

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **GET NICE HOLDINGS LIMITED**

### **結好控股有限公司**

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

(Stock Code: 0064)

## **ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 MARCH 2018**

### **RESULTS**

The board of directors (the “Board”) of Get Nice Holdings Limited (the “Company”) are pleased to announce the consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 March 2018 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 2018*

	<i>Notes</i>	<b>2018</b> <i>HK\$'000</i>	<b>2017</b> <i>HK\$'000</i>
Revenue	2	<b>584,840</b>	513,600
Other operating income	4a	<b>5,066</b>	7,265
Other gains and losses	4b	<b>4,261</b>	77,826
Amortisation and depreciation		<b>(7,757)</b>	(7,792)
Commission expenses		<b>(15,304)</b>	(14,381)
Staff costs	5	<b>(21,230)</b>	(21,341)
Finance costs	6	<b>(59,020)</b>	(5,900)
Other expenses		<b>(37,492)</b>	(60,700)
Profit before taxation	7	<b>453,364</b>	488,577
Taxation	8	<b>(80,364)</b>	(73,291)
Profit for the year		<b>373,000</b>	415,286

	<i>Note</i>	<b>2018</b> <b>HK\$'000</b>	2017 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		<b>173</b>	(3)
Fair value gain on available-for-sale investments reclassified to profit or loss upon disposal		<b>2,181</b>	–
Fair value (loss) gain on available-for-sale investments		<b>(7,400)</b>	2,614
Deferred tax arising on revaluation of available-for-sale investments		<b>862</b>	(431)
<i>Items that will not be reclassified to profit or loss</i>			
Surplus on revaluation of properties		<b>842</b>	374
Deferred tax arising on revaluation of properties		<b>(140)</b>	(62)
		<hr/>	<hr/>
Total other comprehensive (expense) income for the year		<b>(3,482)</b>	2,492
		<hr/>	<hr/>
Total comprehensive income for the year		<b>369,518</b>	417,778
		<hr/> <hr/>	<hr/> <hr/>
Profit for the year attributable to:			
Owners of the Company		<b>297,143</b>	341,945
Non-controlling interests		<b>75,857</b>	73,341
		<hr/>	<hr/>
		<b>373,000</b>	415,286
		<hr/> <hr/>	<hr/> <hr/>
Total comprehensive income attributable to:			
Owners of the Company		<b>293,471</b>	344,353
Non-controlling interests		<b>76,047</b>	73,425
		<hr/>	<hr/>
		<b>369,518</b>	417,778
		<hr/> <hr/>	<hr/> <hr/>
Earnings per share			
– Basic (HK cents)	10	<b>3.34</b>	4.56
		<hr/> <hr/>	<hr/> <hr/>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2018

	<i>Notes</i>	<b>2018</b> <b>HK\$'000</b>	2017 HK\$'000
<b>Non-current assets</b>			
Prepaid lease payments and property and equipment		<b>116,455</b>	122,850
Investment properties		<b>788,073</b>	513,670
Intangible assets		<b>8,410</b>	8,963
Goodwill		<b>15,441</b>	15,441
Other assets		<b>7,041</b>	6,069
Deferred tax assets		<b>1,266</b>	1,281
Loans and advances	13	<b>146,387</b>	5,607
Investments in securities		<b>233,055</b>	559,881
		<b>1,316,128</b>	1,233,762
<b>Current assets</b>			
Accounts receivable	11	<b>4,118,049</b>	3,000,547
Loans and advances	13	<b>550,353</b>	630,971
Prepayments, deposits and other receivables		<b>22,325</b>	18,927
Tax recoverable		<b>59</b>	343
Investments in securities		<b>661,239</b>	240,282
Bank balances – client accounts		<b>419,637</b>	649,170
Bank balances – general accounts and cash		<b>749,354</b>	1,069,341
		<b>6,521,016</b>	5,609,581

	<i>Notes</i>	<b>2018</b> <i>HK\$'000</i>	2017 <i>HK\$'000</i>
<b>Current liabilities</b>			
Accounts payable	12	<b>482,464</b>	722,780
Accrued charges and other payables		<b>11,699</b>	10,170
Amounts due to non-controlling shareholders		<b>96,673</b>	52,684
Tax payable		<b>146,935</b>	161,707
Bank borrowings		<b>60,000</b>	–
		<u><b>797,771</b></u>	<u>947,341</u>
<b>Net current assets</b>		<u><b>5,723,245</b></u>	<u>4,662,240</u>
<b>Total assets less current liabilities</b>		<u><b>7,039,373</b></u>	<u>5,896,002</u>
<b>Non-current liabilities</b>			
Deferred tax liabilities		<b>6,992</b>	7,627
Liability component of convertible bonds issued by a listed subsidiary	14	<b>350,840</b>	–
		<u><b>357,832</b></u>	<u>7,627</u>
<b>Net assets</b>		<u><b>6,681,541</b></u>	<u>5,888,375</u>
<b>Capital and reserves</b>			
Share capital	15	<b>966,270</b>	805,225
Reserves		<b>4,449,588</b>	4,075,647
<b>Equity attributable to owners of the Company</b>		<b>5,415,858</b>	4,880,872
<b>Non-controlling interests</b>			
Existing		<b>1,053,064</b>	1,007,503
Potential	14	<b>212,619</b>	–
<b>Total equity</b>		<u><b>6,681,541</b></u>	<u>5,888,375</u>

Notes:

## 1. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) AND BASIS OF PREPARATION

The Group has consistently applied all HKFRSs which are effective for the Group’s financial year beginning on 1 April 2017 for the current year.

