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GET NICE HOLDINGS LIMITED

結好控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0064)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

The Board of Directors (the “Board” or the “Directors”) of Get Nice Holdings 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

		Unaudited Six months ended 30 September	
	<i>Notes</i>	2023 HK\$'000	2022 HK\$'000
Revenue from contracts with customers within HKFRS 15		30,260	20,691
Revenue from other sources		18,230	13,320
Interest revenue calculated using the effective interest method		159,241	174,187
Revenue	4	207,731	208,198
Other operating income		10,402	7,883
Other gains and losses, net		(5,163)	(53,490)
Depreciation expenses		(11,740)	(11,570)
Commission expenses		(3,396)	(3,886)
Provision of net impairment loss on accounts receivable		(45,905)	(56,544)
Reversal of net impairment loss on other receivables		60	250
Reversal (Provision) of net impairment loss on loans and advances		1,720	(789)
Reversal of net impairment loss on debt investments measured at fair value through other comprehensive income		1,499	4,017
Staff costs		(13,105)	(13,685)
Finance costs		(1,659)	(1,114)
Other expenses		(19,516)	(21,530)
Profit before taxation		120,928	57,740
Income tax expense	5	(20,639)	(14,956)
Profit for the period		100,289	42,784

		Unaudited	
		Six months ended	
		30 September	
		2023	2022
	<i>Notes</i>	HK\$'000	HK\$'000
Other comprehensive income (expense)			
<i>Items that are reclassified or may be reclassified subsequently to profit or loss</i>			
Exchange difference arising on translation of foreign operations		(8,464)	(34,814)
Fair value gain (loss) on debt investments measured at fair value through other comprehensive income reclassified to profit or loss upon disposal		5	(2,853)
Fair value loss on debt investments measured at fair value through other comprehensive income		(21,023)	(25,041)
Deferred tax arising on revaluation of debt investments measured at fair value through other comprehensive income		3,468	4,603
<i>Items that will not be reclassified to profit or loss</i>			
Surplus on revaluation of properties		1,725	5,927
Deferred tax arising on revaluation of properties		(284)	(978)
Total other comprehensive expense for the period		(24,573)	(53,156)
Total comprehensive income (expense) for the period		75,716	(10,372)
Profit for the period attributable to:			
Owners of the Company		77,042	23,032
Non-controlling interests		23,247	19,752
		100,289	42,784
Total comprehensive income (expense) attributable to:			
Owners of the Company		52,462	(30,153)
Non-controlling interests		23,254	19,781
		75,716	(10,372)
Dividends	6	96,628	96,628
Earnings per share			
Basic	7	0.80	0.24

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		Unaudited At 30 September 2023 <i>HK\$'000</i>	Audited At 31 March 2023 <i>HK\$'000</i>
Non-current assets			
Property and equipment		494,441	503,966
Investment properties		1,175,474	1,128,688
Intangible assets		7,964	8,514
Goodwill		17,441	17,441
Other assets		7,925	4,706
Deferred tax assets		17,613	14,424
Loans and advances	9	731	1,270
Investments		147,549	159,696
		1,869,138	1,838,705
Current assets			
Accounts receivable	8	1,933,645	2,079,209
Loans and advances	9	311,174	372,205
Prepayments, deposits and other receivables		13,856	38,118
Tax recoverable		5,554	16,039
Investments		212,289	228,265
Bank balances – client accounts		293,159	318,857
Bank balances – general accounts and cash		2,742,096	2,598,349
		5,511,773	5,651,042

