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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)

DISCLOSEABLE TRANSACTION

THE TRANSACTION

On 18 March 2021 (after trading hours), the Vendor, a direct wholly-owned subsidiary of GNFGFL, and the Purchaser, an indirect wholly-owned subsidiary of the Company entered into the Sale and Purchase Agreement pursuant to which the Vendor agreed to sell, and the Purchaser agreed to purchase, the Sale Share at the Consideration of HK\$457,000,000 (subject to adjustment). The principal assets of the Target Group are the Property.

LISTING RULES IMPLICATIONS

GNFGFL is a 72.99% subsidiary of the Company. Upon completion of the Sale and Purchase Agreement, the Company's equity interest in the Target Group will increase from 72.99% to 100%.

As one or more of the applicable percentage ratios calculated in accordance with the Listing Rules in respect of the Transaction are more than 5% but lower than 25%, the Transaction constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements pursuant to Chapter 14 of the Listing Rules.

Shareholders and potential investors should note that Transaction is subject to the satisfaction and/or, where applicable, waiver of the conditions precedent. As the Transaction may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

THE TRANSACTION

On 18 March 2021 (after trading hours), the Vendor, a direct wholly-owned subsidiary of GNFGL, and the Purchaser, an indirect wholly-owned subsidiary of the Company entered into the Sale and Purchase Agreement pursuant to which the Vendor agreed to sell, and the Purchaser agreed to purchase, the Sale Share at the Consideration of HK\$457,000,000 (subject to adjustment). The principal assets of the Target Group are the Property.

Set out below are the principal terms of the Sale and Purchase Agreement:

Date : 18 March 2021

Parties : (1) GNDL (as Purchaser); and
(2) Steppington Holdings Limited (as Vendor)

Assets to be acquired by GNDL

Pursuant to the terms and conditions of the Sale and Purchase Agreement, the Vendor agreed to sell, and the Purchaser agreed to purchase, the Sale Share. The Sale Share represents the entire issued share capital of the Target Company.

The Vendor holds 100% issued share capital in the Target Company and in turn holds 100% issued share capital in Grace Field, which is the registered owner of the Property. The Property is currently occupied by the Group as principal place of business.

Upon completion of the Sale and Purchase Agreement, the Company's equity interest in the Target Group will increase from 72.99% to 100%.

Consideration and payment term

The Consideration is HK\$457,000,000 (subject to adjustment) which shall be settled by the Purchaser in the following manner:

- (a) as to HK\$37 million payable by the Purchaser to the Vendor or its nominee(s) in cash within three (3) Business Days after the date of the Sale and Purchase Agreement as refundable deposit, which will be applied towards the payment of the Consideration on the Completion Date;
- (b) as to HK\$220 million payable by way of issue of the Promissory Note by the Company to the Vendor on the Completion Date; and
- (c) as to the balance of the Consideration of HK\$200 million (subject to adjustment) payable by the Purchaser to the Vendor or its nominee(s) in cash on the Completion Date.

The Consideration was arrived at after arm’s length negotiation between the Vendor and the Purchaser with reference to the market value of the Property of approximately HK\$437 million preliminarily appraised by an independent valuer engaged by the Group and the unaudited consolidated financial position of the Target Group as at 28 February 2021.

Promissory Note

Set out below are the principal terms of the Promissory Note:

- Issuer : the Company
- Issue date : Completion Date
- Principal amount to be issued : HK\$220,000,000 in aggregate
- Holder of the Promissory Note : the Vendor or its nominee(s)
- Issue price : 100% of the principal amount of Promissory Note to be issued
- Maturity date : the date falling after 30 months from the date of issue of the Promissory Note
- Interest : Interest at the rate of 3% per annum due and payable semi-annually
- Transferability : Non-transferable
- Early redemption : the Company may by giving of not less than 5 Business Days’ prior notice in writing to the holder of the Promissory Note to redeem the whole or any part of the Promissory Note and the accrued interests before the maturity date of the Promissory Note

The terms of the Promissory Note are determined after arm’s length commercial negotiation between the Vendor and the Company with reference to the prevailing market condition.

Since the Vendor is a non-wholly owned subsidiary of the Company, it is expected that there is no financial effect on the total assets, net assets, profit before and after taxation of the Group arising from the issue of Promissory Note upon completion of the Transaction.

Condition precedent

Completion shall be conditional upon and subject to the passing by the Independent Shareholders at an extraordinary general meeting of GNFGGL relating to resolution(s) to approve the Sale and Purchase Agreement and the transactions contemplated thereunder as required under the Listing Rules.

Completion

Subject to the satisfaction of the condition precedent under the Sale and Purchase Agreement, completion of the Sale and Purchase Agreement shall take place on the Completion Date or such other time and place as the Vendor and the Purchaser may agree.

Upon completion of the Sale and Purchase Agreement, the Company's equity interest in the Target Group will increase in from 72.99% to 100%.

Funding of the Consideration

The Consideration will be funded by the Group's internal resources. Since both the Vendor and the Purchaser are subsidiaries of the Company, it is expected that there is no cash outflow from the Group's prospective.

INFORMATION OF THE TARGET GROUP

The Target Company, is a company incorporated in the British Virgin Island with limited liability and its sole subsidiary is Grace Field. Grace Field's principal asset is the Property and its current business activity is leasing of the Property to the Group.

