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## GET NICE FINANCIAL GROUP LIMITED

### 結好金融集團有限公司

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

**(Stock Code: 1469)**

### ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2024

#### RESULTS

The board of directors (“Board”) of Get Nice Financial Group Limited (the “Company”) are pleased to announce the consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 March 2024 with comparative figures for the previous financial year as follows:

#### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

*For the year ended 31 March 2024*

	<i>Notes</i>	<b>2024</b> <b>HK\$'000</b>	2023 HK\$'000
Revenue from contracts with customers within HKFRS 15	4	<b>38,827</b>	43,035
Interest revenue calculated using the effective interest method	4	<b>296,120</b>	293,977
<b>Revenue</b>		<b>334,947</b>	337,012
Other operating income	6a	<b>1,691</b>	4,695
Other gains and losses, net	6b	<b>8,163</b>	(5,367)
Depreciation expenses		<b>(12,157)</b>	(13,121)
Commission expenses		<b>(5,975)</b>	(8,718)
Net impairment loss on accounts receivable	13	<b>(128,590)</b>	(92,088)
Staff costs	7	<b>(19,642)</b>	(21,849)
Finance costs	8	<b>(138)</b>	(337)
Other expenses		<b>(23,893)</b>	(26,491)

	<i>Notes</i>	<b>2024</b> <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<b>Profit before taxation</b>	9	<b>154,406</b>	173,736
Income tax expense	10	<u>(1,710)</u>	<u>(23,905)</u>
<b>Profit for the year</b>		<u><b>152,696</b></u>	<u>149,831</u>
<b>Other comprehensive income (expense)</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Surplus on revaluation of properties		<b>62</b>	155
Deferred tax arising on revaluation of properties		<u>(10)</u>	<u>(26)</u>
<b>Total other comprehensive income for the year</b>		<u><b>52</b></u>	<u>129</u>
<b>Total comprehensive income for the year</b>		<u><b>152,748</b></u>	<u>149,960</u>
<b>Earnings per share</b>			
Basic (HK dollars)	12	<u><b>0.06</b></u>	<u>0.06</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*At 31 March 2024*

	<i>Notes</i>	<b>2024</b>	2023
		<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
<b>Non-current assets</b>			
Property and equipment		<b>30,649</b>	23,023
Intangible assets		<b>7,964</b>	8,514
Other assets		<b>3,745</b>	4,486
Investments		<b>17,890</b>	18,447
Deferred tax assets		<b>6,145</b>	259
Goodwill		<b>2,000</b>	2,000
		<hr/> <b>68,393</b>	<hr/> 56,729
<b>Current assets</b>			
Accounts receivable	13	<b>1,864,483</b>	2,079,209
Prepayments, deposits and other receivables		<b>3,549</b>	3,581
Tax recoverable		<b>10,055</b>	8,673
Investments		<b>193</b>	157
Bank balances – client accounts		<b>233,058</b>	318,857
Bank balances – general accounts and cash		<b>2,434,035</b>	2,235,035
		<hr/> <b>4,545,373</b>	<hr/> 4,645,512
<b>Current liabilities</b>			
Accounts payable	14	<b>251,527</b>	349,235
Accrued charges and other payables		<b>3,843</b>	7,701
Lease liabilities		<b>5,152</b>	7,117
Tax payable		<b>–</b>	146
		<hr/> <b>260,522</b>	<hr/> 364,199
<b>Net current assets</b>		<hr/> <b>4,284,851</b>	<hr/> 4,281,313
<b>Total assets less current liabilities</b>		<hr/> <b>4,353,244</b>	<hr/> 4,338,042

	2024 <i>HK\$'000</i>	2023 HK\$'000
<b>Non-current liabilities</b>		
Deferred tax liabilities	130	120
Lease liabilities	<u>12,444</u>	<u>–</u>
	<u>12,574</u>	<u>120</u>
<b>Net assets</b>	<u><u>4,340,670</u></u>	<u><u>4,337,922</u></u>
<b>Capital and reserves</b>		
Share capital	25,000	25,000
Reserves	<u>4,315,670</u>	<u>4,312,922</u>
<b>Total equity</b>	<u><u>4,340,670</u></u>	<u><u>4,337,922</u></u>

*Notes:*

## **1. CORPORATE INFORMATION**

The Company was incorporated in the Cayman Islands under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands as an exempted company with limited liability 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.

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 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 services and (ii) investment in financial instruments.

The 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 AND ADOPTION OF REVISED HONG KONG FINANCIAL REPORTING STANDARDS**

### **Basis of preparation**

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable HKFRSs, Hong Kong Accounting Standards (“HKASs”) and interpretations issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. The consolidated financial statements also comply with the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

All amounts have been rounded to the nearest thousand, unless otherwise indicated.