		Unaudited	Audited
		At	At
		30 September	31 March
		2023	2023
	<i>Notes</i>	HK\$'000	HK\$'000
Current liabilities			
Accounts payable	10	317,452	349,235
Accrued charges and other payables		7,855	13,223
Tax payable		36,496	26,365
Bank borrowings		—	89,263
		<u>361,803</u>	<u>478,086</u>
Net current assets		<u>5,149,970</u>	<u>5,172,956</u>
Total assets less current liabilities		<u>7,019,108</u>	<u>7,011,661</u>
Non-current liabilities			
Deferred tax liabilities		<u>4,068</u>	<u>4,063</u>
Net assets		<u>7,015,040</u>	<u>7,007,598</u>
Capital and reserves			
Share capital	11	966,270	966,270
Reserves		<u>4,873,376</u>	<u>4,869,228</u>
Equity attributable to owners of the Company		<u>5,839,646</u>	<u>5,835,498</u>
Non-controlling interests		<u>1,175,394</u>	<u>1,172,100</u>
Total equity		<u>7,015,040</u>	<u>7,007,598</u>

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 and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Its immediate and ultimate holding company is Honeylink Agents Limited, a company incorporated in the British Virgin Islands with limited liability of which the entire share capital is beneficially owned by Mr. Hung Hon Man, who is also the Chairman and the executive director of the Company.

The Company’s registered office is located at Third Floor, Century Yard, Cricket Square, P.O. Box 902, Grand Cayman, KY1-1103, 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 (i) money lending; (ii) property development and holding and investment in financial instruments; (iii) real estate agency; (iv) auction business and (v) the provision of financial services, including securities dealing and broking, futures and options broking, underwriting and placements, securities margin financing, assets management services and corporate finance services.

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 operating segments:

For the six months ended 30 September 2023

	Securities margin	Money lending	Corporate finance	Asset management	Investments	Auction business	Consolidated	
	Broking financing							
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
Segment revenue	<u>66,125</u>	<u>100,617</u>	<u>16,939</u>	<u>1,205</u>	<u>297</u>	<u>21,638</u>	<u>910</u>	<u>207,731</u>
Segment result	<u>44,280</u>	<u>54,711</u>	<u>18,025</u>	<u>1,224</u>	<u>295</u>	<u>4,170</u>	<u>643</u>	123,348
Unallocated other gains and loss, net								9,103
Unallocated other operating income and corporate expenses, net								(11,523)
Profit before taxation								<u>120,928</u>

For the six months ended 30 September 2022

	Broking <i>HK\$'000</i>	Securities margin financing <i>HK\$'000</i>	Money lending <i>HK\$'000</i>	Corporate finance <i>HK\$'000</i>	Asset management <i>HK\$'000</i>	Investments <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Segment revenue	<u>24,120</u>	<u>148,999</u>	<u>18,153</u>	<u>474</u>	<u>1,277</u>	<u>15,175</u>	<u>208,198</u>
Segment result	<u>(1,252)</u>	<u>92,454</u>	<u>22,253</u>	<u>419</u>	<u>1,183</u>	<u>(29,773)</u>	85,284
Unallocated other gains and loss, net							(9,685)
Unallocated other operating income and corporate expenses, net							<u>(17,859)</u>
Profit before taxation							<u>57,740</u>

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

As at 30 September 2023

Unaudited

	Broking <i>HK\$'000</i>	Securities margin financing <i>HK\$'000</i>	Money lending <i>HK\$'000</i>	Corporate finance <i>HK\$'000</i>	Asset management <i>HK\$'000</i>	Investments <i>HK\$'000</i>	Auction business <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Segment assets	<u>2,446,796</u>	<u>2,089,996</u>	<u>327,234</u>	<u>12,568</u>	<u>6,700</u>	<u>1,631,514</u>	<u>1,130</u>	6,515,938
Unallocated assets (<i>Note 1</i>)								<u>864,973</u>
Consolidated assets								<u>7,380,911</u>
Segment liabilities	<u>159,837</u>	<u>170,046</u>	<u>227</u>	<u>131</u>	<u>152</u>	<u>6,628</u>	<u>92</u>	337,113
Unallocated liabilities (<i>Note 2</i>)								<u>28,758</u>
Consolidated liabilities								<u>365,871</u>