Set out below is the unaudited consolidated financial information of the Target Group for each of the two financial years ended 31 March 2019 and 2020.

	For the year ended	
	31 March	
	2019	2020
	(HK\$'000)	(HK\$'000)
Profit before taxation	10,560	10,424
Profit after taxation	8,704	8,538

Revenue of the Target Group mainly represented the rental income receivable from a subsidiary of the Company relating to leasing of the Property. As at 28 February 2021, the carrying value of the Property on the books of the Target Group was approximately HK\$38.5 million and the unaudited consolidated net assets of the Target Group was approximately HK\$57.4 million.

Since the Target Group has been the Company's subsidiaries before and after the completion of the Sale and Purchase Agreement, it is expected that there is no financial effect on profit before and after taxation of the Group arising from the Transaction.

INFORMATION OF THE VENDOR

The Vendor is a company incorporated in British Virgin Islands with limited liability and a direct wholly-owned subsidiary of GNFG. The Vendor is a holding company whose sole asset is holding of the Sale Share.

INFORMATION OF THE GROUP

The Company is an investment holding company. The principal activities of the Group are (i) property development and holding and investment in financial instruments; (ii) money lending; and (iii) the provision of financial services, including securities dealing and broking, futures and options broking, securities margin financing and corporate finance services.

REASONS FOR AND BENEFIT OF THE TRANSACTION

As disclosed in the Company's announcement dated 19 May 2020, the Group intends to occupy the Building as new head office, the existing head office located at the Property will be converted as investment properties for generating rental income. The Property, originally booked as "leasehold land and building" in the Group's financial statements, will be accounted for as "investment properties" and stated at fair value.

The Group has been actively looking for opportunity to invest in premium properties in order to enhance the Groups' investment portfolio. The Transaction is a good opportunity for the Group to increase its interest in the Property from 72.99% to 100%.

Given that the Consideration under the Sale and Purchase Agreement was reference to the market value of the Property during the current economic condition and the Transaction is in line with the principal businesses of the Group, the Directors (including independent non-executive Directors) are of the view that the terms of the Sale and Purchase Agreement are fair and reasonable and the Transaction is in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

GNFGL is a 72.99% subsidiary of the Company. Upon completion of the Sale and Purchase Agreement, the Company's equity interest in the Target Group will increase from 72.99% to 100%.

As one or more of the applicable percentage ratios calculated in accordance with the Listing Rules in respect of the Transaction are more than 5% but lower than 25%, the Transaction constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements pursuant to Chapter 14 of the Listing Rules.

DEFINITIONS

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

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“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
“Business Day(s)”	a day on which banks are generally open for business in Hong Kong (other than a Saturday, Sunday or public holiday or a day on which a tropical cyclone warning No. 8 or above or a “black rainstorm warning signal” is hoisted or remains hoisted in Hong Kong at any time between 9:00 am and 5:00 pm)
“Company”	Get Nice Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock code: 64)
“Completion Date”	the second Business Day after all the conditions precedent of the Sale and Purchase Agreement have been fulfilled or waived (or such other date as the parties to the Sale and Purchase Agreement shall agree)
“Consideration”	the consideration payable by the Purchaser to the Vendor for the Sale Share under the Sale and Purchase Agreement

“Director(s)”	the director(s) of the Company
“GNDL” or “Purchaser”	Get Nice Development Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“GNFGL”	Get Nice Financial Group Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock code: 1469)
“Grace Field”	Grace Field Limited, a company incorporated in Hong Kong with limited liability and a direct wholly-owned subsidiary of the Target Company. Grace Field is the registered owner of the Property
“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
“Independent Shareholder(s)”	shareholder(s) of GNFGL other than the Company or its associates
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Promissory Note”	the promissory note in the principal amount of HK\$220,000,000 to be issued by the Company in favour of the Vendor as part of the Consideration
“Property”	office unit on 10th Floor, Cosco Tower, Grand Millennium Plaza, 183 Queen’s Road Central and No. 33 Wing Lok Street, Hong Kong
“Sale and Purchase Agreement”	a conditional sale and purchase agreement dated 18 March 2021 entered into between the Vendor and the Purchaser in relation to the Transaction
“Sale Share”	One (1) ordinary share of US\$1.00 each in the capital of the Target Company, representing the entire issued share capital of the Target Company

“Shareholder(s)”	holder(s) of share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	NobleNet Limited, a company incorporated in the British Virgin Islands with limited liability and a direct wholly-owned subsidiary of the Vendor
“Target Group”	Target Company and Grace Field
“Transaction”	increase in equity interest in the Target Group by the Company from 72.99% to 100% as a result of completion of the Sale and Purchase Agreement
“US\$”	United States dollars, the lawful currency of the United States of America
“Vendor”	Steppington Holdings Limited, incorporated in the British Virgin Islands with limited liability and a direct wholly-owned subsidiary of GNFG
“%”	per cent

By order of the board of
Get Nice Holdings Limited
Kam Eddie Shing Cheuk
Executive Director

Hong Kong, 19 March 2021

As at the date of this announcement, the executive directors of the Company are Mr. Hung Hon Man (Chairman and chief executive officer), Mr. Cham Wai Ho, Anthony (Deputy Chairman), Mr. Kam, Eddie Shing Cheuk; and the independent non-executive directors of the Company are Mr. Man Kong Yui, Mr. Sun Ka Ziang, Henry and Mr. Siu Hi Lam, Alick