The consolidated financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2023 consolidated financial statements except for the adoption of the following revised HKFRSs that are relevant to the Group and effective from the current year.

## **2. BASIS OF PREPARATION AND ADOPTION OF REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)**

### **Adoption of revised HKFRSs**

#### *Amendments to HKAS 1: Disclosure of Accounting Policies*

The amendments require companies to disclose their material accounting policy information rather than their significant accounting policies.

The amendments have no effect on the measurement, recognition or presentation of any items in the consolidated financial statements. Management has reviewed the disclosure of accounting policy information and considered it is consistent with the amendments.

#### *Amendments to HKAS 8: Definition of Accounting Estimates*

The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

#### *Amendments to HKAS 12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

The amendments narrow the scope of the recognition exemption in paragraphs 15 and 24 of HKAS 12 so that it no longer applies to transactions that, on recognition, give rise to equal taxable and deductible temporary differences.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

#### *Amendments to HKAS 12: International Tax Reform – Pillar Two Model Rules*

The amendments provide entities with temporary relief from accounting for deferred taxes arising from the Organisation for Economic Co-operation and Development's Pillar Two model rules. The Amendments also introduce targeted disclosure requirements to help investors understand an entity's exposure to income taxes arising from the rules.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

## 2. BASIS OF PREPARATION AND ADOPTION OF REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

### Basis of measurement

The measurement basis used in the preparation of these consolidated financial statements is historical cost, except for certain properties and investments, which are measured at revalued amounts or fair value.

## 3. FUTURE CHANGES IN HKFRSs

At the date of authorisation of the consolidated financial statements, the HKICPA has issued the following revised HKFRSs that are relevant to the Group and are not yet effective for the current year, which the Group has not early adopted.

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current <sup>1</sup>
Amendments to HKAS 1	Non-current Liabilities with Covenants <sup>1</sup>
Amendments to HK Interpretation 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause <sup>1</sup>
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements <sup>1</sup>
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback <sup>1</sup>
Amendments to HKAS 21	Lack of Exchangeability <sup>2</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2024

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2025

<sup>3</sup> The effective date to be determined

The Board does not anticipate that the adoption of these revised HKFRSs in future periods will have any material impact on the result of the Group.

#### 4. REVENUE

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<b><u>Revenue from contracts with customers within HKFRS 15</u></b>		
Brokerage commission	19,919	29,187
Underwriting and placing commission	11,095	4,476
Proof of funds commission	2,339	2,860
Other commission	39	7
Clearing and handling fee income	2,729	3,383
Asset management fee income	594	1,866
Advisory fee income	2,112	1,256
	<u>38,827</u>	<u>43,035</u>
<b><u>Interest revenue calculated using the effective interest method</u></b>		
– Bank balances and time-deposits	90,770	30,386
– Other financial assets at amortised costs		
– Accounts receivable	205,350	263,591
	<u>296,120</u>	<u>293,977</u>
<b>Total revenue</b>	<u><u>334,947</u></u>	<u><u>337,012</u></u>



#### 4. REVENUE (CONTINUED)

In addition to the information shown in segment disclosures, the revenue from contracts with customers within HKFRS 15 is disaggregated as follows:

	2024 HK\$'000	2023 HK\$'000
<i>Timing of revenue recognition:</i>		
<b>At a point in time</b>		
Brokerage commission	19,919	29,187
Underwriting and placing commission	11,095	4,476
Proof of funds commission	2,339	2,860
Other commission	39	7
Clearing and handling fee income	2,729	3,383
	<u>36,121</u>	<u>39,913</u>
<b>Over time</b>		
Advisory fee income	2,112	1,256
Asset management fee income	594	1,866
	<u>2,706</u>	<u>3,122</u>

#### 5. SEGMENT INFORMATION

The Group is currently organised into five operating divisions, namely, broking, securities margin financing, corporate finance, asset management and financial instruments investments. These divisions are the basis on which the Board of the Company, being the chief operating decision maker, reviews the operating results and financial information. The principal activities of these divisions are as follows:

Broking	–	Provision of stockbroking, futures and options broking and underwriting and placements
Securities margin financing	–	Provision of securities margin financing
Corporate finance	–	Provision of corporate advisory services
Asset management	–	Provision of asset management services
Financial instruments investments	–	Investment in financial instruments

The accounting policies of the operating segments are the same as the Group's accounting policies. For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than certain property and equipment, club memberships, certain prepayments, deposits and other receivables, certain bank balances and certain tax recoverable.
- all liabilities are allocated to operating segments other than certain accrued charges and other payables, certain deferred tax liabilities and certain tax payable.
- all profit or loss are allocated to operating segments other than certain depreciation expenses, certain lease payments for short-term leases or leases of low value assets/operating lease rentals, certain management fees, certain finance costs, certain staff costs and certain other expenses incurred for strategic planning by the Group.

