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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)

MAJOR TRANSACTION IN RELATION TO THE ACQUISITION OF THE ENTIRE EQUITY INTEREST IN TAO YUN COMPANY LIMITED

ACQUISITION

The Board is pleased to announce that on 19 May 2020 (after trading hours), the Purchaser, the Purchaser's Guarantor, the Seller and the Seller's Guarantor entered into the Agreement, pursuant to which the Purchaser has conditionally agreed to acquire, and the Seller has conditionally agreed to sell, the Sale Shares and the Sale Loan at an aggregate consideration of HK\$500 million (subject to the Adjustment). The principal assets of the Target Company are the Building and the Carparks.

Upon Completion, the Target Company will become a wholly-owned subsidiary of the Company and the assets, liabilities and results of Target Company will be consolidated into the financial statements of the Group.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisition are more than 25% but are all less than 100%, the Acquisition constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and is subject to, among other things, Shareholders' approval. A circular containing, among other things, details of the Acquisition, financial information of the Group and the Target Company, a valuation report on the Properties, other information as required under the Listing Rules and the notice convening the EGM is expected to be despatched to the Shareholders on or before 9 June 2020.

Completion of the Acquisition is subject to the satisfaction or (where applicable) waiver of the Conditions and therefore may or may not take place. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

INTRODUCTION

The Board is pleased to announce that on 19 May 2020 (after trading hours), the Purchaser, the Purchaser's Guarantor, the Seller and the Seller's Guarantor entered into the Agreement, pursuant to which the Purchaser has conditionally agreed to acquire, and the Seller has conditionally agreed to sell, the Sale Shares and the Sale Loan at an aggregate consideration of HK\$500 million (subject to the Adjustment).

THE AGREEMENT

Date

19 May 2020

Parties

Purchaser: Ultimate Billion Limited, a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of the Company

Purchaser's Guarantor: The Company. The Purchaser's Guarantor guaranteed the performance of the Purchaser's obligations under the Agreement

Seller: Focus Well Limited, an investment holding company and a wholly-owned subsidiary of NWD

Seller's Guarantor: Ace Island Limited, a property investment company and a wholly-owned subsidiary of NWD. The Seller's Guarantor guaranteed the performance of the Seller's obligations under the Agreement

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Seller, Seller's Guarantor and their ultimate beneficial owner (i.e. NWD) are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

Assets to be acquired

Pursuant to the Agreement, the assets to be acquired by the Purchaser comprise the Sale Shares (being the entire issued share capital of the Target Company beneficially owned by the Seller) and the Sale Loan (being all the loan owing by the Target Company to the Seller at Completion), free from any encumbrance whatsoever.

The Target Company is the registered owner of the Building and Carparks located at Cosco Tower, Grand Millennium Plaza, No. 183 Queen's Road Central and No. 33 Wing Lok Street, Hong Kong. The Building comprises three-storey commercial units and an office unit with total gross floor area of 27,808 sq.ft. and the Carparks comprise 19 car parking spaces.

The Building is currently vacant and sold on an "as is" basis. 9 of the Carparks are subject to and with the benefits of existing licences which can be terminated by giving one month notice. The aggregate monthly licence fees of these existing licences is HK\$42,000. Another 7 of the Carparks are used for hourly carparks and the 3 remaining Carparks are currently vacant.

Consideration and Adjustment

The Consideration under the Agreement is HK\$500 million (subject to the Adjustment) which shall be satisfied in cash by the Purchaser to the Seller in the following manner:

- (a) an initial deposit of HK\$25 million has been paid by the Purchaser to the Seller upon signing of the Agreement;
- (b) a further deposit of HK\$25 million shall be paid by the Purchaser to the Seller on or before a date falling the 14th day from the date of the Agreement; and
- (c) the balance of the Consideration (calculated with reference to the Proforma Completion Accounts as described below) shall be paid by the Purchaser to the Seller on Completion.

The Seller shall prepare and furnish the Purchaser with a draft of the completion accounts of the Target Company (the "**Proforma Completion Accounts**") at least 7 business days before the Completion Date. The balance of the Consideration shall be HK\$450 million and adjusted by (i) adding the aggregate of all current assets of the Target Company (excluding the Properties and deferred tax) as at Completion which are cash or readily convertible into cash and which shall not exceed HK\$2 million in aggregate; and (ii) deducting the aggregate of all liabilities (excluding the Sale Loan), tax provision and other provisions of the Target Company as at Completion, as shown in the Proforma Completion Accounts.