### New and amendments to HKFRSs in issue but not effective

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

Annual Improvements to HKFRSs	2014–2016 Cycle: HKFRS 1 and HKAS 28 <sup>1</sup>
Amendments to HKAS 40	Transfers of Investment Property <sup>1</sup>
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions <sup>1</sup>
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts <sup>1</sup>
HKFRS 9	Financial Instruments <sup>1</sup>
HKFRS 15	Revenue from Contracts with Customers <sup>1</sup>
HK(IFRIC)-Int 22	Foreign Currency Transactions and Advance Consideration <sup>1</sup>
Annual Improvements to HKFRSs	2015–2017 Cycle <sup>2</sup>
HKFRS 16	Leases <sup>2</sup>
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments <sup>2</sup>
Amendments to HKAS 19	Employee benefits <sup>2</sup>
Amendments to HKAS 28	Investments in Associates and Joint Ventures <sup>2</sup>
Amendments to HKFRS 9	Prepayment Features with Negative Compensation <sup>2</sup>
HKFRS 17	Insurance Contracts <sup>3</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>4</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2018

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2019

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2021

<sup>4</sup> The effective date to be determined

The directors of the Company anticipate that the application of HKFRS 9 in the future may have a material impact on the classification and measurement of the Group’s financial assets. However, it is not practicable to provide a reasonable estimate of the effect of HKFRS 9 until the Group performs a detailed review.

The directors of the Company anticipate that the application of HKFRS 15 in the future may not have a material impact on the amounts reported. However, the application of HKFRS 15 in the future may result in more disclosures in the consolidated financial statements.

Except for the above, the directors of the Company do not anticipate that the application of the new and amendments to HKFRSs listed above will have any material impact on the consolidated financial statements.

**1. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) AND BASIS OF PREPARATION (CONTINUED)**

**Basis of preparation**

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”) and by the Hong Kong Companies Ordinance.

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

**2. REVENUE**

	<b>2018</b>	2017
	<i>HK\$'000</i>	<i>HK\$'000</i>
Brokerage commission	<b>66,896</b>	49,876
Underwriting and placing commission	<b>22,484</b>	43,520
Proof of funds commission	<b>3,600</b>	12,680
Other commission	<b>257</b>	12
Interest income from loans and receivables		
– clients	<b>436,869</b>	377,502
– financial institutions	<b>1,386</b>	1,495
– clearing house	<b>4</b>	2
Interest income from financial assets designated at fair value through profit or loss (“FVTPL”)		
– convertible notes	<b>2,083</b>	4,369
– unlisted debt securities	<b>32,807</b>	9,148
Interest income from available-for-sale investments		
– debt securities	<b>6,584</b>	5,518
Clearing and handling fee income	<b>2,525</b>	6,203
Advisory fee income	<b>1,360</b>	1,825
Management fee	<b>21</b>	94
Property rental income	<b>7,964</b>	1,356
	<b>584,840</b>	513,600

### 3. SEGMENT INFORMATION

The Group is currently organised into five operating divisions, namely broking, securities margin financing, money lending, corporate finance and investments. These divisions are the basis on which board of directors 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
Money lending	– provision of mortgage and consumer loans
Corporate finance	– provision of corporate advisory services
Investments	– holding of investment properties and 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 prepaid lease payments and property and equipment, club memberships, goodwill, certain other assets, certain prepayments, deposits and other receivables, certain bank balances, certain tax recoverable and deferred tax assets.
- all liabilities are allocated to operating segments other than certain accrued charges and other payables, amounts due to non-controlling shareholders, bank borrowings, certain tax payable, deferred tax liabilities and liability component of convertible bonds issued by a listed subsidiary.
- all profit or loss are allocated to operating segments other than certain amortisation and depreciation, 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.

### 3. SEGMENT INFORMATION (CONTINUED)

#### Segment revenue and results

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

#### For the year ended 31 March 2018

	Broking <i>HK\$'000</i>	Securities margin financing <i>HK\$'000</i>	Money lending <i>HK\$'000</i>	Corporate finance <i>HK\$'000</i>	Investments <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
SEGMENT REVENUE	<u>97,218</u>	<u>334,806</u>	<u>101,981</u>	<u>1,397</u>	<u>49,438</u>	<u>584,840</u>
SEGMENT RESULT	<u>64,889</u>	<u>334,806</u>	<u>99,329</u>	<u>1,369</u>	<u>29,813</u>	<u>530,206</u>
Unallocated corporate expenses						<u>(19,133)</u>
Unallocated finance costs						<u>(57,709)</u>
Profit before taxation						<u>453,364</u>

#### For the year ended 31 March 2017

	Broking <i>HK\$'000</i>	Securities margin financing <i>HK\$'000</i>	Money lending <i>HK\$'000</i>	Corporate finance <i>HK\$'000</i>	Investments <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
SEGMENT REVENUE	<u>113,896</u>	<u>284,975</u>	<u>92,491</u>	<u>1,847</u>	<u>20,391</u>	<u>513,600</u>
SEGMENT RESULT	<u>55,110</u>	<u>284,895</u>	<u>90,362</u>	<u>1,697</u>	<u>98,621</u>	<u>530,685</u>
Unallocated corporate expenses						<u>(42,108)</u>
Profit before taxation						<u>488,577</u>



### 3. SEGMENT INFORMATION (CONTINUED)

#### Segment assets and liabilities

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

#### At 31 March 2018

	Broking HK\$'000	Securities margin financing HK\$'000	Money lending HK\$'000	Corporate finance HK\$'000	Investments HK\$'000	Consolidated HK\$'000
SEGMENT ASSETS	<u>376,330</u>	<u>4,371,825</u>	<u>1,030,107</u>	<u>8,566</u>	<u>1,858,430</u>	<u>7,645,258</u>
Unallocated assets (note 1)						<u>191,886</u>
Consolidated total assets						<u>7,837,144</u>
SEGMENT LIABILITIES	<u>179,064</u>	<u>315,238</u>	<u>904</u>	<u>-</u>	<u>53,760</u>	<u>548,966</u>
Unallocated liabilities (note 2)						<u>606,637</u>
Consolidated total liabilities						<u>1,155,603</u>