Segment information about these divisions is presented below.

## 5. SEGMENT INFORMATION (CONTINUED)

### Segment revenue and results

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

#### Year ended 31 March 2024

	Broking <i>HK\$'000</i>	Securities margin financing <i>HK\$'000</i>	Corporate finance <i>HK\$'000</i>	Asset management <i>HK\$'000</i>	Financial instruments investments <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
SEGMENT REVENUE	<u>127,272</u>	<u>204,969</u>	<u>2,112</u>	<u>594</u>	<u>-</u>	<u>334,947</u>
SEGMENT RESULT	<u>70,513</u>	<u>76,378</u>	<u>2,322</u>	<u>589</u>	<u>(574)</u>	<u>149,228</u>
Unallocated other gains and losses, net						9,103
Unallocated other operating income and corporate expenses, net						<u>(3,925)</u>
Profit before taxation						<u>154,406</u>

#### Year ended 31 March 2023

	Broking <i>HK\$'000</i>	Securities margin financing <i>HK\$'000</i>	Corporate finance <i>HK\$'000</i>	Asset management <i>HK\$'000</i>	Financial instruments investments <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
SEGMENT REVENUE	<u>70,479</u>	<u>263,411</u>	<u>1,256</u>	<u>1,866</u>	<u>-</u>	<u>337,012</u>
SEGMENT RESULT	<u>8,131</u>	<u>171,322</u>	<u>1,280</u>	<u>1,649</u>	<u>(4,486)</u>	<u>177,896</u>
Unallocated other gains and losses, net						(96)
Unallocated other operating income and corporate expenses, net						<u>(4,064)</u>
Profit before taxation						<u>173,736</u>

## 5. SEGMENT INFORMATION (CONTINUED)

### Segment assets and liabilities

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

#### At 31 March 2024

	Broking <i>HK\$'000</i>	Securities margin financing <i>HK\$'000</i>	Corporate finance <i>HK\$'000</i>	Assets management <i>HK\$'000</i>	Financial instruments investments <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
SEGMENT ASSETS	<u>2,553,286</u>	<u>2,007,672</u>	<u>12,617</u>	<u>6,907</u>	<u>18,481</u>	4,598,963
Unallocated assets						<u>14,803</u>
Consolidated assets						<u>4,613,766</u>
SEGMENT LIABILITIES	<u>108,779</u>	<u>163,927</u>	<u>80</u>	<u>124</u>	<u>-</u>	272,910
Unallocated liabilities						<u>186</u>
Consolidated liabilities						<u>273,096</u>

#### At 31 March 2023

	Broking <i>HK\$'000</i>	Securities margin financing <i>HK\$'000</i>	Corporate finance <i>HK\$'000</i>	Assets management <i>HK\$'000</i>	Financial instruments investments <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
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>

## 5. SEGMENT INFORMATION (CONTINUED)

### Other segment information

2024

	Securities margin	Corporate finance	Asset management	Financial instruments investments	Unallocated	Consolidated
Broking	financing	finance	management	investments	Unallocated	Consolidated
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Amounts included in the measure of segment profit or segment assets:						
Additions of property and equipment	19,476	-	-	-	245	19,721
Depreciation of property and equipment	(12,103)	-	-	-	(54)	(12,157)
Fair value losses on investments	(7)	-	-	(557)	-	(564)
Gain on disposal of property and equipment	-	-	-	-	7,603	7,603
Gain on disposal of intangible assets	-	-	-	-	1,500	1,500
Interest income (including revenue and other operating income)	92,350	204,969	218	-	-	297,537
Net impairment loss on accounts receivable	-	(128,590)	-	-	-	(128,590)
Finance costs	(138)	-	-	-	-	(138)
Commission expenses	(5,975)	-	-	-	-	(5,975)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

## 5. SEGMENT INFORMATION (CONTINUED)

### Other segment information (Continued)

2023

	Broking <i>HK\$'000</i>	Securities margin financing <i>HK\$'000</i>	Corporate finance <i>HK\$'000</i>	Asset management <i>HK\$'000</i>	Financial instruments investments <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Amounts included in the measure of segment profit or segment assets:							
Additions of property and equipment	4,363	-	-	-	-	-	4,363
Additions of intangible assets	2	-	-	-	-	-	2
Depreciation of property and equipment	(13,120)	-	-	-	-	(1)	(13,121)
Fair value losses on investments	(6)	-	-	-	(4,423)	-	(4,429)
Gain on lease termination	6	-	-	-	-	-	6
Gain on disposal of property and equipment	11	-	-	-	-	-	11
Loss on disposal of subsidiaries	-	-	-	-	-	(96)	(96)
Government subsidies	1,650	-	-	64	-	-	1,714
Interest income (including revenue and other operating income)	31,050	263,411	103	-	1,430	-	295,994
Net impairment loss on accounts receivable	-	(92,088)	-	-	-	-	(92,088)
Write back of other payables	26	-	-	-	-	-	26
Write-off of property and equipment	(43)	-	-	-	-	-	(43)
Finance costs	(337)	-	-	-	-	-	(337)
Commission expenses	(8,718)	-	-	-	-	-	(8,718)

