

## Chairman's Statement

## 主席報告

I am pleased to present to the shareholders the financial results of Get Nice Holdings Limited (the "Company") and its subsidiaries (the "Group") for the year ended 31st March, 2003.

The financial service industry remained sluggish in the financial year ended 31st March, 2003, mainly due to the persistent poor economy. During the period under review, the Group recorded a total turnover of HK\$57.1 million, representing a decrease by approximately 25% over the last year. Net profit for the year dropped by approximately 52% to HK\$10.4 million this year.

The Directors recommend the payment of a final dividend of HK1 cent per share in respect of the year 2003, to the shareholders whose names appear on the register of members of the Company on 3rd September, 2003 to thank for the support of our shareholders. The proposed dividend will be paid on or about 15th September, 2003 subject to the approval of the shareholders at the forthcoming annual general meeting of the Company.

## BUSINESS REVIEW

### Stock and futures brokerage and interest income from margin financing

For the period under review, the stock market performance was still disappointing. During the year ended 31st March, 2003, the average daily stock turnover further dropped to HK\$6.4 billion, down by 8.5% compared with the same period in 2002. The Hang Seng Index finally fell to its three-year low of 8,634 as at 31st March, 2003.

Reflecting the continued weakness in the stock market, the commission and fee income from stock brokerage dropped by 35% from the corresponding period in 2002. Interest income from margin financing has also decreased by 5.5% from last year, as a result of reduced average margin loan and interest rate cut during the year.

On the other side, the futures market appeared to be relatively less affected by the above negative factors. The average monthly futures contract volume for the year ended 31st March, 2003 increased by about 16% when compared to the same period in 2002. The Group was able to capture this opportunities and achieved an increase in gross commission by 43% to HK\$3 million.

本人欣然向股東提呈結好控股有限公司（「本公司」）及其附屬公司（「本集團」）截至二零零三年三月三十一日止年度之業績報告。

截至二零零三年三月三十一日止財政年度，金融服務行業仍然不活躍，主要由於持續的疲弱經濟。於回顧期內，本集團錄得總營業額57,100,000港元，較上年度下跌約25%。而本年度純利下跌約52%至10,400,000港元。

董事會建議派發二零零三年度末期股息每股1港仙予於二零零三年九月三日名列本公司股東名冊之股東，以答謝股東之支持。擬派末期股息將於二零零三年九月十五日當日或前後派發，惟須待股東於本公司應屆股東週年大會上批准。

## 業務回顧

### 股票及期貨經紀業務及保證金融資之利息收入

於回顧期內，股票市場表現仍然令人失望。截至二零零三年三月三十一日止年度，股市平均每日成交額進一步下跌至64億港元，較二零零二年度同期下跌8.5%，而於二零零三年三月三十一日，恆生指數最後下跌至三年來低位8,634點。

鑑於股市持續疲弱，股票經紀業務之佣金及費用收入（相比二零零二年同期）下跌35%。由於保證金貸款平均金額減少及年內利息減低，使到保證金融資之利息收入亦較去年減少5.5%。

另一方面，以上的負面因素似乎對期貨市場相對影響較少。當比較二零零二年同期，截止二零零三年三月三十一日年度，每月平均期貨合約成交量大約增長16%。本集團亦能同時捕捉此機會，成功提升總佣金收入43%至3,000,000港元。

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**Placing and underwriting of IPOs, rights issue and shares**

The occurrence of certain corporate scandals together with the dull investment climate this year had certainly affected investors' confidence in the equity market. The Group has taken cautious steps in selection of placing and underwriting assignments, aiming to monitor the potential financial risk. This year we took part in fewer and smaller amount underwriting assignments, resulting in significant drop in relevant commission income by 62% to approximately HK\$2.6 million this year.

**Brokerage of insurance-linked investment plans and other investment products**

The performance of this developing business sector was also affected amid the poor investment atmosphere this year. The gross commission income dropped to HK\$5 million, representing a decrease of 15.5% compared with last year.

**Corporate Finance**

With the gloomy investment atmosphere and the fierce competition in a depressed market, the fee income from corporate finance decreased substantially by approximately 82% to HK\$0.6 million this year. During the year, we have been involved in several financial advisory assignments in relation to Listing Rules and Takeovers Code.