As at 31 March 2023

Audited

	Broking HK\$'000	Securities margin financing HK\$'000	Money lending HK\$'000	Corporate finance HK\$'000	Asset management HK\$'000	Investments HK\$'000	Consolidated HK\$'000
Segment assets	<u>2,397,890</u>	<u>2,231,005</u>	<u>407,986</u>	<u>12,220</u>	<u>6,754</u>	<u>1,615,145</u>	6,671,000
Unallocated assets (Note 1)							<u>818,747</u>
Consolidated assets							<u>7,489,747</u>
Segment liabilities	<u>166,326</u>	<u>190,436</u>	<u>452</u>	<u>136</u>	<u>162</u>	<u>6,298</u>	363,810
Unallocated liabilities (Note 2)							<u>118,339</u>
Consolidated liabilities							<u>482,149</u>

Note 1: The balance mainly comprises property and equipment, and bank balances of approximately HK\$479,174,000 and HK\$376,292,000 respectively (at 31 March 2023: property and equipment, and bank balance of approximately HK\$486,213,000 and HK\$318,798,000 respectively).

Note 2: The balance mainly comprise tax payable approximately HK\$23,425,000 (at 31 March 2023: Tax payable and bank borrowings of approximately HK\$23,462,000 and HK\$89,263,000 respectively).

The Group's operations are located in Hong Kong and the United Kingdom.

The following table provides an analysis of the Group's revenue from external customers by geographical market:

	Revenue by geographical market Six months ended 30 September	
	2023 HK\$'000	2022 HK\$'000
Hong Kong	199,845	202,522
United Kingdom	<u>7,886</u>	<u>5,676</u>
	<u>207,731</u>	<u>208,198</u>

The following is an analysis of the carrying amounts of non-current assets by geographical area in which the assets are located:

	Carrying amounts of non-current assets	
	At 30 September 2023 HK\$'000	At 31 March 2023 HK\$'000
Hong Kong	1,200,730	1,172,036
United Kingdom	502,515	491,279
	<u>1,703,245</u>	<u>1,663,315</u>

The non-current asset information above excludes loans and advances, financial instruments and deferred tax assets.

5. TAXATION

	Six months ended 30 September 2023 HK\$'000		2022 HK\$'000
Current tax			
<i>Hong Kong</i>			
Hong Kong Profit Tax	19,810	15,219	
Over provision in prior years	–	(1,136)	
	<u>19,810</u>	<u>14,083</u>	
<i>The United Kingdom</i>			
Overseas tax	829	873	
Income tax expense	<u>20,639</u>	<u>14,956</u>	

The profits 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.

The tax provision in respect of operations in the United Kingdom is calculated at the rate of 25% (2022: 19%) on the subsidiary's estimated assessable profits for the period based on existing legislation, interpretation and practices in respect thereof.

6. DIVIDENDS

	Six months ended	
	30 September	
	2023	2022
	<i>HK\$'000</i>	<i>HK\$'000</i>
Final dividend paid	48,314	48,314
Proposed interim dividend of HK0.5 cents (2022: HK0.5 cents) per share	48,314	48,314
	<u>96,628</u>	<u>96,628</u>

On 7 September 2023, a dividend of HK0.5 cents per share was paid to shareholders as the final dividend for the year ended 31 March 2023.

At a meeting held on 24 November 2023, the Directors recommended an interim dividend of HK0.5 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 ending 31 March 2024.

7. EARNINGS PER SHARE

The calculation of the basic 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.

Earnings

	Six months ended	
	30 September	
	2023	2022
	<i>HK\$'000</i>	<i>HK\$'000</i>
Earnings for the purpose of basic earnings per share		
Profit for the period attributable to equity shareholders of the Company	<u>77,042</u>	<u>23,032</u>

Number of shares

	Six months ended	
	30 September	
	2023	2022
	'000	'000
Weighted average number of ordinary shares for the purpose of basic earnings per share	9,662,706	9,662,706
	<i>HK cents</i>	<i>HK cents</i>
Earnings per share:		
Basic	0.80	0.24

Diluted earnings per share was not presented as there were no potential dilutive ordinary shares outstanding during both periods.

8. ACCOUNT RECEIVABLE

	At	At
	30 September	31 March
	2023	2023
	HK\$'000	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.

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
	183	77

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 receivables 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.