## 5. SEGMENT INFORMATION (CONTINUED)

### Geographical information

The Group's operations are located in Hong Kong. Accordingly, the Group's revenue from external customers and all non-current assets (excluding financial assets and deferred tax assets) are located in Hong Kong.

### Information about major customers

During the years ended 31 March 2024 and 2023, there were no customers individually contributing 10% or more of the Group's total revenue.

During the years ended 31 March 2024 and 2023, the aggregate revenue attributable to the five largest customers of the Group accounted for less than 30% of the Group's total revenue.

## 6. OTHER OPERATING INCOME / OTHER GAINS AND LOSSES, NET

### 6a. Other operating income

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Bank interest income	1,417	587
CCASS income	–	25
Government subsidies	–	1,714
Interest income from promissory note issued by the immediate holding company	–	1,430
Sundry income	274	939
	<u>1,691</u>	<u>4,695</u>

### 6b. Other gains and losses, net

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Gain on lease termination	–	6
Gain on disposal of property and equipment	7,603	11
Gain on disposal of intangible assets	1,500	–
Loss on disposal of subsidiaries	–	(96)
Net realised gains (losses) on error trades	10	(54)
Fair value changes on investments	(564)	(4,429)
Net exchange losses	(386)	(788)
Write back of other payables	–	26
Write-off property, plant and equipment	–	(43)
	<u>8,163</u>	<u>(5,367)</u>

## 7. STAFF COSTS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Staff costs including directors' emoluments:		
Salaries and other benefits	18,896	21,009
Retirement benefit scheme contributions	746	840
	<u>19,642</u>	<u>21,849</u>

**8. FINANCE COSTS**

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Interest on clients' accounts	55	88
Interest on lease liabilities	83	249
	<u>138</u>	<u>337</u>

**9. PROFIT BEFORE TAXATION**

This is stated after charging:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Auditor's remuneration	1,385	1,375
	<u>1,385</u>	<u>1,375</u>

**10. TAXATION**

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<b>Current tax</b>		
Hong Kong Profits Tax		
Current year	10,877	24,161
Over provision in prior years	(3,281)	(256)
	<u>7,596</u>	23,905
<b>Deferred tax</b>		
Origination and reversal of temporary differences	(5,886)	–
	<u>1,710</u>	<u>23,905</u>
Income tax expense	<u>1,710</u>	<u>23,905</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 the years ended 31 March 2024 and 2023, Hong Kong Profits Tax is calculated in accordance with the two-tiered profits tax rates regime.

## 11. DIVIDENDS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Final dividend for prior financial year, paid – HK3 cents (2023: HK3 cents) per share	75,000	75,000
Interim dividend for current financial year, paid – HK3 cents (2023: HK3 cents) per share	<u>75,000</u>	<u>75,000</u>
	<u><u>150,000</u></u>	<u><u>150,000</u></u>

A final dividend in respect of the year ended 31 March 2024 of HK3 cents (2023: HK3 cents) per share, amounting to HK\$75,000,000 (2023: HK\$75,000,000) has been proposed by the directors of the Company and is subject to the approval by the owners of the Company in the forthcoming annual general meeting.

## 12. 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 year as follows:

### Earnings

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Earnings for the purpose of basic and diluted earnings per share		
Profit for the year attributable to equity shareholders of the Company	<u>152,696</u>	<u>149,831</u>

### Number of shares

	2024 <i>'000</i>	2023 <i>'000</i>
Weighted average number of ordinary shares, for the purpose of basic and diluted earnings per share	<u>2,500,000</u>	<u>2,500,000</u>

For the years ended 31 March 2024 and 2023, no diluted earnings per share was presented because there were no potential dilutive ordinary shares in existence during both years.