#### At 31 March 2017

	Broking HK\$'000	Securities margin financing HK\$'000	Money lending HK\$'000	Corporate finance HK\$'000	Investments HK\$'000	Consolidated HK\$'000
SEGMENT ASSETS	<u>881,759</u>	<u>3,315,860</u>	<u>727,485</u>	<u>8,426</u>	<u>1,375,907</u>	<u>6,309,437</u>
Unallocated assets (note 1)						<u>533,906</u>
Consolidated total assets						<u>6,843,343</u>
SEGMENT LIABILITIES	<u>487,600</u>	<u>256,923</u>	<u>7,472</u>	<u>-</u>	<u>5,073</u>	<u>757,068</u>
Unallocated liabilities (note 2)						<u>197,900</u>
Consolidated total liabilities						<u>954,968</u>

Note 1: The balance comprises bank balances of HK\$55,438,000 (2017: HK\$390,606,000).

Note 2: The balance includes amounts due to non-controlling shareholders amounting to HK\$52,684,000 (2017: HK\$52,684,000) and liability component of convertible bonds issued by a listed subsidiary of HK\$350,840,000 (2017:HK\$nil).

### 3. SEGMENT INFORMATION (CONTINUED)

#### Other segment information

For the year ended 31 March 2018

	Broking HK\$'000	Securities margin financing HK\$'000	Money lending HK\$'000	Corporate finance HK\$'000	Investments HK\$'000	Unallocated HK\$'000	Consolidated HK\$'000
Amounts included in the measure of segment profit or loss or segment assets:							
Additions of property and equipment	513	-	-	-	-	7	520
Amortisation of prepaid lease payment, and depreciation of property and equipment	1,109	-	-	-	191	6,457	7,757
Additions of investment properties	-	-	-	-	233,797	-	233,797
Net recognition of impairment loss on loans and advances	-	-	1,099	-	-	-	1,099
Gains on disposal of subsidiaries	20,000	-	-	-	-	-	20,000
Fair value gains on investment properties	-	-	-	-	40,606	-	40,606
Fair value losses on financial assets							
- Held for trading	35	-	-	-	46,174	-	46,209
- Designated at FVTPL	-	-	-	-	12,299	-	12,299
Interest income (including revenue and other operating income)	1,436	334,806	101,981	37	41,474	369	480,103
Finance costs	1,311	-	-	-	-	57,709	59,020
Commission expenses	15,304	-	-	-	-	-	15,304

For the year ended 31 March 2017

	Broking HK\$'000	Securities margin financing HK\$'000	Money lending HK\$'000	Corporate finance HK\$'000	Investments HK\$'000	Unallocated HK\$'000	Consolidated HK\$'000
Amounts included in the measure of segment profit or loss or segment assets:							
Additions of property and equipment	2,840	-	-	-	102	344	3,286
Amortisation of prepaid lease payment, and depreciation of property and equipment	958	-	-	-	120	6,714	7,792
Additions of investment properties	-	-	-	-	379,750	-	379,750
Net recognition of impairment loss on loans and advances	-	-	1,612	-	-	-	1,612
Gains on disposal of property and equipment	5	-	-	-	-	-	5
Fair value gains on investment properties	-	-	-	-	64,270	-	64,270
Fair value gains on financial assets							
- held for trading	56	-	-	-	9,927	-	9,983
- designated at FVTPL	-	-	-	-	12,153	-	12,153
Interest income (including revenue and other operating income)	1,511	284,975	92,491	22	19,035	2,292	400,326
Finance costs	5,880	-	-	-	-	20	5,900
Commission expenses	14,381	-	-	-	-	-	14,381

### 3. SEGMENT INFORMATION (CONTINUED)

#### Geographical information

The Group's operations are located in Hong Kong and the United Kingdom (2017: Hong Kong).

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

	<b>Revenue by geographical market</b>	
	<b>2018</b>	<b>2017</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Hong Kong	<b>578,436</b>	513,600
United Kingdom	<b>6,404</b>	–
	<b><u>584,840</u></b>	<b><u>513,600</u></b>

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

	<b>Carrying amounts of non-current assets</b>	
	<b>2018</b>	<b>2017</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Hong Kong	<b>704,477</b>	666,993
United Kingdom	<b>230,943</b>	–
	<b><u>935,420</u></b>	<b><u>666,993</u></b>

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

#### Information about major customers

During the years ended 31 March 2018 and 2017, there were no customers contributing 10% or more of the Group's total revenue.

#### 4. OTHER OPERATING INCOME/OTHER GAINS AND LOSSES

	2018 <i>HK\$'000</i>	2017 <i>HK\$'000</i>
<b>4a. Other operating income</b>		
Bank interest income	370	2,292
Sundry income	4,696	4,973
	<u>5,066</u>	<u>7,265</u>
	<b>2018</b> <i>HK\$'000</i>	<b>2017</b> <i>HK\$'000</i>
<b>4b. Other gains and losses</b>		
Fair value changes on investment properties	40,606	64,270
Net recognition of impairment loss on loans and advances	(1,099)	(1,612)
Net realised losses on error trades	(60)	(35)
Fair value changes on financial assets		
– held for trading	(46,209)	9,983
– designated at FVTPL	(12,299)	12,153
Realised (losses) gains on disposal of financial assets		
– held for trading	(1,495)	(10,209)
– designated at FVTPL	(44)	2,600
– available-for-sale investments	2,749	100
Net exchange gains	2,112	569
Gain on disposal of property and equipment	–	5
Gain on disposal of subsidiaries	20,000	–
Others	–	2
	<u>4,261</u>	<u>77,826</u>

#### 5. STAFF COSTS

	2018 <i>HK\$'000</i>	2017 <i>HK\$'000</i>
Staff costs including directors' emoluments:		
Salaries and other benefits	20,395	20,484
Retirement benefit scheme contributions	835	857
	<u>21,230</u>	<u>21,341</u>