**Significant investment held**

After the disposal of the unlisted equity securities in DBS Diamond Holdings Limited in late 2002, the Group has significantly reduced its investment to HK\$1 million as at 31st March, 2003.

配售及包銷首次公開招股、供股及股份今年所發生某些企業醜聞及低沉的投資氣氛無疑地影響投資者於股票市場的信心。當選擇配售及包銷項目時，本集團均為特別小心，目的在於控制潛在的財務風險。因今年本集團參與較少及金額不大的包銷項目，令到有關之佣金收入下跌62%至大約2,600,000港元。

**保險相關投資計劃及其他投資產品之經紀業務**

在年內疲弱的投資環境中，此項發展中業務均受到影響。佣金總收入下跌到5,000,000港元，較去年下跌15.5%。

**企業融資**

鑑於投資氣氛低沉及疲弱市況下的激烈競爭，今年企業融資之收入大幅下跌大約82%至600,000港元。年內，我們曾參予數個關於上市規則和收購守則的財務顧問工作。

**所持重大投資**

於二零零二年末出售一項非上市股本證券DBS Diamond Holdings Limited後，本集團於二零零三年三月三十一日之投資大幅減至為1,000,000港元。

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### FINANCIAL REVIEW

As a result of successful listing of the Company's shares in June 2002, the capital structure of the Group has much improved. As at 31st March, 2003, the Group's net current assets amounted to approximately HK\$241.2 million, as compared to approximately HK\$182.9 million at 31st March, 2002. The Group's outstanding borrowings has decreased from approximately HK\$186.6 million at 31st March, 2002 to approximately HK\$56.5 million this year, mainly attributable to the capitalization of a subordinated loan of HK\$60 million, disposal of the unlisted investment of HK\$43.4 million and reallocation of the proceeds of the share offer amounting to HK\$22.3 million. The bank borrowings, being interest bearing on a floating rate basis, were principally procured to finance margin loan granted to securities margin clients.

The gearing ratio of the Group (total liabilities over total shareholders' funds) has significantly reduced to 0.4 times as at 31st March, 2003 (2002: 1.6 times)

As at 31st March, 2003, the Group's borrowings and facilities from banks were secured by margin clients' pledged securities.

The business activities of the Group had not been exposed to material fluctuation in exchange rates as majority of the transactions are denominated in Hong Kong dollars.

As at 31st March, 2003, the Group had no material contingent liabilities and no material capital commitment.

### STAFF

As a continuing effort to enhance the competitiveness, the Group has gone through a reduction in headcounts during the year. As at 31st March, 2003, the Group had a total of 25 employees (2002: 35) and 62 account executives (2002: 83), 14 of whom were also employed as full time employees of the Group.

The Group remunerated employees based on the industry practice and individual's performance. To maintain the professional industry standards and keep abreast of development on relevant rules and regulations, the Group will continue to organise training courses for the staff registered with the SFC and other regulatory bodies.

### 財務回顧

因本公司股份於二零零二年六月成功上市後，本集團之資本結構有重大改善。於二零零三年三月三十一日止，本集團之流動資產淨值約達241,200,000港元（二零零二年三月三十一日約182,900,000港元）。本集團之未償還借貸額由二零零二年三月三十一日186,600,000港元減至本年度大約56,500,000港元，主要由於一筆後償貸款60,000,000港元已資本化，出售非上市投資43,400,000港元及重新調整股份發行之所得款項22,300,000港元。銀行貸款（以浮息計算）主要用以向證券保證金客戶提供保證金貸款。

於二零零三年三月三十一日，本集團之資本負債比率（即總負債除以股東資金）明顯地減少至0.4倍（二零零二年：1.6倍）。

於二零零三年三月三十一日，本集團來自銀行之借貸以及信貸，乃以保證金客戶之抵押證券作抵押。

由於本集團之大部份交易均以香港幣值列賬，故本集團之業務不會面對重大匯率波動之風險。

於二零零三年三月三十一日，本集團並無重大或然負債，及無重大資本承擔。

### 員工

為繼續提高競爭力，本集團於本年內已進行削減人手。於二零零三年三月三十一日，本集團共有25位全職僱員（二零零二年：35位）及62位客戶主任（二零零二年：83位），其中14名亦獲聘為本集團之全職僱員。