### 13. ACCOUNTS RECEIVABLE

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Accounts receivable arising from the business of dealing in securities:		
– Cash clients	3,673	6,160
– Margin clients:		
– Directors and their close family members	12,779	48,863
– Other margin clients	2,386,038	2,411,235
– Hong Kong Securities Clearing Company Limited (“HKSCC”)	9,972	12,032
– Broker	–	514
Accounts receivable from futures clearing house arising from the business of dealing in futures contracts	<u>6,796</u>	<u>26,590</u>
	<b>2,419,258</b>	2,505,394
Less: Loss allowances	<u>(554,775)</u>	<u>(426,185)</u>
	<b><u>1,864,483</u></b>	<b><u>2,079,209</u></b>

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 are one day after trade date. All the accounts receivable (net of loss allowance), except for accounts receivable 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\$744,000 (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 aging analysis (from settlement date) is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
0 – 30 days	582	11
31 – 60 days	8	7
Over 60 days	<u>154</u>	<u>59</u>
	<b><u>744</u></b>	<b><u>77</u></b>

The accounts receivable from cash clients with a carrying amount of approximately HK\$2,929,000 (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.

### 13. ACCOUNTS RECEIVABLE (CONTINUED)

Accounts receivable from margin clients are secured by clients' pledged securities with fair value of approximately HK\$5,903,628,000 (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 fixed rates ranging from 7.236% to 9.252% (2023: ranging from 7.236% to 9.252%) per annum at 31 March 2024. Securities are assigned with specific margin ratios for calculating their margin values. Additional funds or collateral 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.

The Group provides financing services only to recognised and creditworthy third parties. It is the Group's policy that all these margin clients are subject to credit verification procedures. The margin loans are secured by pledged marketable securities and margin facilities are set to ensure that certain proportion of the fair value of pledged marketable securities of the individual margin clients is higher than the corresponding outstanding loans.

The Group has concentration of credit risk as 50% (2023: 51%) of the total accounts receivable from margin clients was due from the Group's ten largest margin clients.

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

The Group's customer base consists of a wide range of clients and the accounts receivable from margin clients are categorised by common risk characteristics that are representative of the customers' abilities to pay the amounts due in accordance with the contractual terms.

In estimating the expected credit losses ("ECL") and in determining whether there is a significant increase in credit risk since initial recognition, whether the accounts receivable from margin clients are credit-impaired and the amount of loss given default, the Group has taken into account the credit quality of margin clients, the collateral to accounts receivable balances ratio, amount of margin shortfall of margin clients and pledged marketable securities and adjusted for forward-looking factors that are specific to the debtors and general economic conditions of the financial industry, in estimating the probability of default of these financial assets, as well as the loss upon default in each case. There was no change in the estimation techniques or methodology made during the year.

### 13. ACCOUNTS RECEIVABLE (CONTINUED)

The Group has established a margin client credit risk classification system and performs credit risk management based on margin client classification in one of three categories of internal credit rating. The information about the ECL for the accounts receivable from margin clients at the end of the reporting period is summarised below. After considering the above factors, net impairment loss of approximately HK\$128,590,000 (2023: HK\$92,088,000) was recognised during the year.

#### At 31 March 2024

<b>Internal credit rating</b>	<b>Basis of ECL</b>	<b>Gross carrying amount</b>	<b>Loss allowance</b>	<b>Net carrying amount</b>
		<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Performing	12-month	1,295,712	13,950	1,281,762
Underperforming	Lifetime	355,016	33,995	321,021
Not performing	Lifetime	748,089	506,830	241,259
		<b>2,398,817</b>	<b>554,775</b>	<b>1,844,042</b>
		<b>2,398,817</b>	<b>554,775</b>	<b>1,844,042</b>
<i>Represented by:</i>				
Ten largest margin clients		1,024,041	93,677	930,364
Directors and their close family members which not included in ten largest margin clients (including Mr. Hung Hon Man and his close family members)		12,779	72	12,707
Other margin clients		1,361,997	461,026	900,971
		<b>2,398,817</b>	<b>554,775</b>	<b>1,844,042</b>
		<b>2,398,817</b>	<b>554,775</b>	<b>1,844,042</b>

### 13. ACCOUNTS RECEIVABLE (CONTINUED)

At 31 March 2023

<u>Internal credit rating</u>	<u>Basis of ECL</u>	<u>Gross carrying amount</u>	<u>Loss allowance</u>	<u>Net carrying amount</u>
		<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Performing	12-month	1,756,287	17,547	1,738,740
Underperforming	Lifetime	57,063	27,915	29,148
Not performing	Lifetime	646,748	380,723	266,025
		<u>2,460,098</u>	<u>426,185</u>	<u>2,033,913</u>
<i>Represented by:</i>				
Ten largest margin clients		1,084,456	54,263	1,030,193
Directors and their close family members which not included in ten largest margin clients (including Mr. Hung Hon Man and his close family members)		48,863	260	48,603
Other margin clients		<u>1,326,779</u>	<u>371,662</u>	<u>955,117</u>
		<u>2,460,098</u>	<u>426,185</u>	<u>2,033,913</u>

### 13. ACCOUNTS RECEIVABLE (CONTINUED)

At 31 March 2024, the Group recognised loss allowance of approximately HK\$554,775,000 (2023: HK\$426,185,000) on its accounts receivable from margin clients. The movement in the loss allowance for accounts receivable from margin clients during the year is summarised below.

