Market value of pledged securities at 30 September 2023 HK\$'000
Mr. Hung Hon Man, director of the Company, his close family members and a controlling entity	48,863	33,460	112,033	1,716,285

The above balances are repayable on demand and bear interest at commercial rates which are similar to the rates offered to other margin clients.

9. ACCOUNTS PAYABLE

	At 30 September 2023 HK\$'000	At 31 March 2023 HK\$'000
Accounts payable arising from the business of dealing in securities:		
– Cash clients	95,267	107,229
– Margin clients	170,046	189,848
– Hong Kong Securities Clearing Company Limited	3,203	–
– Broker	–	588
Accounts payable to clients arising from the business of dealing in futures contracts	48,936	51,570
	<u>317,452</u>	<u>349,235</u>

No ageing analysis is disclosed as, in the opinion of directors of the Company, the ageing analysis does not give additional value in view of the nature of business.

The normal settlement terms of accounts payable to cash clients and clearing houses are two days after trade date.

Amounts due to securities margin clients are repayable on demand and carry interest at 0.025% (31 March 2023: 0.025%) per annum.

Included in accounts payable to margin clients arising from the business of dealing in securities are amounts due to directors of the Company, their close family members and a controlling entity of approximately HK\$264,000 (31 March 2023: HK\$378,000).

Accounts payable to clients arising from the business of dealing in futures contracts are margin deposits received from clients for their trading of futures contracts on the Hong Kong Futures Exchange Limited. The amounts payable are repayable on demand except for the required margin deposits for the trading of futures contracts.

10. SHARE CAPITAL

	Number of ordinary shares of HK\$0.01 each	Nominal value HK\$'000
Authorised:		
At 1 April 2022, 31 March 2023 and 30 September 2023	<u>10,000,000,000</u>	<u>100,000</u>
Issued and fully paid:		
At 1 April 2022, 31 March 2023 and 30 September 2023	<u>2,500,000,000</u>	<u>25,000</u>

11. FINANCIAL RISK MANAGEMENT

The Group adopts stringent risk management policies and monitoring system in particular on the exposure associated with the financial risks as set out below:

- **Capital risk management**

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of debt, when applicable, and equity attributable to owners of the Company, comprising issued share capital, reserves and retained earnings as disclosed in the condensed consolidated statement of changes in equity. The management reviews the capital structure by considering the cost of capital and the risks associated with each class of capital. In view of this, the Group will balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debt or the redemption of existing debt. The Group's overall strategy remains unchanged throughout the period.

- **Market risk**

Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to accounts receivable and bank balances. The Group currently does not have an interest rate hedging policy. However, the Group closely manages its exposure arising from margin financing undertaken by allowing an appropriate margin on the interest received and paid by the Group.

Equity price risk

The Group is exposed to equity price risk through its investments in listed equity securities. The directors of the Company manage the exposure by closely monitoring the portfolio of these financial instruments. The fair value of these financial instruments will be affected either positively or negatively, amongst others, by the changes in the closing market prices of the relevant listed equity securities.



11. FINANCIAL RISK MANAGEMENT (Continued)

- **Currency risk**

In the opinion of the directors of the Company, the currency risk exposure is not significant as most of the transactions and financial assets and liabilities of the group entities are denominated in the functional currency of the respective entities and, in the case of United States dollars ("US\$"), the exposure is limited as US\$ are pegged to HK\$.

- **Credit risk**

The Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failures to discharge an obligation by the counterparts is arising from the carrying amount of the respective recognised financial assets as stated in the condensed consolidated statement of financial position.

The Group takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Impairment allowances are made for losses that expected to be incurred at the end of the reporting period. Significant changes in the economy, or in the health of a particular industry segment, could result in losses that are different from those provided for at the end of the reporting period. Management therefore carefully manages its exposure to credit risk.

The Group structures the levels of credit risk it undertakes in relation of accounts receivable, and other receivables, by placing limits on the amount of risk accepted in relation to any borrower, or groups of borrowers, and to geographical and industry segments. Such risks are monitored on a revolving basis and subject to a quarterly or more frequent review.