9. LOANS AND ADVANCES

		At 30 September 2023 <i>HK\$'000</i>	At 31 March 2023 <i>HK\$'000</i>
Fixed rate loan receivables		314,565	377,855
Less: Loss allowance		<u>(2,660)</u>	<u>(4,380)</u>
		<u>311,905</u>	<u>373,475</u>
Secured	(i)	150,269	185,268
Unsecured	(ii)	<u>161,636</u>	<u>188,207</u>
		<u>311,905</u>	<u>373,475</u>
Analysed as:			
Current assets		311,174	372,205
Non-current assets		<u>731</u>	<u>1,270</u>
		<u>311,905</u>	<u>373,475</u>

Note (i): For secured loans, the total carrying amount of approximately HK\$150,269,000 (31 March 2023: HK\$185,268,000) with principal amounts ranging from HK\$3,500,000 to HK\$100,000,000 (31 March 2023: ranging from HK\$3,500,000 to HK\$100,000,000) with 5 customers (31 March 2023: 5 customers) and were accounted for approximately 48% (31 March 2023: 50%) of the entire loan portfolio of the Group. The interest rates charged to the secured loan customers were at the range from 9% to 13% per annum (31 March 2023: range from 9% to 13% per annum) with the maturity profile from 10 to 72 months (31 March 2023: from 6 to 72 months).

Note (ii): For unsecured loans, the total carrying amount of approximately HK\$161,636,000 (31 March 2023: HK\$188,207,000) with principal amounts ranging from HK\$300,000 to HK\$66,000,000 (31 March 2023: ranging from HK\$200,000 to HK\$66,000,000) with 12 customers (31 March 2023: 15 customers) and were accounted for approximately 52% (31 March 2023: 50%) of the entire loan portfolio of the Group. The interest rates charged to the unsecured loan customers were at the range from 10% to 12% per annum (31 March 2023: range from 10% to 12% per annum) with the maturity profile from 1 to 75 months (31 March 2023: from 2 to 72 months).

At 30 September 2023, loans and advances with carrying amount of approximately HK\$115,269,000 are secured by first mortgage of properties in Hong Kong with an aggregate market value of approximately HK\$238,200,000; and carrying amount of approximately HK\$35,000,000 are secured by pledged securities with an aggregate market value of approximately HK\$1,105,692,000.

At 31 March 2023, loans and advances with carrying amount of approximately HK\$115,268,000 are secured by first mortgage of properties in Hong Kong with an aggregate market value of approximately HK\$238,200,000 and carrying amount of approximately HK\$70,000,000 are secured by pledged shares with an aggregate fair value of approximately HK\$1,105,692,000.

The Group determines the impairment allowances of loans and advances for losses that expected to be incurred under ECL model. The Group has concentration of credit risk as 71% (31 March 2023: 65%) of the total loans and advances was due from the Group's five largest borrowers. The directors of the Company consider that the allowances for impaired debts are sufficient.

Movement in the allowance for impaired debts is as follows:

	At 30 September 2023 HK\$'000	At 31 March 2023 HK\$'000
Balance at beginning	4,380	48,024
(Decrease) Increase in allowance	(1,720)	1,151
Amount written off	—	(44,795)
	<u>2,660</u>	<u>4,380</u>

There were no loans and advances past due but not impaired as at 30 September 2023 and 31 March 2023.

The loans and advances with a carrying amount of approximately HK\$311,905,000 (31 March 2023: HK\$373,475,000) are neither past due nor impaired at the end of the reporting period. In view of the repayment history of these borrowers and collateral provided, the directors of the Company consider the amount to be recoverable and of good credit quality.

10. ACCOUNT PAYABLE

	At 30 September 2023 <i>HK\$'000</i>	At 31 March 2023 <i>HK\$'000</i>
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	<u>48,936</u>	<u>51,570</u>
	<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 securities cleaning 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\$726,000 (31 March 2023: HK\$13,000).

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 future contracts.