#### Year ended 31 March 2024

	12-month ECL	Lifetime ECL		Total <i>HK\$'000</i>
	Performing <i>HK\$'000</i>	Under-performing <i>HK\$'000</i>	Not performing <i>HK\$'000</i>	
At the beginning of the reporting period	17,547	27,915	380,723	426,185
(Decrease) Increase in allowance, net	(3,597)	6,080	126,107	128,590
At the end of the reporting period	<u>13,950</u>	<u>33,995</u>	<u>506,830</u>	<u>554,775</u>

*Represented by:*

	Ten largest margin clients <i>HK\$'000</i>	Directors and their close family members which not included in ten largest margin clients (including Mr. Hung Hon Man and his close family members) <i>HK\$'000</i>	Other margin clients <i>HK\$'000</i>	Total <i>HK\$'000</i>
	At the beginning of the reporting period	54,263	260	371,662
Increase (Decrease) in allowance, net	39,414	(188)	89,364	128,590
At the end of the reporting period	<u>93,677</u>	<u>72</u>	<u>461,026</u>	<u>554,775</u>

### 13. ACCOUNTS RECEIVABLE (CONTINUED)

Year ended 31 March 2023

	12-month ECL		Lifetime ECL		Total HK\$'000
	Performing HK\$'000	Under-performing HK\$'000	Not performing HK\$'000		
At the beginning of the reporting period	23,240	49,065	261,792		334,097
(Decrease) Increase in allowance, net	(5,693)	(21,150)	118,931		92,088
At the end of the reporting period	<u>17,547</u>	<u>27,915</u>	<u>380,723</u>		<u>426,185</u>

*Represented by:*

	Ten largest margin clients HK\$'000		Directors and their close family members which not included in ten largest margin clients (including Mr. Hung Hon Man and his close family members) HK\$'000	Other margin clients HK\$'000	Total HK\$'000
	At the beginning of the reporting period	5,395	873	327,829	
Increase (Decrease) in allowance, net	48,868	(613)	43,833		92,088
At the end of the reporting period	<u>54,263</u>	<u>260</u>	<u>371,662</u>		<u>426,185</u>

The following significant changes in the gross carrying amounts of the balances contributed to the increase in the loss allowance during the year:

- (i) Increase in shortfall portion of margin loans which are not fully secured amounted to approximately HK\$660,240,000 (2023: HK\$462,091,000); and
- (ii) Increase in additional loss allowance for not performing category of approximately HK\$99,716,000 (2023: HK\$55,108,000) as a result of difficulties on repayment by accounts receivable from margin clients.

The Group has pledged securities as collateral amounted to approximately HK\$171,152,000 (2023: HK\$229,809,000) in respect of the credit-impaired accounts receivable from margin clients.

#### 14. ACCOUNTS PAYABLE

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Accounts payable arising from the business of dealing in securities:		
– Cash clients	58,548	107,229
– Margin clients	163,927	189,848
– Broker	–	588
Accounts payable to clients arising from the business of dealing in futures contracts	<u>29,052</u>	<u>51,570</u>
	<u><u>251,527</u></u>	<u><u>349,235</u></u>

No aging analysis is disclosed as, in the opinion of directors of the Company, the aging 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 clearing houses are two days after trade date.

Amounts due to securities margin clients are repayable on demand and carry interest at 0.025% (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\$178,000 (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 excesses of the outstanding amounts over the required initial margin deposits stipulated by the HKFE are repayable to clients on demand.

## **FINAL DIVIDEND**

The Directors recommended a final dividend of HK3 cents per share, together with the interim dividend paid during the year, amounting to total dividends of HK6 cents per share for this financial year.

The final dividend will be payable on or about 5 September 2024 to shareholders of the Company whose names appear on the register of members of the Company on 30 August 2024.