## 6. FINANCE COSTS

	2018 <i>HK\$'000</i>	2017 <i>HK\$'000</i>
Interest on bank borrowings	1,165	5,759
Interest on clients' accounts	146	141
Interest on convertible bonds issued by a listed subsidiary	57,709	–
	<u>59,020</u>	<u>5,900</u>

## 7. PROFIT BEFORE TAXATION

	2018 <i>HK\$'000</i>	2017 <i>HK\$'000</i>
This is stated after charging (crediting):		
Auditor's remuneration	2,750	3,444
Listing expenses relating to spin off of a subsidiary	–	21,647
Recognition of impairment loss on loans and advances, net	1,099	1,612
Operating lease rentals in respect of rented premises	1,669	1,580
Direct operating expenses relating to investment properties that generated rental income	269	269
Direct operating expenses relating to investment properties that did not generate rental income	1,622	1,212
Rental income from investment properties	(7,964)	(1,356)
Gain on disposal of property and equipment	–	(5)
	<u>–</u>	<u>–</u>

## 8. TAXATION

	2018 <i>HK\$'000</i>	2017 <i>HK\$'000</i>
Current tax:		
Hong Kong Profits Tax	80,916	72,620
(Over) Under provision in prior years	(639)	545
	<u>80,277</u>	<u>73,165</u>
Deferred tax:		
Origination and reversal of temporary difference	87	126
	<u>80,364</u>	<u>73,291</u>

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for the years ended 31 March 2018 and 2017.

## 9. DIVIDENDS

	<b>2018</b> <i>HK\$'000</i>	2017 <i>HK\$'000</i>
Special interim dividend by way of distribution of shares in a subsidiary in respect of its spin-off and separate listing	–	128,171
Final dividend for prior financial year, paid – HK 1 cent (2017: HK 1 cent) per share	<b>80,523</b>	80,523
Interim dividend for current financial year, paid – HK 1 cent (2017: HK 1 cent) per share	<b>96,627</b>	80,523
	<b>177,150</b>	289,217

A final dividend in respect of the year ended 31 March 2018 of HK 1 cent (2017:HK 1 cent) per share, amounting to approximately HK\$96,627,000 (2017: HK\$80,523,000) 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.

## 10. 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 ordinary shares in issue during the year as follows:

	<b>2018</b> <i>HK\$'000</i>	2017 <i>HK\$'000</i>
<b>Earnings</b>		
Profit for the year attributable to the owners of the Company for the purpose of basic earnings per share	<b>297,143</b>	341,945

<b>2018</b>	2017
<b>'000</b>	<b>'000</b>

### Number of shares

Weighted average number of ordinary shares for the purpose of basic earnings per share	<b>8,903,809</b>	7,497,055
--	------------------	-----------

For the years ended 31 March 2018 and 2017, no diluted earnings per share was presented because there were no potential dilutive ordinary shares outstanding.

## 11. ACCOUNTS RECEIVABLE

	<b>2018</b> <i>HK\$'000</i>	2017 <i>HK\$'000</i>
Accounts receivable arising from the business of dealing in securities:		
– Cash clients	<b>23,460</b>	13,641
– Margin clients:		
– Directors and their close family members	<b>23,113</b>	1,819
– Other margin clients	<b>4,068,362</b>	2,921,480
– Hong Kong Securities Clearing Company Limited	<b>4,438</b>	65,591
Accounts receivable from futures clearing house arising from the business of dealing in futures contracts	<b>15,997</b>	15,345
	<b>4,135,370</b>	3,017,876
Less: Impairment allowances	<b>(17,321)</b>	(17,329)
	<b>4,118,049</b>	3,000,547

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.

Included in the accounts receivable from cash clients are debtors with a carrying amount of HK\$1,597,000 (2017: HK\$162,000) 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:

	<b>2018</b> <i>HK\$'000</i>	2017 <i>HK\$'000</i>
0 – 30 days	<b>1,586</b>	125
31 – 60 days	–	–
Over 60 days	<b>11</b>	37
	<b>1,597</b>	162

The accounts receivable from cash clients with a carrying amount of HK\$21,863,000 (2017: HK\$13,479,000) 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.

## 11. ACCOUNTS RECEIVABLE (CONTINUED)

Loans to securities margin clients are secured by clients' pledged securities with fair value of HK\$18,438,760,000 (2017: HK\$15,308,956,000). 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 Hong Kong prime rate + 2% to 4.45% per annum as at 31 March 2018 (2017: Hong Kong prime rate +2% to 4.45% per annum). 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 repledged and can be sold at the Group's discretion to settle any outstanding amount owed by margin clients.

The Group has concentration of credit risk as 44% (2017: 44%) of the total loans to securities margin clients was due from the Group's ten largest securities margin clients. The balance due from the ten largest securities margin clients includes an aggregate amount of HK\$1,805,143,000 (2017: HK\$1,300,258,000), which is neither past due nor impaired and is secured by clients' pledged securities with an aggregate fair value of HK\$6,211,773,000 (2017: HK\$4,863,529,000). The Group believes that the amount is considered recoverable given the collateral is sufficient to cover the entire balance on individual basis. No ageing analysis is disclosed, as in the opinion of the directors of the Company, the ageing analysis does not give additional value in view of the nature of business of securities margin financing.

Included in the Group's accounts receivable are margin loans with an aggregate outstanding balance of HK\$37,108,000 (2017: HK\$20,978,000) which are not fully secured. The Group has no significant concentration of credit risk on these loans, with exposure spread over a number of clients, and which are closely monitored by the Group. The Group held collateral of listed equity securities with a fair value of HK\$13,731,000 (2017: HK\$4,452,000) at the end of the reporting period in respect of these loans. As at 31 March 2018, impairment allowances of HK\$17,321,000 (2017: HK\$17,329,000) has been made for the shortfall portion of those margin loans amounted to HK\$23,377,000 (2017: HK\$16,526,000). No further impairment allowance is considered necessary for the remaining portion of those margin loans based on the Group's evaluation of their collectability after considering, among others, repayment subsequent to the reporting period.