11. SHARE CAPITAL

	Number of shares '000	Nominal value HK\$'000
Ordinary shares of HK\$0.1 each		
Authorised:		
At 1 April 2022, 31 March 2023 and 30 September 2023	<u>30,000,000</u>	<u>3,000,000</u>
Issued and fully paid:		
At 1 April 2022, 31 March 2023 and 30 September 2023	<u>9,662,706</u>	<u>966,270</u>

INTERIM DIVIDEND

The Directors have declared an interim dividend of HK0.5 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 six months ended 30 September 2023, the Group's revenue amounted to approximately HK\$207.7 million, representing a decrease of 0.2% as compared with approximately HK\$208.2 million reported in the last corresponding financial period. The decrease in revenue was mainly attributable to the decrease in interest income from margin financing business, money lending business, and debt securities during the period.

Profit attributable to owners of the Company in the period was approximately HK\$77.0 million (2022: HK\$23.0 million). The increase in profit was mainly attributable to the decrease in provision of net impairment loss on accounts receivable and the increase in fair value of investment properties during the current period.

Earnings per share increased to HK0.80 cents (2022: HK0.24 cents) as a result of increase in profit attributable to owners of the Company for the period.

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 pre-pandemic 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 weighed 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.

In respect of the local money lending market, as the Hong Kong economy continued to revive in the third quarter of 2023. Domestically, private consumption expenditure rose further in the third quarter over a year earlier alongside rising household income and the Government's various support initiatives, though the rate of increase moderated somewhat. Investment expenditure rebounded sharply against a low base of comparison a year ago. The labour market improved further in the third quarter. However, overall economic recovery takes a bit of time to really pick up. For the sake of caution, our Group still adopt a prudent approach, such as implementing strict credit policies. In order to manage the credit risk, we focused on debt recovery and closely monitor the borrowers' credit limit during the period.

Regarding the local property market, the residential property market turned more sluggish in the third quarter of 2023. Market sentiment stayed cautious amid an uncertain global economic outlook and rising local interest rates. Trading activities quietened further and flat prices declined during the period. The non-residential property market was quiet in the third quarter. While trading activities for all major market segments remained subdued, prices and rentals generally showed only small changes.

Regarding the UK property market, the UK recorded a significant correction in real estate pricing during the second half of 2022 and into the first quarter of 2023, as the weaker economic backdrop and higher mortgage rate environment weighed on performance. However, pricing began to stabilise in the second quarter of 2023, particularly in those areas of the market that saw the greatest capital declines.

Business Review

Broking and securities margin financing

During the period ended 30 September 2023, the broking business posted a profit of approximately HK\$44.3 million (2022: loss of approximately HK\$1.3 million) as a result of the increase in interest revenue from time-deposits overweighted 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 reduced 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 approximately 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.

Money lending

The money lending vehicle is engaged in provision of consumer and mortgage loans. The money lending business performance showed a downtrend during the period as the Group took cautious approach in granting new loans. The aggregated loan amount decreased to approximately HK\$311.9 million at 30 September 2023 from approximately HK\$373.5 million at 31 March 2023. Total interest income decreased by 7.1% to approximately HK\$16.9 million (2022: HK\$18.2 million) for the period. It recorded profit before tax of approximately HK\$18.0 million (2022: HK\$22.3 million) for the six months ended 30 September 2023. Net impairment loss on loans and advances of approximately HK\$1.7 million was reversed during the period (2022: provision of net impairment loss approximately HK\$0.8 million).

Potential customers are required to disclose and provide a list of information required for a loan application. The Group has the following credit assessment policy to assess the creditworthiness of the potential customers and their repayment abilities.

- (i) For secured loans, the Group will conduct a credit assessment test against a potential customer. It will take into account the term of the loan and the results from the credit assessment in totality to assess the repayment ability of the potential customer. A valuation report on the underlying property will be prepared by an independent valuer to determine its current fair value. The Group has set a clear guideline on the loan-to-value ratios for granting and renewing mortgage loans and the term of the loan shall normally be within a reasonable tenor accepted by the Group.