## **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed on the following time periods during which no transfer of shares of the Company will be registered:

*For attendance to 2024 Annual General Meeting* : 19 August 2024 – 22 August 2024, both dates inclusive

*For entitlement to final dividend* : 29 August 2024 – 30 August 2024, both dates inclusive (Record date being 30 August 2024)

In order to qualify for attendance to the Company's 2024 Annual General Meeting which is scheduled to be held on 22 August 2024, Thursday and/or entitlement to the final dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's registrar, Tricor Secretaries Limited of 17/F, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong, for registration not later than 4:30 p.m. on the following dates:

<b>Events</b>	<b>Last date of lodgment of transfer documents</b>
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<i>For attendance to 2024 Annual General Meeting</i>	: 16 August 2024, Friday
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<i>For entitlement to final dividend</i>	: 28 August 2024, Wednesday
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## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **OVERVIEW**

For the year ended 31 March 2024, the Group's revenue amounted to approximately HK\$334.9 million, representing an decrease of 0.6% as compared with approximately HK\$337.0 million reported in the last corresponding financial year. The slight decrease in revenue was mainly attributable to the decrease in brokerage commission of HK\$9.3 million with lower turnover and decrease in interest income from margin financing of HK\$58.2 million, netting off the increase in interest revenue from bank balances and time-deposits calculated using effective interest method of HK\$60.4 million during the year. Operating expenses such as commission expenses and settlement expenses were generally in line with the revenue.



Profit for the year attributable to owners of the Company was approximately HK\$152.7 million (2023: HK\$149.8 million). The increase in profit was mainly attributable to recognition of gain on disposal of property and equipment and decrease in income tax expenses, netting off the effect of increase in provision for impairment losses on accounts receivable. The Group recorded net impairment losses on accounts receivable from margin clients of HK\$128.6 million (2023: HK\$92.1 million) in current year.

Basic earnings per share for the year were HK6 cents (2023: HK6 cents) as a result of increase in profit during the year.

## **REVIEW AND OUTLOOK**

### ***Market Review***

In 2023, Hong Kong quickly returned to normalcy after the epidemic with continuous improvements to economic activities. The local economy ended the year positively as the real Gross Domestic Product grew by 3.2% and the unemployment rate declined to 2.9% in the year. However, the lingering challenges in the external environment, including heightened geopolitical tensions, tightened financial conditions and slow global economic growth, have put strains on the asset market performance.

The local stock market was under pressure during most of 2023, 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 second half of 2023 as uncertainties around economic outlook and Mainland property market weighted on sentiment. Trading activities and fund raising activities were extremely quiet.

In the first quarter of 2024, dampened by heightened geopolitical tensions and tempered expectations for US interest rate cuts, the Hang Seng Index slid to 14,961 on 22 January 2024. It then recouped some of the lost ground as market sentiment improved alongside the accelerated growth of the Mainland economy. The Hang Seng Index closed at 16,541 points at the end of March 2024 compared with 20,400 points at the end of March 2023. The average daily turnover on the Main Board and GEM during the year ended 31 March 2024 was approximately HK\$97.9 billion, a decrease of 18.8% as compared with approximately HK\$120.5 billion for the prior financial period.

## ***Business review***

### ***Broking and securities margin financing***

During the year ended 31 March 2024, the broking business posted a profit of approximately HK\$70.5 million (2023: HK\$8.1 million). The operating result of the broking business increased by 770.4% as a result of the increase in interest revenue from time-deposits and number of sizeable underwriting and placing transactions, outweighed the decrease in broking turnover during current year. The decrease in broking turnover was affected by the silent local stock market and negative global investment atmosphere. Revenue from broking for the year increased by 80.6% to approximately HK\$127.3 million (2023: HK\$70.5 million) as compared with last financial year, it mainly comprised of broking commission amounted to approximately HK\$19.9 million (2023: HK\$29.2 million) and interest from bank balance and time deposits amounted to approximately HK\$90.8 million (2023: HK\$30.4 million). The increase in interest revenue is mainly due to the increase in deposit interest rate and average level of bank balance and time deposits.

Securities margin financing remained to be the Group's major revenue contributor for the year. During the year, total interest income from securities margin financing dropped by 22.1% to approximately HK\$205.4 million (2023: HK\$263.6 million) with the decrease in average level of securities margin lending during the year. Total gross accounts receivable from margin clients at 31 March 2024 amounted to approximately HK\$2,398.8 million (2023: HK\$2,460.1 million). Net impairment loss on margin clients receivable of HK\$128.6 million was charged during the current year (2023: HK\$92.1 million).

The provision of net impairment loss was provided for the whole margin loan portfolio of the Group, no matter the client has margin shortfall or not, to recognise the expected credit loss of accounts receivable from margin clients. Depending on the degree of margin shortfall of each client, which is calculated by outstanding loan balance minus market value of pledged securities, margin clients are categorised into different credit ratings and the expected credit loss is recognised based on the corresponding default rate and recovery rate from Moody's. For clients with significant margin shortfall, additional impairment loss up to 100% of the margin shortfall amount will be recognised. To recover overdue account receivables, the Group has taken various actions, including issuing margin call, forced selling of pledged securities, issuing demand letter and legal action.