The credit risk on bank balances is limited as the counterparties are banks with high credit rating assigned by international credit-rating agencies.

- **Liquidity risk**

As part of ordinary broking activities, the Group is exposed to liquidity risk arising from timing difference between settlement with clearing houses or brokers and clients. To address the risk, treasury team works closely with the settlement division on monitoring the liquidity gap.



12. RELATED PARTY TRANSACTIONS

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

Name of related party	Nature of transaction	Six months ended	
		30 September	
		2023	2022
		HK\$'000	HK\$'000
Directors of the Company and their close family members Messrs. Hung Hon Man, Shum Kin Wai, Frankie, Hung Sui Kwan, their close family members and a controlling entity	Brokerage Commission income (note i)	270	182
Key management personnel and their close family members Messrs. Cheng Wai Ho, Ng Hon Sau, Larry and their close family members	Brokerage Commission income (note i)	–	2
Directors of the Company and their close family members Messrs. Hung Hon Man, Hung Sui Kwan, their close family members and a controlling entity	Interest income (note ii)	2,007	7,006
Key management personnel and their close family members Messrs. Ng Hon Sau, Larry, Ko Yat Fei and their close family members	Interest income (note ii)	10	8
Fellow subsidiary under GN Holdings Bowell Limited	License fee payment (note iii)	390	390
Fellow subsidiary under GN Holdings Tao Yun Company Limited	Rental payment (note iv)	3,600	3,600
Mr. Hung Hon Man's associate	License fee income (note v)	–	60

12. RELATED PARTY TRANSACTIONS (Continued)*Notes:*

- (i) Commission was charged at 0.1% to 0.25% (2022: 0.1% to 0.25%) on the total value of transactions.
- (ii) Interest was charged at 7.236% to 9.252% per annum (2022: 7.236% to 9.252%) on the outstanding balances of margin loans.
- (iii) Monthly license fee was paid at approximately HK\$65,000 during the period.
- (iv) Monthly rental was paid at HK\$600,000 during the period.
- (v) Monthly license fee income was charged at HK\$20,000 till 30 June 2022.

Compensation of key management personnel

The remuneration of directors and other members of key management during the period was as follows:

	Six months ended	
	30 September	
	2023	2022
	HK\$'000	HK\$'000
Short-term employee benefits	1,734	1,734
Post-employment benefits	58	58
	<u>1,792</u>	<u>1,792</u>

The remuneration of directors and other members of key management is determined by the performance of individuals and market trends.



INTERIM DIVIDEND

The Directors have declared an interim dividend of HK3 cents per share for the six months ended 30 September 2023. The interim dividend will be payable on or about 28 December 2023 to those shareholders whose names appear on the register of members on 15 December 2023.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 14 December 2023 to 15 December 2023, both dates inclusive (record date being 15 December 2023), during which period no transfer of shares of the Company will be registered.

In order to qualify for entitlement to the interim dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's registrar, Tricor Secretaries Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on 13 December 2023.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

For the period ended 30 September 2023, the Group's revenue amounted to approximately HK\$168.2 million, representing an decrease of 3.8% as compared with approximately HK\$174.9 million reported in the last corresponding financial period. Operating expenses such as commission expenses and settlement expenses were generally in line with the revenue.

Profit attributable to owners of the Company for the period was approximately HK\$86.0 million (2022: HK\$71.7 million). The increase in profit was mainly attributable to the gain on disposal of property and equipment and decrease in net impairment loss on accounts receivable. Net impairment loss on accounts receivable of HK\$45.9 million (2022: HK\$56.5 million) was recorded during the period.

Earnings per share increased to HK3.4 cents (2022: HK2.9 cents) as a result of increase in profit for the period.