The Seller shall further deliver the final completion accounts of the Target Company (the "**Final Completion Accounts**") to the Purchaser within 30 days from the Completion Date. If the balance of the Consideration calculated with reference to the Final Completion Accounts is less than the amount calculated with reference to the Proforma Completion Accounts, the Seller shall pay the Purchaser the excess amount within 14 days of the production of the Final Completion Accounts. If the balance of the Consideration calculated with reference to the Final Completion Accounts is more than the amount calculated with reference to the Proforma Completion Accounts, the Purchaser shall pay the Seller the amount of such shortfall within 14 days of the production of the Final Completion Accounts.

The Consideration will be funded by internal resources of the Group. The Consideration was arrived at after arm's length negotiation between the Seller and the Purchaser with reference to the market value of the Properties of approximately HK\$510 million preliminarily appraised by an independent valuer engaged by the Group and the financial position of the Target Company as at 31 January 2020.

Conditions precedent

Completion of the Acquisition is subject to and conditional upon satisfaction or (where applicable) waiver of the following conditions precedent on or before the Completion Date:

- (a) the Purchaser having conducted the due diligence review with respect to the Target Company (including the Seller's title to the Sale Shares and the Sale Loan) and the Properties and the Target Company is in a position to (i) prove its title to the Properties in accordance with section 13 of the Conveyancing and Property Ordinance (Cap. 219 of the Laws of Hong Kong) ("CPO") and (ii) give its title to the Properties in accordance with section 13A of the CPO; and
- (b) the passing by the Shareholders in EGM of resolutions to approve the Agreement and the transactions contemplated thereunder as required under the Listing Rules.

At any time before satisfaction, the Purchaser may waive the Condition as set out in paragraph (a) above.

If the Condition in paragraph (b) above is not fulfilled on Completion, the Purchaser shall be entitled to rescind the Agreement whereupon the Agreement shall be terminated and the Purchaser shall not be bound to proceed with the purchase of the Sale Shares or the acceptance of the assignment of the Sale Loan, and the deposits already paid by the Purchaser shall be returned by the Seller to the Purchaser in full forthwith and thereafter none of the parties to the Agreement shall have any further or additional obligations to each other with respect to the Agreement or otherwise in relation to the transactions contemplated by the Agreement.

Completion

Completion shall take place on or before 24 June 2020 or such other date as the Seller and the Purchaser may agree in writing. The Building and 10 of the Carparks will be delivered on vacant possession at the Completion. The remaining 9 of the Carparks are subject to licences at the Completion.

Upon Completion, the Target Company will become a wholly-owned subsidiary of the Company and the assets, liabilities and results of the Target Company will be consolidated into the consolidated financial statements of the Group.

INFORMATION ON THE TARGET COMPANY

The Target Company was incorporated in Hong Kong with limited liability and its principal assets are the Properties. A summary of the audited financial information of the Target Company for the two years ended 30 June 2019 is set out below:

	For the year ended	
	30 June	
	2019	2018
	HK\$'000	HK\$'000
Net profit before taxation and extraordinary items	89,381	13,609
Net profit after taxation and extraordinary items	74,806	11,352

The unaudited net assets of the Target Company as at 31 January 2020 amounted to approximately HK\$1,640,000.

REASONS FOR, AND BENEFITS OF, THE ACQUISITION

The Company is an investment holding company and its subsidiaries are principally engaged in (i) money lending; (ii) property development and holding and investment in financial instruments; (iii) real estate broking; and (iv) the provision of financial services.