In determining the allowances for impaired loans to securities margin clients, the management of the Group considers the margin shortfall by comparing the market value of stock portfolio and the outstanding balance of loan to securities margin clients individually. Impairments are made for those clients with margin shortfall as at year end and with no settlement after the year end.

Movements in allowances for impaired debts in respect of loans to securities margin clients are as follows:

	2018 <i>HK\$'000</i>	2017 <i>HK\$'000</i>
At the beginning of the reporting period	17,329	17,329
Disposal of subsidiaries	<u>(8)</u>	<u>—</u>
At the end of the reporting period	<u><u>17,321</u></u>	<u><u>17,329</u></u>



## 11. ACCOUNTS RECEIVABLE (CONTINUED)

In addition to the individually assessed allowances for impaired debts, the Group has also assessed, on a collective basis, a loan impairment allowance for accounts receivable arising from the business of dealing in securities with margin clients that are individually insignificant or accounts receivable where no impairment has been identified individually. Objective evidence of collective impairment could include the Group's past experience of collecting payments, internal credit rating and observable changes in national or local economic conditions that correlate with default on receivables. No significant amount of collective impairment allowance is considered necessary based on the Group's evaluation.

## 12. ACCOUNTS PAYABLE

	2018 <i>HK\$'000</i>	2017 <i>HK\$'000</i>
Accounts payable arising from the business of dealing in securities:		
– Cash clients	148,234	441,434
– Margin clients	315,238	256,923
Accounts payable to clients arising from the business of dealing in futures contracts	<u>18,992</u>	<u>24,423</u>
	<u><b>482,464</b></u>	<u><b>722,780</b></u>

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 and future clients are repayable on demand and carry interest at 0.25% (2017: 0.25%) per annum. 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 of securities margin financing.

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 HK\$23,000 (2017: HK\$90,000).

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 "HKFE"). The excesses of the outstanding amounts over the required initial margin deposits stipulated by the HKFE are repayable to clients on demand. 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 of futures contract dealing.

### 13. LOANS AND ADVANCES

	2018 <i>HK\$'000</i>	2017 <i>HK\$'000</i>
Fixed-rate loan receivables	703,889	642,628
Less: Allowances for impaired debts	<u>(7,149)</u>	<u>(6,050)</u>
	<b><u>696,740</u></b>	<b><u>636,578</u></b>
Secured	148,671	75,141
Unsecured	<u>548,069</u>	<u>561,437</u>
	<b><u>696,740</u></b>	<b><u>636,578</u></b>
Analysed as:		
Current	550,353	630,971
Non-current	<u>146,387</u>	<u>5,607</u>
	<b><u>696,740</u></b>	<b><u>636,578</u></b>

The fixed rate loan receivables carry interest ranging from 8% to 24% (2017: 9% to 24%) per annum.

The Group determines the allowances for impaired debts based on the evaluation of collectability and ageing analysis of accounts and management's judgement, including assessment of change of credit quality, collateral and the collection history of each customer.

The Group has concentration of credit risk as 65% (2017: 78%) of the total loans and advances are due from the Group's five largest borrowers. The balance includes an aggregate amount of HK\$458,000,000 (2017: HK\$495,000,000) which is neither past due nor impaired, of which the carrying amount of HK\$nil (2017: HK\$55,000,000) is secured by a first mortgage of a property in Hong Kong with an aggregate fair value of HK\$nil (2017: HK\$95,000,000) and carrying amount of HK\$nil (2017: HK\$100,000,000) is secured by a second mortgage of a property in Hong Kong with an aggregate fair value of HK\$nil (2017: HK\$1,000,000,000). The remaining carrying amount of HK\$458,000,000 (2017: HK\$340,000,000) represents unsecured loans with personal or corporate guarantees. The management closely monitors the credit quality of the loans and there are no indications that the loan receivables neither past due nor impaired will be uncollectible. The directors of the Company believe that the allowances for impaired debts are sufficient.

#### **14. CONVERTIBLE BONDS ISSUED BY A LISTED SUBSIDIARY**

On 1 September 2017 (the “Bond Issue Date”), Get Nice Financial Group Limited (“GNFG”), a listed subsidiary of the Company, issued convertible bonds (“GNFG CB”), with coupon interest rate of 2% per annum, in the principal amount of HK\$525,000,000, to independent third parties. The coupon interest is accrued at the outstanding principal amount of GNFG CB and shall only be payable by GNFG to the bondholders once every six months from the Bond Issue Date if GNFG CB are neither converted during the conversion period nor redeemed prior to 1 September 2019 (the “Bond Maturity Date”). GNFG CB can be converted into maximum 500,000,000 ordinary shares of GNFG at a conversion price of HK\$1.05 per share. The conversion period commenced from the Bond Issue Date up to and including the date falling on the seventh day immediately prior to the Bond Maturity Date.

Assuming all the GNFG CB were fully converted into the ordinary shares of GNFG, the Company’s shareholding in GNFG would be diluted from 72.99% to 60.82% which would result in deemed disposal of the equity interest in GNFG. Accordingly, the equity component of the GNFG CB is reported as “Potential non-controlling interests” in the consolidated financial statements.

At initial recognition, GNFG CB is separated into a liability component and an equity component representing the conversion options of bondholders which is reported as potential non-controlling interests. The fair values of the liability component were determined at the Bonds Issue Date. The fair value of the liability component was calculated using a market interest rate of 5.94% per annum for instruments which is referenced to professional valuation conducted by an independent professionally qualified valuer. The residual amount, representing the value of the equity conversion component, has been reported as potential non-controlling interests.