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

REVIEW AND OUTLOOK

Market Review

The global recovery from the COVID-19 pandemic and Russia/Ukraine war remains slow and uneven. Despite economic resilience earlier this year, with a reopening rebound and progress in reducing inflation from last year's peaks, it is too soon to take comfort. Economic activity still falls short of its prepandemic path, especially in emerging market and developing economies, and there are widening divergences among regions. Several forces are holding back the recovery. Some reflect the long-term consequences of the pandemic, the war in Ukraine, and increasing geoeconomic fragmentation. Others are more cyclical in nature, including the effects of monetary policy tightening necessary to reduce inflation and the withdrawal of fiscal support amid high debt.

During the period, the local stock market remained under pressure, as concerns over the recovery momentum of the China economy and expectations of a prolonged period of high interest rates continued to dampen investment sentiment. The Hong Kong stock market fell visibly in the third quarter of 2023 as uncertainties around economic outlook and Mainland property market weighted on sentiment. The Hang Seng Index closed at 17,809 points at the end of September 2023 compared with 20,400 points at the end of March 2023. The average daily turnover on the Main Board and GEM during the six months period ended 30 September 2023 was approximately HK\$100.6 billion, a decrease of 11.3% as compared with approximately HK\$113.4 billion for the prior financial period. Trading activities contracted further amid the cautious market atmosphere.



MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

REVIEW AND OUTLOOK (Continued)

Business Review

Broking and securities margin financing

During the period ended 30 September 2023, the broking business posted a profit of approximately HK\$40.7 million (2022: loss of approximately HK\$5.2 million). The operating result of the broking business turned into profit as a result of the increase in interest revenue from time-deposits outweighed the decrease in broking turnover during current period. The decrease in broking turnover was affected by the silent local stock market and negative global investment atmosphere. Revenue from broking for the period increased by 174.3% to approximately HK\$66.1 million (2022: HK\$24.1 million) as compared with last financial period, it mainly comprised of broking commission amounted to approximately HK\$10.6 million (2022: HK\$13.1 million), interest from bank balance and time deposits amounted to approximately HK\$38.1 million (2022: HK\$5.2 million) and fee income from underwriting, placing and proof of funds business amounted to approximately HK\$15.0 million (2022: HK\$4.4 million).

Securities margin financing remained to be the Group's major revenue contributor for the period. During the period, total interest income from securities margin financing went down by 32.5% to approximately HK\$100.6 million (2022: HK\$149.0 million) with the decrease in average level of securities margin lending during the period. Total gross accounts receivable from margin clients as at 30 September 2023 amounted to approximately HK\$2,391.5 million (as at 31 March 2023: HK\$2,460.1 million). Impairment loss on margin clients receivable of HK\$45.9 million was charged during the current period (2022: HK\$56.5 million). The Group will continue to maintain a balance on yield relative to risk and cautious approach to the credit control of its margin financing business.

Asset Management

During the period ended 30 September 2023, this division reported a profit of approximately HK\$0.3 million (2022: HK\$1.2 million) mainly attributable to the asset management fee income of approximately HK\$0.3 million (2022: HK\$1.3 million) received during the period.



MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

REVIEW AND OUTLOOK (Continued)

Business Review (Continued)

Corporate finance

The Group's corporate finance business focused on the provision of financial advisory services to listed companies in Hong Kong. During the period ended 30 September 2023, it performed 4 financial advisory transactions (2022: 3). The operation reported a profit of approximately HK\$1.2 million for the period (2022: HK\$0.4 million).

Investments

The investment division reported a loss of approximately HK\$1.1 million. The loss was contributed by the decrease in fair value of the investment portfolio. As of 30 September 2023, the Group's investment portfolio mainly consisted of an investment fund with a total fair value of approximately HK\$17.4 million.

Outlook

The global economic recovery remains uneven and overshadowed by the U.S. interest rate hikes, the tightening of monetary policies, inflation and geographical tensions. The situation of military conflict between Russia and Ukraine and between Israel and Palestine are still uncertain. China's economic recovery is slower than expected due to the sluggish real estate market. However, the tightening cycle is expected to come to an end and economic indicators in the United States and Asia start to turn positive.