Included in the total provision of net impairment loss on accounts receivable from margin clients amounted to approximately HK\$128.6 million during the year ended 31 March 2024, net provision of approximately HK\$39.4 million was provided for the Group's ten largest margin clients, excluding directors of the Company and their close family members, and net reversal of impairment loss of approximately HK\$188,000 was reversed for the Company's directors and their close family members.

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.

### *Corporate finance*

The Group's corporate finance business focused on the provision of financial advisory services to listed companies in Hong Kong. During the year ended 31 March 2024, it completed 3 financial advisory transactions (2023: 4). The operation reported a segment profit of approximately HK\$2.3 million for the year (2023: HK\$1.3 million).

### *Asset Management*

During the year ended 31 March 2024, this division reported a profit of approximately HK\$0.6 million (2023: HK\$1.6 million) mainly attributable to the asset management related income of approximately HK\$0.6 million (2023: HK\$1.9 million) received during the year.

### *Financial instruments investments*

The Group held an investment portfolio mainly consisted of investment funds with total fair values of approximately HK\$17.9 million (2023: HK\$18.4 million), the decrease was mainly due to fair value change of the investment fund during the year. For the year under review, this division reported a loss of approximately HK\$0.6 million (2023: HK\$4.5 million), mainly attributable to the fair value loss on investments.

### ***Outlook***

Looking ahead, the external environment is rather complicated in 2024. On one hand, geopolitical tensions and the lagged effects of the sharp monetary tightening earlier will continue to affect global economic growth as well as international trade and investment flows. On the other hand, major central banks are expected to cut interest rates later in the year, thereby lending support to economic confidence and activities around the world, though the exact timing and magnitude of the cuts remain uncertain.

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 will continue to seek suitable opportunities in the future to bring maximum returns and value to all shareholders.

## **FINANCIAL REVIEW**

### **Financial Resources and Gearing Ratio**

Equity attributable to owners of the Company amounted to approximately HK\$4,340.7 million as at 31 March 2024 (2023: HK\$4,337.9 million), representing an increase of approximately HK\$2.8 million over that of last financial year end. The increase was mainly attributable to the profit for the year net of dividend distributed.

As at 31 March 2024, the Group's net current assets amounted to HK\$4,284.9 million (2023: HK\$4,281.3 million), and its liquidity as represented by current ratio (current assets/current liabilities) was 17.4 times (2023: 12.8 times). The increase in current ratio was mainly due to the increase in bank balances and decrease of accounts payable.

Bank balances and cash on hand amounted to HK\$2,434.0 million (2023: HK\$2,235.0 million). The increase in bank balances and cash on hand was mainly due to the cash inflows in respect of the repayment from accounts receivable.

The Group had no bank borrowings as at 31 March 2024 (2023: HK\$nil) and its unutilised banking facilities as at the end of the year were approximately HK\$350 million (2023: HK\$530 million), which were mainly secured by charges over the Group's clients' pledged securities. The Group's gearing ratio (total borrowing over equity attributable to owners of the Company) as at 31 March 2024 was zero (2023: nil).

The number of issued shares of Company amounted to 2,500,000,000 shares as at 31 March 2024 (2023: 2,500,000,000 shares).

The business activities of the Group are not exposed to any significant exchange risks.

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

### **Charges on Group Assets**

As at 31 March 2024 and 31 March 2023, there were no charges on group assets.

## **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 year ended 31 March 2024.

## **Employee Information**

As at 31 March 2024, the Group had 58 (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 year was HK\$19.6 million (2023: HK\$21.8 million). The Group provides employee benefits including mandatory provident fund, discretionary share options and performance bonus to its staff.

## **PURCHASE, SALES 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 year.

## **CORPORATE GOVERNANCE CODE**

During the year, the Company has applied the principles of, and complied with, the applicable code provisions of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules.

## **AUDIT COMMITTEE REVIEW**

The Audit Committee has reviewed with management of the Group's financial statements for the year ended 31 March 2024, including the accounting principles and practices adopted by the Group.

## **SCOPE OF WORK OF MAZARS CPA LIMITED**

The figures in respect of the Company's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 March 2024 as set out in the preliminary announcement have been agreed by the Company's auditors, Mazars CPA Limited, to the amounts set out in the Company's audited consolidated financial statements for the year. The work performed by Mazars CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Mazars CPA Limited on the preliminary announcement.

## **PUBLICATION OF THE FINAL RESULTS AND ANNUAL REPORT**

This results announcement is published on the websites of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company at [www.getnicefg.com.hk](http://www.getnicefg.com.hk). The 2024 Annual 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 and the Company in due course.

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

Hong Kong, 26 June 2024

*As at the date of this announcement, 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.*