As the fair value of GNFG CB is determined using valuation models for which involved unobservable inputs, the day-one loss, which represented difference between the nominal value and the fair value of GNFG CB at the Bond Issue Date, is not recognised in profit or loss immediately but is deferred.

The carrying value of the liability component and the equity conversion component of GNFG CB is net of the deferred day-one loss which is allocated to the liability component and potential non-controlling interests on the same allocation basis of the allocation of the fair value of the GNFG CB. The deferred day-one loss in the liability components were amortised over the term of the convertible bonds on the basis similar with the effective interest method and included in “Interest on convertible bonds” in profit or loss and the deferred day-one loss in the potential non-controlling interests will be accounted for in the same basis as the equity conversion component.

The effective interest rate of the liability component of GNFG CB on initial recognition, which excluded the impact of the deferred day-one loss, is 7.43% per annum and is subsequently carried at amortised cost.

#### 14. CONVERTIBLE BONDS ISSUED BY A LISTED SUBSIDIARY (CONTINUED)

GNFG CB recognised at the end of the reporting period are calculated as follows:

	<b>Gross Amount HK\$'000</b>	<b>Deferred day-one loss HK\$'000</b>	<b>Net Amount HK\$'000</b>
<b>Liability component</b>			
Fair value of liability component at the Bond Issue Date	480,615	(173,694)	306,921
Issue costs	(7,665)	–	(7,665)
	<u>472,950</u>	<u>(173,694)</u>	<u>299,256</u>
Interest expenses:			
Imputed interest expenses	17,040	–	17,040
Amortisation of deferred day one loss	–	40,669	40,669
	<u>17,040</u>	<u>40,669</u>	<u>57,709</u>
Interest paid/accrued	(6,125)	–	(6,125)
Liability component at 31 March 2018	<u><u>483,865</u></u>	<u><u>(133,025)</u></u>	<u><u>350,840</u></u>
<b>Potential non-controlling interests</b>			
Nominal value of the GNFG CB	822,421	(297,421)	525,000
Fair value of liability component at the Bond Issue Date	(480,615)	173,694	(306,921)
Issue costs	(5,460)	–	(5,460)
Potential non-controlling interests at the Bond Issue Date and at 31 March 2018	<u><u>336,346</u></u>	<u><u>(123,727)</u></u>	<u><u>212,619</u></u>

## 15. SHARE CAPITAL

	Number of shares		Amount	
	2018 '000	2017 '000	2018 HK\$'000	2017 HK\$'000
Ordinary shares of HK\$0.10 each				
Authorised:				
At the beginning and the end of the reporting period	<b>30,000,000</b>	30,000,000	<b>3,000,000</b>	3,000,000
Issued and fully paid:				
At beginning of reporting period	<b>8,052,256</b>	6,710,214	<b>805,225</b>	671,021
Issue of shares on 29 August 2016 ( <i>Note a</i> )	–	1,342,042	–	134,204
Issue of shares on 20 September 2017 ( <i>Note b</i> )	<b>1,610,450</b>	–	<b>161,045</b>	–
At the end of the reporting period	<b>9,662,706</b>	8,052,256	<b>966,270</b>	805,225

### Notes:

- (a) On 29 August 2016, the Company allotted and issued 1,342,042,000 shares by way of placing at the placing price of HK\$0.225 per placing share.
- (b) On 20 September 2017, the Company allotted and issued 1,610,450,000 shares by way of placing at the placing price of HK\$0.26 per placing share.

## **FINAL DIVIDEND**

The Directors recommended a final dividend of HK 1 cent per share, together with the interim dividend paid during the year, amounting to total dividends of HK 2 cents per share for this financial year.

The final dividend will be payable on or about 12 September 2018 to shareholders of the Company whose names appear on the register of members of the Company on 4 September 2018.

## **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:

<i>For attendance to 2018 Annual General Meeting</i>	:	20 August 2018 – 23 August 2018, both dates inclusive
<i>For entitlement to final dividend</i>	:	3 September 2018 – 4 September 2018, both dates inclusive (Record date being 4 September 2018)

In order to qualify for attendance to the Company's 2018 Annual General Meeting which is scheduled to be held on 23 August 2018, 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 Level 22, Hopewell Centre, 183 Queen's Road East, 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>
<i>For attendance to 2018 Annual General Meeting</i>	:	17 August 2018, Friday
<i>For entitlement to final dividend</i>	:	31 August 2018, Friday

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **OVERVIEW**

For the year ended 31 March 2018, the Group's revenue amounted to approximately HK\$584.8 million, representing an increase of 13.9% as compared with approximately HK\$513.6 million reported in the last corresponding financial year. The increase in revenue was mainly attributable to the increase in brokerage commission, interest income from margin financing and interest income from debt securities. Operating expenses such as commission expenses and settlement expenses generally increased in line with the increase in revenue. The decrease in other expenses was mainly attributable to the listing expenses incurred in relation to the listing of a subsidiary in prior year.

Profit attributable to owners of the Company in the year was approximately HK\$297.1 million (2017: HK\$341.9 million). The decrease in profit was mainly attributable to the increase in revenue and decrease in other expenses offsetting by the increase in finance costs arising from the issue of GNFG CB and the fair value losses on financial assets during the year.

Basic earnings per share decreased to HK3.34 cents (2017: HK4.56 cents) as a result of decrease in profit and increase in issued ordinary shares of the Company from approximately 8.1 billion shares to approximately 9.7 billion shares during the year.

### **REVIEW AND OUTLOOK**

#### **Market review**

During the year under review, the investment sentiment in Hong Kong stock market was significantly improved. In the beginning of the financial year, the market was clouded by uncertainties including the Brexit referendum and controversial political and financial policies introduced by Donald Trump after being elected as the president of the United States. The trends of financial policies between countries were also diverging, for instance, Canada started its interest rate hikes cycle, Japan committed to continue its quantitative easing measures, and the European Central Banks was revisiting the continuity of its asset purchase program.