The Group will then conduct a credit assessment exercise according to the credit policy by considering factors, including but not limited to, the relevant risks of the Group (e.g. the default risk of the potential customer), the cost of funds, cashflows, etc. of the Group as well as the market offer, customer's repayment ability, etc. Afterwards, the Group will determine the terms of the offer and notify the customer about the loan approval.

- (ii) For unsecured loans, the Group will carry out the credit assessment on every unsecured loan applicant based on the following factors:
 - (a) Total amount of the principal and interest payable to be granted;
 - (b) Duration of the term for repayment of the loan to be granted;
 - (c) Frequency and amount of the repayments to be made;
 - (d) The interest rate of the loan to be granted;
 - (e) Purpose of obtaining the loan to be granted;
 - (f) The employment or business of the unsecured loan applicant;
 - (g) Current credit and financial information of the unsecured loan applicant;
 - (h) Any other factors which may affect the unsecured loan applicant's affordability;
 - (i) Current income and expenditure of the unsecured loan applicant;
 - (j) Foreseeable reduction in income or increase in expenditure of the unsecured loan applicant; and
 - (k) Savings and assets of the unsecured loan applicant.

Building on the Group's expertise and relationships with high net worth customers, the Group remains positive about the money lending business and will continue to target high net worth customers with short-term financial needs.

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 completed 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).

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.

Investments

The investments division held properties and financial instruments for the Group. Assets allocations are based on expected return rates and available funding capital. For the period under review, this division reported a profit of approximately HK\$4.2 million (2022: loss of HK\$29.8 million), mainly attributable to the interest income from convertible notes and unlisted debt securities of approximately HK\$5.1 million (2022: HK\$4.0 million), interest income from listed debt securities of approximately HK\$3.4 million (2022: HK\$1.9 million), fair value gains on investment properties of approximately HK\$18.1 million (2022: losses of HK\$37.9 million), rental income of approximately HK\$13.2 million (2022: HK\$9.3 million) mainly arising from the leasing business in London, and the unrealised losses on financial assets measured at fair value through profit or loss of approximately HK\$31.5 million (2022: HK\$9.6 million).

As at 30 September 2023, the Group held a portfolio of investment properties with a total fair value of approximately HK\$1,175.5 million (31 March 2023: HK\$1,128.7 million), comprised residential, commercial and industrial properties in Hong Kong, residential properties and a commercial building in London.

As at 30 September 2023, the Group held an investment portfolio mainly consisted of equity securities, debt securities, convertibles notes and unlisted equity securities with a total fair values of approximately HK\$359.8 million (31 March 2023: HK\$388.0 million). The decrease in total fair values of the investment portfolio was mainly due to the drop of the fair value of unlisted equity securities from approximately HK\$77.1 million at 31 March 2023 to approximately HK\$63.0 million at 30 September 2023. The portfolio of equity securities mainly comprised listed companies in Hong Kong while the portfolio of debt securities mainly comprises listed and unlisted bonds, and redeemable bonds issued by certain listed and unlisted companies in Hong Kong and overseas.

Auction business

During the period ended 30 September 2023, this division reported a profit of approximately HK\$0.6 million (2022: HK\$Nil) mainly attributable to the artwork auction commission income of approximately HK\$0.9 million (2022: HK\$Nil) received during the period.

Outlook

Looking ahead, the global economy remains full of challenges and uncertainties and we shall not overlook the downside risks due to the expectation of US interest hike and the threat of geopolitical tension which continue to cloud the global economic recovery. Despite the difficulties and challenges ahead, our Group will continue to leverage our professionalism and solid experience in our money lending business. We shall persistently implement cautious and prudent measures, instantly and effectively review and tighten our credit policies, and increase the proportion of our business with high-net-worth clients.

In respect of the investment activities of the Group, the management will keep seeking quality and upscale investment properties in both Asia and Europe, and also investment in securities with good potential, to enhance its investment portfolio and continue to provide a source of steady rental income and investment gains in the future. Meanwhile, management will adopt cautious measures to manage the Group's investment portfolio.