Dealing with the future challenges, the management of the Group would review and adjust business strategies on a regular basis with a prudent and balanced risk management approach. The management of the Group remains cautiously optimistic about the business development and overall performance of the Group in the future. The Group is endeavoring to render comprehensive services to our affluent and high-net-worth clients in order to maintain our clients' confidence and loyalty. Given our lean and efficient organization structure, stable clients base, strong track record and solid business fundamentals, the Group is poised to expand its horizons and scale new heights in the years to come in order to continue maximizing returns and value for all shareholders.

FINANCIAL REVIEW

Financial Resources and Gearing Ratio

Equity attributable to owners of the Company amounted to approximately HK\$4,348.9 million as at 30 September 2023 (as at 31 March 2023: HK\$4,337.9 million), representing an increase of approximately HK\$11 million or 0.3% over that of last financial year end. The increase was mainly attributable to the profit for the period net of dividend payment during the period.

As at 30 September 2023, the Group's net current assets amounted to HK\$4,296.2 million (as at 31 March 2023: HK\$4,281.3 million), and its liquidity as represented by current ratio (current assets/current liabilities) was 13.87 times (as at 31 March 2023: 12.76 times). Bank balances and cash on hand amounted to HK\$2,399.1 million (as at 31 March 2023: HK\$2,235.0 million). The increase in bank balances and cash on hand was mainly due to the cash inflow from repayment from accounts receivable. The Group has no bank borrowings as at 30 September 2023 (as at 31 March 2023: HK\$Nil) and unutilised banking facilities as at the end of the period were approximately HK\$530.0 million (as at 31 March 2023: HK\$530.0 million), which were mainly secured by charges over the Group's clients' pledged securities and corporate guarantees issued by the Company.

The Group's gearing ratio (total borrowing over equity attributable to owners of the Company) as at 30 September 2023 was zero (as at 31 March 2023: zero).

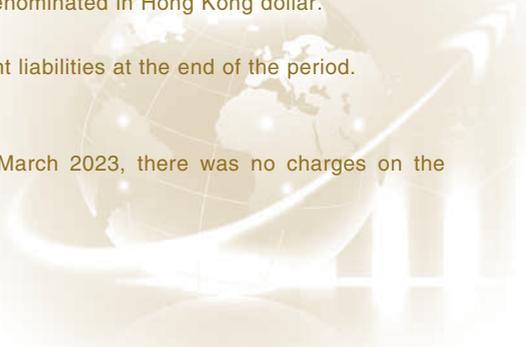
The number of issued shares of Company amounted to 2,500,000,000 shares as at 30 September 2023 (as at 31 March 2023: 2,500,000,000 shares).

The business activities of the Group are not exposed to any major exchange risks as the majority of transactions are denominated in Hong Kong dollar.

The Group had no material contingent liabilities at the end of the period.

Charges on Group Assets

As at 30 September 2023 and 31 March 2023, there was no charges on the Group's assets.



FINANCIAL REVIEW (Continued)

Material Acquisitions and Disposals of Subsidiaries, Associates and Jointly Controlled Entities

The Group had no material acquisitions or disposals of subsidiaries, associates or jointly controlled entity completed during the period ended 30 September 2023.

Employee Information

As at 30 September 2023, the Group had 59 (as at 31 March 2023: 64) full time employees. The Group's employees were remunerated according to their performance, working experience and market conditions. The total amount of remuneration cost of employees of the Group for the period was HK\$10.1 million (2022: HK\$11.3 million). The Group provides employee benefits including mandatory provident fund, discretionary share options and performance bonus to its staff.



DIRECTORS' INTERESTS IN SHARES

At 30 September 2023, 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 Securities and Futures Ordinance (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 of director	Capacity	Number of issued ordinary shares held	Percentage of the issued share capital of the Company
Mr. Hung Hon Man	Held by controlled corporation (<i>Note</i>)	1,875,000,000	75%

Note: Mr. Hung Hon Man is deemed to be interested in (i) 50,309,829 ordinary shares of the Company which are held by Honeylink Agents Limited (“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 Hon Man; and (ii) 1,824,690,171 ordinary shares of the Company which are held by GN Holdings. Honeylink is interested in 6,330,561,872 ordinary shares of GN Holdings, representing 65.51% of issued share capital of GN Holdings.