Nevertheless, turning into the second half of the financial year, the global financial market picked up strongly and most of the market indices were breaking records high. The market responses on uncertainties were not as negative as expected. Under the new financial policies, United States demonstrated positive resilience and experienced bull market since the end of 2017 leading the recovery of global economy. China also recovered steadily with robust GDP growth in 2017. Following the lead by the two biggest economies, investment sentiment in Europe and Asia countries was greatly improved with confidence as well.

As a result of the improved global economic outlook in addition to the resilient local demand, the Hong Kong stock market reached new highs with a continuous upward trend. The Hang Seng Index closed at 30,093 at the end of March 2018 compared with 24,111 at the end of March 2017. The average daily turnover on the Main Board and GEM Board during the year ended 31 March 2018 was approximately HK\$106.2 billion, an increase of 57.6% as compared with approximately HK\$67.4 billion for the prior financial year.

In respect of the local money lending market, more restrictions and compliance requirements imposed on banks would offer more business opportunities to non-bank money lenders as they could provide more flexible lending services to both retail and corporate clients.

Despite the upward interest rate cycle in the United State, the property market in Hong Kong was exuberant during the year under review. Due to tight local housing demand-supply balance and influx of capital, local property prices continued to rise during the financial year. The office and industrial property markets recorded stable growth during the year, with price and rental increased steadily.

London is one of the key financial centers in the world. Although Brexit has created certain uncertainties in United Kingdom, the properties market in London still attracts various sophisticated investors.

### ***Business review***

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

During the year ended 31 March 2018, the Group recorded solid performance from both its brokerage and margin financing businesses. Operating result of the broking business increased by 17.8% as a result of the gain on disposal of insignificant subsidiaries engaged in broking business of HK\$20 million in current year. Interest income from securities margin financing also went up with the increase in securities margin lending. Revenue from broking business for the year decreased by 14.7% to approximately HK\$97.2 million (2017: HK\$113.9 million) as compared with last financial year, of which approximately HK\$22.5 million (2017: HK\$43.5 million) was contributed by the underwriting and placing business. The broking business posted a profit of approximately HK\$64.9 million (2017: HK\$55.1 million) for the year.

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 increased by 17.5% to approximately HK\$334.8 million (2017: HK\$285.0 million). Total outstanding of securities margin financing at 31 March 2018 amounted to approximately HK\$4,091.5 million (2017: HK\$2,923.3 million), which was increased by 40.0% as compared with that on 31 March 2017. No impairment charge was recorded during the year. (2017:HK\$ nil).



### *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 2018, it completed 6 financial advisory transactions (2017: 10). The operation reported a segment profit of approximately HK\$1.4 million for the year (2017: HK\$1.7 million).

### *Money lending*

The money lending vehicle is engaged in provision of consumer and mortgage loans. The money lending business continued to show steady growth during the year. The aggregated loan amount increased to HK\$696.7 million at 31 March 2018 from HK\$636.6 million at 31 March 2017, with interest income increased by 10.3% to HK\$102 million (2017: HK\$92.5 million) for the year. It recorded profit of HK\$99.3 million for the year ended 31 March 2018 (2017: HK\$90.4 million). No material impairment loss was made on the loan book of money lending for the year. 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.

### *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 year under review, this division reported a profit of HK\$29.8 million (2017: HK\$98.6 million), mainly attributable to the fair value gains on investment properties of HK\$40.6 million (2017: HK\$64.3 million), the interest income from financial assets of HK\$41.5 million (2017: HK\$19 million) mainly derived from the unlisted debt securities of approximately HK\$449.7 million (2017: HK\$468.3 million) acquired in December 2016, and unrealised losses of financial assets of HK\$58.5 million (2017: unrealised gains of HK\$22.1 million) mainly attributable to the drop of share prices of certain equity securities listed in Hong Kong among the portfolio held of HK\$191.9 million (2017: HK\$206.8 million).

During the year ended 31 March 2018, the Group acquired a commercial building in London at consideration of approximately GBP21 million which generated rental income of HK\$6.4 million (2017: HK\$ nil). As at 31 March 2018, the Group held a portfolio of investment properties with a total fair value of HK\$788.1 million (31 March 2017: HK\$513.7 million), comprised mainly the commercial buildings in Hung Hom (under renovation) and London.

As at 31 March 2018, the Group held a portfolio of equity and debt securities and convertibles notes with a total fair value of HK\$894.3 million (31 March 2017: HK\$800.2 million). The increase in total fair value of the investment portfolio was mainly attributable to the investment in unlisted equity securities of HK\$109.7 million during the year which relates to a properties development project in United Kingdom. The portfolio of debt securities mainly comprises listed and unlisted bonds and convertible bonds issued by certain listed companies in Hong Kong.

## **Outlook**

Looking ahead, the economic backdrop of Hong Kong and China remains stable and optimistic. The cross-border Stock Connect scheme, the integration of the Hong Kong and China markets and the reduction of the reserve ratio by the People's Bank of China would continue to derive strong capital inflow to Hong Kong and create financial synergy.

Notwithstanding the recent positive performance of the Hong Kong stock market supported by improved investment atmosphere, our Group is facing with uncertainties in global financial environment, expecting new local regulatory requirements and also variation of financial policies in the United States and China. Dealing with the future challenges, the management of the Group would review and adjust business strategies on regular basis with a prudent and balanced risk management approach. The management of the Group remains optimistic about the business development and overall performance of the Group in the future.

The Group has utilised the proceeds from issuance of convertible bonds by GNFG to expand our securities margin financing and broking business and develop our underwriting and placing service. Looking ahead, the Group will also consider other alternative ways to provide more fundings for expansion in these segments.

Moreover, the Group 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.