The Group has been actively looking for opportunity to invest in premium properties in order to enhance the Groups' investment portfolio. It is the intention of the Group to renovate the Building to occupy as new head office of the Group while the Carparks are held for long term investment purpose to generate rental incomes. As the Group intends to occupy the Building as new head office, the existing head office located at 10th Floor of the same building will be converted as investment properties for generating rental income. The Acquisition is a good opportunity for the Group to further invest in premium grade office and increase rental yield to the Group. Given that the terms of the Agreement were negotiated on an arm's length basis with reference to the market value of the Properties during the current economic condition and the Acquisition is in line with the principal businesses of the Group, the Directors are of the view that the terms of the Agreement are fair and reasonable and the Acquisition is in the interests of the Company and the Shareholders as a whole. Having considered that the Consideration represents a slight discount to the preliminary valuation of the Properties, the Directors consider that the Acquisition is an appropriate investment opportunity for the Group.

The Board has been continuously watchful and cautious in looking for quality investments with reasonable price which will benefit Shareholders' value as a whole. The properties market is now faced with a new challenge – COVID-19, which has spread across many parts of the world including Hong Kong. Hong Kong economy has been hammered badly and put downward pressure on properties market especially commercial units and office premises. In light of this, the Board believes that the Acquisition represents a good opportunity and timing to enhance the Group's properties portfolio for a long term investment purpose.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisition are more than 25% but are all less than 100%, the Acquisition constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and is subject to, among other things, Shareholders' approval. A circular containing, among other things, details of the Acquisition, financial information of the Group and the Target Company, a valuation report on the Properties, other information as required under the Listing Rules and the notice convening the EGM is expected to be despatched to the Shareholders on or before 9 June 2020.

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DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“Acquisition”	the proposed acquisition of the Sale Shares and the Sale Loan by the Purchaser from the Seller pursuant to the terms and conditions of the Agreement
“Adjustment”	adjustments to be made to the Consideration in accordance with the terms of the Agreement
“Agreement”	the conditional sale and purchase agreement dated 19 May 2020 entered into among the Seller, the Purchaser, the Seller's Guarantor, the Purchaser's Guarantor in relation to the Acquisition

“Board”	the board of Directors
“Building”	Commercial Units on Ground Floor, 1st Floor and 2nd Floor and Office Unit on 3rd Floor located at Cosco Tower, Grand Millennium Plaza, No.183 Queen’s Road Central and No.33 Wing Lok Street, Hong Kong
“BVI”	the British Virgin Islands
“Carparks”	12 car parking spaces nos. 204-215 on 2nd Floor and 7 car parking space nos. 703-708 and 713 on 7th Floor located at Cosco Tower, Grand Millennium Plaza, No.183 Queen’s Road Central and No.33 Wing Lok Street, Hong Kong
“Company” or “Purchaser’s Guarantor”	Get Nice Holdings Limited (Stock Code: 0064), a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange
“Completion”	completion of the Acquisition in accordance with the terms and conditions of the Agreement
“Completion Date”	24 June 2020 or such other date as the Seller and the Purchaser may agree in writing, on which Completion is to take place in accordance with the terms and conditions of the Agreement
“Conditions”	the conditions precedent to Completion as set out in the subsection headed “The Agreement - Conditions precedent” in this announcement
“Consideration”	the consideration payable by the Purchaser to the Seller for the Sale Shares and the Sale Loan under the Agreement
“Directors”	the directors of the Company
“EGM”	the extraordinary general meeting of the Company to be convened to consider and, if thought fit, approve the Acquisition and the transactions contemplated under the Agreement

“Group”	The Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“NWD”	New World Development Company Limited, a company incorporated in Hong Kong with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 0017)
“Properties”	the Building and Carparks
“Purchaser”	Ultimate Billion Limited, a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of the Company, being the purchaser under the Agreement
“Sale Loan”	the loan owing by the Target Company to the Seller at Completion
“Sale Shares”	2 ordinary shares in the Target Company, representing the entire issued share capital of the Target Company
“Seller”	Focus Well Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of NWD
“Seller’s Guarantor”	Ace Island Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of NWD
“Share(s)”	ordinary share(s) of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“sq. ft”	square feet
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Target Company”

Tao Yun Company Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of NWD

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

Hong Kong, 19 May 2020

As at the date of this announcement, the executive Directors are Mr. Hung Hon Man (Chairman and Chief Executive Officer), Mr. Cham Wai Ho, Anthony (Deputy Chairman), Mr. Kam Leung Ming and the independent non-executive Directors are Mr. Sun Ka Ziang Henry, Mr. Siu Hi Lam, Alick, and Mr Man Kong Yui.