本集團乃按照行業慣例及員工個別表現釐度員工酬金。為確保能保持專業的市場水平及緊貼有關規則及規例之最新發展，本集團將繼續組織培訓課程，以供於證監會及其他監管機構註冊員工參加。

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### USE OF PROCEEDS OF THE SHARE OFFER AND SUBSEQUENT REALLOCATION OF THE UNUSED PORTION

Following the successful issue of new shares in June 2002, the Group has applied approximately HK\$41.5 million to different areas of businesses in accordance with the plans set out in the prospectus dated 24th May, 2002. However, in view of the prolonged sluggish investment climate, the Directors had proposed to reallocate the unused portion of the sales proceeds of approximately HK\$22.3 million ("the Reallocation") and the relevant resolution was duly passed at an extraordinary general meeting held on 3rd March, 2003. The details of the use of the proceeds before and after the Reallocation is set out below:

#### Allocation of

#### Share Offer proceeds

#### 股份發售所得款項之分配

(1)	Expanding the Group's margin financing business	擴充本集團保證金融資業務
(2)	Reducing the Group's bank borrowings	減少本集團銀行借貸
(3)	Working capital for the placing and underwriting activities	配售及包銷所需之營運資金
(4)	Upgrading the Group's computer system	將本集團電腦系統升級
(5)	General working capital	一般營運資金

The principal effect of the Reallocation is that the Group can achieve a better cash management, reducing interest expenses from bank borrowings and thus improving the profit attributable to the shareholders.

### 股份發售所得款項用途及隨後重新調整未動用部份

本集團於二零零二年六月成功發行新股份後，已根據於二零零二年五月二十四日所刊發之招股章程所述之計劃動用約41,500,000港元於不同的業務範圍。然而，基於持續蕭條的投資環境，董事建議調整股份發售之所得款項中約22,300,000港元未動用款額（「重新調整」），而有關決議案亦於二零零三年三月三日股東特別大會上通過。該款項於重新調整前後之詳細用途如下：

Amount used before the Reallocation 重新調整前 已使用款項 HK\$ million 百萬港元	Amount used after the Reallocation 重新調整後 已使用款項 HK\$ million 百萬港元
13	-
10	22.3
10	-
0.2	-
8.3	-
41.5	22.3

重新調整的主要影響乃為本集團可達至更好的現金管理狀況，減少銀行利息支出及提高股東應佔溢利。

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### PROSPECTS

In view of the uncertain economic environment all over the world, we expect the year ahead would be full of challenges for us. The outbreak of SARS in March 2003 has further dampened the sluggish local economy, putting more pressure on the unemployment rate, property prices and budget deficit in Hong Kong. All these negative impacts obviously will threaten the investors' confidence and slow down the activities in the financial market.

Despite of these unfavorable factors in the coming year, we consider that the Group has been well-positioned to face the tough market conditions. We will continue to focus on developing the Group as a one-stop financial service center and at the same time carefully monitoring the operating costs. Hong Kong has its own competitive edges compared to other countries in Asia. Our management believes that a substantial recovery will come after a lengthy recession. We need to maintain our quality services and will definitely be benefited when opportunities come.

### APPRECIATION

On behalf of the Board, I would like to express my heartfelt gratitude to all our committed staff and account executives for their dedication and hard work to pass through the hard times with us, and the continuous support from our shareholders and clients.

By order of the Board

**Hung Hon Man**

*Chairman*

Hong Kong, 22nd July, 2003

### 前景

鑑於全世界不明朗經濟環境，我們預期來年是充滿挑戰的一年。於二零零三年三月爆發非典型肺炎令到呆滯的本地經濟雪上加霜，令至失業率、樓價及財政赤字增添更大壓力。這些負面的衝擊明顯地會影響投資者信心及減慢金融市場之活動。

雖然來年有這些不利因素，但我們相信本集團已準備就緒面對困難的市場環境。我們仍繼續專注發展為一站式金融服務中心，同時亦會小心控制運作成本。相比其他亞洲國家，香港仍有一定競爭優勢。我們管理層深信長期的衰退後將會有強大的復甦來臨。我們必需保持我們的優質服務，當機會來臨時定可受益。

### 致謝

對於員工及客戶主任努力不懈，克盡厥職與我們一起渡過困難時刻，以及我們股東及客戶不斷支持，本人謹代表董事會給予真誠的致謝。

承董事會命

主席

洪漢文

香港，二零零三年七月二十二日