In respect of the auction business of the Group, aiming at keeping stable growth and development, the Group will continuously uphold its principle of sourcing excellent artworks with good provenance to explore and collect more valuable artworks for art enthusiasts from all sectors of society.

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 will continue to explore and seize new business opportunities to further create value for its shareholders in the long run.

FINANCIAL REVIEW

Financial Resources and Gearing Ratio

The equity attributable to owners of the Company amounted to approximately HK\$5,839.6 million (31 March 2023: HK\$5,835.5 million) as at 30 September 2023, representing an increase of approximately HK\$4.1 million, or 0.1% from that of 31 March 2023 and there is an increase in non-controlling interest from approximately HK\$1,172.1 million at 31 March 2023 to approximately HK\$1,175.4 million at 30 September 2023. These movements were mainly attributable to the profit for the year netting off dividend distributed during the period.

The Group's net current assets as at 30 September 2023 decreased to approximately HK\$5,150 million (31 March 2023: HK\$5,173 million) and the liquidity of the Group, as demonstrated by the current ratio (current assets/current liabilities) was 15.2 times (31 March 2023: 11.8 times). The increase in current ratio were mainly attributable to the decrease in accounts payable. The Group's bank balances and cash on hand amounted to approximately HK\$2,742.1 million as at 30 September 2023 (31 March 2023: HK\$2,598.3 million). The increase in bank balances and cash on hand was mainly due to the cash inflow in respect of the repayment from accounts receivable. The Group had no bank borrowings as at 30 September 2023 (31 March 2023: HK\$89.3 million) and the Group had undrawn banking facilities amounting to approximately HK\$758.0 million as at 30 September 2023 (31 March 2023: HK\$668.7 million) which were secured by charges over clients' pledged securities, certain properties of the Group and corporate guarantees issued by Get Nice Financial Group Limited and the Company.

The number of issued shares of the Company was 9,662,705,938 as at 30 September 2023 (31 March 2023: 9,662,705,938).

As at 30 September 2023, the Group's gearing ratio (total borrowings over equity attributable to owners of the Company) was not presented as the Group had no borrowings (31 March 2023: 0.02 times).

Except for an investment property in United Kingdom and its related rental income which are denominated in British Pound, the business activities of the Group are not exposed to material fluctuations in exchange rates as the majority of the 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, investment property, and leasehold land and building of the Group with a carrying amount of approximately HK\$77.0 million and HK\$382.1 million respectively (31 March 2023: HK\$77.0 million and HK\$388.4 million respectively) were pledged for banking facilities granted to the Group.

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

There were 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 85 employees (31 March 2023: 89). 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 approximately HK\$13.1 million (2022: HK\$13.7 million). The Group provides employee benefits including mandatory provident fund, discretionary share options and performance bonus for its staff.

PURCHASE, SALE OR REDEMPTION OF THE LISTED SHARES

During the current period, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the listed shares of the Company.

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 (the "CG Code") as set out in Appendix 14 to the Listing Rules.

AUDIT COMMITTEE REVIEW

The Audit Committee has reviewed with management of 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.

PUBLICATION OF THE INTERIM RESULTS AND INTERIM REPORT

This results announcement is published on the websites of the Stock Exchanges at <http://www.hkexnews.hk> under “Latest Listed Company Information” and the Company at <http://www.getnice.com.hk>. The 2023 Interim Report of the Company containing all the information required by the Listing Rules will be dispatched to shareholders of the Company and published on the websites of the Stock Exchange at <http://www.hkexnews.hk> under “Latest Listed Company Information” and the Company at <http://www.getnice.com.hk> in due course.

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

Hong Kong, 24 November 2023

As at the date of this announcement, the executive directors of the Company are Mr. Hung Hon Man (Chairman), Mr. Cham Wai Ho, Anthony (Deputy Chairman) and Mr. Kam, Eddie Shing Cheuk (Chief Executive Officer). The non-executive director of the Company is Ms. Wu Yan Yee. The independent non-executive directors of the Company are Ms. Chan Oi Chong, Mr. Leung Yiu Man and Mr. Ho Pak Chuen Brian.