DIRECTORS' INTERESTS IN SHARES (Continued)

2. Long positions in the non-voting deferred shares of HK\$1.0 each of Get Nice Securities Limited ("GNS"), a wholly owned subsidiary of the Company

Name of Director	Capacity	Number of non-voting deferred shares* held	Percentage of the issued non-voting deferred share of GNS
Mr. Hung Hon Man	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.



DIRECTORS' INTERESTS IN SHARES (Continued)**3. Long positions in the ordinary shares of HK\$0.1 each of GN Holdings, the immediate holding company of the Company**

Name of Director	Capacity	Number of issued ordinary shares held	Percentage of the issued share capital of GN Holdings
Mr. Hung Hon Man	Held by controlled corporation (<i>Note</i>)	6,330,561,872	65.51%

Note: Mr. Hung Hon Man is deemed to be interested in 6,330,561,872 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 Hon Man.

Save as disclosed above, at 30 September 2023, 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.

ARRANGEMENTS TO PURCHASE SHARES AND OPTIONS

The Company has adopted a share option scheme (“Option Scheme”) pursuant to a resolution passed on 16 March 2016. The Company is thus entitled to issue a maximum of 250,000,000 shares upon exercise of the share options to be granted under the Option Scheme limit, representing 10% of the shares in issue. The purpose of the Option Scheme is to attract and retain the best available personnel, to provide additional incentive to employees (full-time and part-time), directors, consultants, advisers of the Group, distributor, contractor, supplier, agent, customers, business partners or service providers of the Group and to promote the success of the business of the Group.

No share option has been granted under the Option Scheme since its adoption.

ARRANGEMENTS TO PURCHASE SHARES AND OPTIONS (Continued)

Save as disclosed above, at no time during the period was the Company or any of its subsidiaries, a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate and none of the Directors, their spouses or children under the age of 18, had any right to subscribe for the shares of the Company, or had exercised any such rights during the period.

SUBSTANTIAL SHAREHOLDERS

At 30 September 2023, 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 these interests represent 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 Hon Man	Held by controlled corporation (Note)	1,875,000,000	75.00

Note: Mr. Hung Hon Man is deemed to be interested in (i) 50,309,829 ordinary shares of the Company 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 Hon Man; and (ii) 1,824,690,171 ordinary shares of the Company which are held by GN Holdings. Honeylink is interested in 6,330,561,872 ordinary shares of GN Holdings, representing 65.51% 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 at 30 September 2023.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SHARES

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the listed shares of the Company during the period ended 30 September 2023.

CORPORATE GOVERNANCE CODE

During the period ended 30 September 2023, the Company has applied the principles of, and complied with, the applicable code provisions of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules.

AUDIT COMMITTEE REVIEW

The Audit Committee has reviewed with management of the Company the Group's unaudited condensed consolidated interim financial statements for the six months ended 30 September 2023 including the accounting principles and practices adopted by the Group.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as its code of conduct regarding securities transactions by the Directors. All Directors have confirmed, following a specific enquiry by the Company, that they have fully complied with the required standard as set out in the Model Code throughout the period under review.



CHANGE IN INFORMATION OF DIRECTORS

Upon specific enquiry by the Company and following respective confirmations from the Directors, there is no change in the information of the Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the publication of the Company's annual report for the year ended 31 March 2023.

By order of the Board
Get Nice Financial Group Limited
Hung Hon Man
Chairman

Hong Kong, 23 November 2023

As at the date of this report, the executive directors of the Company are Mr. Shum Kin Wai, Frankie (Managing Director) and Mr. Hung Sui Kwan (Chief Executive Officer). The non-executive director of the Company is Mr. Hung Hon Man (Chairman). The independent non-executive directors of the Company are Ms. Ng Yau Kuen, Carmen, Mr. Cheung Chi Kong, Ronald and Mr. Chan Ka Kit.