Given our lean and efficient organization structure, stable clients base, strong track record and solid business fundamentals, the Group is poised to expand its horizons and scale new heights in the years to come in order to continue maximizing returns and value for all shareholders.

## USE OF PROCEEDS FROM PLACING OF NEW SHARES

The Company has received net proceeds of approximately HK\$414.5 million in connection with the placing of new shares completed on 20 September 2017. As of 31 March 2018, all net proceeds have been used by the Group. Set forth below is a summary of the utilization of the net proceeds:

<b>Intended use as disclosed in the Company's announcement dated 5 September 2017</b>	<b>Amount of net proceeds intended to be allocated</b> <i>HK\$ million</i> (approximately)	<b>Actual utilized amount as of 31 March 2018</b> <i>HK\$ million</i> (approximately)	<b>Unutilized amount as of 31 March 2018</b> <i>HK\$ million</i> (approximately)
General working capital	414.5	414.5	–

## FINANCIAL REVIEW

### Financial Resources and Gearing Ratio

The equity attributable to owners of the Company amounted to approximately HK\$5,415.9 million as at 31 March 2018 (2017: HK\$4,880.9 million), representing an increase of approximately HK\$535 million, or 11.0% over that of the last financial year end. The movement was mainly attributable to the profit for the year netting off dividend distributed in addition to the placing of new shares during the year. The convertible bonds issued by GNFG during the year leading to the potential non-controlling interests under total equity of approximately HK\$212.6 million.

The Group's net current assets as at 31 March 2018 amounted to HK\$5,723.2 million (2017: HK\$4,662.2 million) and the liquidity of the Group, as demonstrated by the current ratio (current assets/current liabilities) was 8.17 times (2017: 5.92 times). The Group's bank balances and cash on hand amounted to HK\$749.4 million as at 31 March 2018 (2017: HK\$1,069.3 million). The decrease in bank balances and cash on hand was mainly due to the significant increase in account receivables of approximately HK\$1,117.5 million offsetting by the cash inflow from the 2-years 2% convertible bonds issued by GNFG of approximately HK\$511.9 million and proceeds from placing of new shares of approximately HK\$418.7 million. As at 31 March 2018, the Group had bank borrowings amounting to HK\$60.0 million (2017: HK\$ nil) which was repayable within one year and bore floating interest rate and the Group had undrawn banking facilities amounting to HK\$650 million (2017: HK\$935 million) which were secured by charges over clients' pledged securities, a property as well as corporate guarantees issued by GNFG.

The number of issued shares of the Company was 9,662,705,938 as at 31 March 2018 (2017: 8,052,255,938). The increase is resulting from placing of new shares under general mandate during the year.

As at 31 March 2018, the Group's gearing ratio (total borrowings including bank borrowings, amounts due to non-controlling shareholders and liability component of convertible bonds issued by GNFG over equity attributable to owners of the Company) was 0.09 (2017: 0.01). The increase in gearing ratio is mainly due to issue of GNFG CB during the year.

Except for an investment in unlisted equity and acquisition of an investment property in United Kingdom during the year, 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 Directors consider that a reasonably possible annual change of 5% in the exchange rate between Hong Kong dollars and British Pound would not have material impact on the Group's results and therefore hedging through the use of derivative instruments is considered unnecessary.

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

As at 31 March 2018, the Group had total loan commitments of HK\$100 million (2017: HK\$80.1 million).

#### **Charges on Group Assets**

As at 31 March 2018, leasehold land and building of the Group with a carrying amount of HK\$105.9 million (2017: HK\$108.1 million) were pledged for a banking facility granted to the Group.

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

The Group did not make any material acquisitions or disposals of subsidiaries, associates or jointly controlled entity during the year.

#### **Employee Information**

As at 31 March 2018, the Group had 81 (2017: 81) 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\$21.2 million (2017: HK\$21.3 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**

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

## **CORPORATE GOVERNANCE CODE**

Throughout the year ended 31 March 2018, the Company has applied the principles of, and complied with, the applicable code provisions of the Corporate Governance Code and Corporate Governance Report (the "CG Code") as set out in Appendix 14 of the Listing Rules, except for deviations which are summarised below:

CG Code provision A.4.1 stipulates that non-executive Directors should be appointed for a specific term subject to re-election. The non-executive Directors of the Company are not appointed for specific terms but subject to retirement by rotation and re-election at the annual general meeting of the Company according to the provisions of the Articles of Association.

Upon successful spin off and separate listing of GNFG in April 2016, Mr Hung Sui Kwan resigned as Chief Executive Officer ("CEO") of the Company and Mr Hung Hon Man took up the role of CEO of the Company on 7 April 2016. The roles of the chairman of the Board and the CEO are performed by the same individual, which is a non-compliance to the CG Code Provision A.2.1. However, the Board considers that this structure will not impair the balance of power and authority between the Board and the management of the Company. The balance of power and authority is ensured by the operations of the Board, which comprises experienced and high caliber individuals and meets regularly to discuss issues relating to the operations of the Company. The Board has full confidence in Mr. Hung Hon Man and believes that having Mr. Hung performing the roles of the chairman of the Board and the CEO is beneficial to the Company as a whole.

## **AUDIT COMMITTEE REVIEW**

The Audit Committee has reviewed with management of the Group's financial statements for the year ended 31 March 2018, including the accounting principles and practices adopted by the Group.

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

The figures in respect of the Group'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 2018 as set out in the preliminary announcement have been agreed by the Group's auditor, Mazars CPA Limited, to the amounts set out in the Group'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 <http://www.hkexnews.hk> under "Latest Listed Company Information" and the Company at <http://www.getnice.com.hk>. The 2018 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 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, 27 June 2018

*As at the date of this announcement, the executive directors of the Company are Mr. Hung Hon Man (Chairman and CEO), Mr. Cham Wai Ho, Anthony and Mr. Kam Leung Ming; 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.*