

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, 2004.

The financial year 2003/04 was a year full of panic and joyful moments. The SARS outbreak during the first quarter of the fiscal year was the worst period when the benchmark of Hang Seng Index has bottomed to its 54-month low at 8,409 in April 2003. But after the containment of the virus in June 2003, aided by various policies announced by the China officials to boost the local recovery, Hong Kong economy rapidly experienced a V-shape rebound. The Group has capitalized the benefit of the recovery, achieving a remarkable increase in the Group's revenues. During the year under review, the Group recorded a consolidated turnover of approximately HK\$76.9 million, representing an increase of 34.7% over the previous year. Coupled with the tight control of the operating costs, the Group was able to rise the net profit by almost 190% to approximately HK\$30.1 million.

BUSINESS REVIEW

Brokerage income and interest income from margin financing

The stock market has experienced both the bearish and bullish times during the year ended 31st March, 2004. Because of the SARS outbreak in early 2003, the benchmark Hang Seng Index has bottomed to its 54-month low at 8,409 on 25th April, 2003. The stock market was then fuelled by various stimulating news, particularly the SARS being contained in June 2003, along with the announcement of the relaxation of mainland travel restriction and the Closer Economic Partnership Arrangement by the China officials to boost the economic activities in Hong Kong. The Index soared significantly by 66% from the lowest of the year to 13,928 on 18th February, 2004. The upward trend was accompanied by the increase in average daily trading volume during the year, which surged by almost 90% to approximately HK\$12.2 billion, compared to the same period in 2002/03. The driving force mainly came from the post-SARS period from June 2003 to March 2004, during which the average daily turnover jumped by approximately 1.5 times to HK\$15.1 billion, compared with a year ago.

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」）截至二零零四年三月三十一日止年度之業績報告。

二零零三至零四財政年度是充滿恐慌和喜悅的一年。最壞的期間為本財政年度第一季沙士爆發時，當時恒生指數於二零零三年四月跌至54個月低位8,409點。但該病毒於二零零三年六月受到控制後，加上受惠於中國官方宣佈刺激本地復甦等政策，香港經濟迅速地作出V型反彈。本集團捉緊復甦帶來的良機，成功地把集團的收入帶來明顯的升幅。於回顧年內，本集團錄得綜合營業額約為76,900,000港元，較上年升34.7%。配合嚴緊控制營運成本，本集團能夠提升淨利潤近190%至約30,100,000港元。

業務回顧

經紀業務收入及保證金融資之利息收入

於截至二零零四年三月三十一日止年度內，股票市場經歷包括熊市及牛市的時間。因於二零零三年年初沙士爆發，恒生指數於二零零三年四月二十五日跌至54個月新低8,409點。期後，股票市場受到不同利好的消息所注入，特別沙士在二零零三年六月份受到控制，連接中央政府宣佈刺激本地經濟活動的政策，如放寬內地旅遊限制及與香港簽署《更緊密經貿關係的安排》。恒生指數由年內最低位大幅上升66%至自二零零四年二月十八日的高位13,928點。此上升趨勢同時配合上升的平均每日交易量，較去年同期上漲90%至約122億港元。主要動力來自沙士過後（即二零零三年六月至二零零四年三月）的期間，平均每日成交量相比年前同期躍升大約1.5倍至151億港元。

The Group successfully captured these opportunities to increase its commission and fee income from brokerage of stock, futures and other investment products to approximately HK\$50.5 million, up by approximately 59.1% from last year. Together with the tight control on operating costs, the segmental result of broking section has turned around from a break-even point of HK\$72,000 to a profit of HK\$20.6 million this year.

The segmental result of margin financing has slightly increased by 6% to approximately HK\$16.1 million compared with last year, mainly due to saving in financial costs.

Placing and underwriting of IPOs, rights issue and shares

The placing and underwriting activities for small to medium listed issuers has in fact slowed down this year since the focus was shifted to the new listing of some giant China-based enterprises. Carefully assessed the risk of underwriting assignments, the Group has this year taken part in fewer number of deals but with larger sizes, contributing a slight increase in relevant commission income by 2.4% to approximately HK\$2.6 million.

Corporate finance

We continued to focus on the provision of financial advice services to various listed issuers. The corporate finance department has this year completed 12 financial advice assignments in relation to Listing Rules and Takeovers Code, posting a net profit of approximately HK\$916,000.

本集團成功捕捉此良機，從而增加股票、期貨及其他投資產品經紀業務佣金及費用收入至約50,500,000港元，相比往年同期大約增長59.1%。配合本集團嚴緊控制營運成本，經紀分類業務業績由不盈不虧的72,000港元逆轉至本年度溢利20,600,000港元。

與往年比較，證券保證金融資業務業績微升6%至約16,100,000港元，主要由於節省了融資成本。

配售及包銷首次公開招股、供股及股份因今年焦點放在一些大規模國內企業新上市項目，中小型上市發行人之配售及包銷活動事實上有所放緩。經謹慎地評估包銷工作的風險，本集團於本年參加較少但金額較大的交易，並略為提升有關佣金收入2.4%至約2,600,000港元。

企業融資

我們繼續專注向各類上市企業提供財務顧問服務。本年內企業融資部門已完成12項有關上市規則及收購守則的財務工作，並貢獻淨利潤約916,000港元。

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FINANCIAL REVIEW

The Group has always maintained a high level of liquid assets for operation. The Group's net current assets as at 31st March, 2004 were amounted to approximately HK\$253.6 million, representing an increase of approximately 5.1% since the beginning of the year. As a result of increase in clients' margin trading activities in early 2004, the Group's outstanding borrowings, comprising only bank overdrafts and short term bank loans which are repayable within one year, have increased from approximately HK\$56.5 million at 31st March, 2003 to approximately HK\$203 million this year. 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) was increased to 1 time as at 31st March, 2004, compared to 0.4 time as at 31st March, 2003. The increase was mainly due to the increase in bank borrowings for financing clients' securities margin loans amid the active stock market in early 2004.

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

As at 31st March, 2004, the Group had available banking facilities amounting to HK\$586.3 million, of which HK\$203 million was utilized. The bank facilities were secured by clients' pledged securities, corporate guarantees provided by the Company and a personal guarantee given by a director of the Company.

As at 31st March, 2004, the Group had no material contingent liabilities and no material capital commitment.

STAFF

As at 31st March, 2004, the Group had a total of 28 full time employees (2003: 25) and 59 account executives (2003: 62), 12 of whom were also employed as full time employee of the Group. The Group remunerated employees based on the industry practice and individual's performance.

財務回顧

本集團經常保持着高水平的流動資產作營運。於二零零四年三月三十一日，本集團之淨流動資產為約253,600,000港元，比年初時增長約5.1%。由於近二零零四年年初客戶的借貸交易活動增加，本集團之未償還貸款（只包括銀行透支及於一年內償還短期銀行貸款）由二零零三年三月三十一日約56,500,000港元上升至本年度約203,000,000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。

於二零零四年三月三十一日，本集團之資本負債比率（即總負債除以股東資金）增加至1倍（二零零三年三月三十一日為0.4倍）。該增長主要由於二零零四年初因股票市場活躍而增加銀行貸款向證券保證金客戶提供融資。

由於本集團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。

於二零零四年三月三十一日，本集團可動用之銀行信貸額為586,300,000港元，當中203,000,000港元已動用。該銀行信貸額以保證金客戶之抵押證券，本公司提供之公司擔保及本公司一名董事之個人擔保作抵押。

於二零零四年三月三十一日，本集團並無重大或然負債，亦無重大資本承擔。

員工

於二零零四年三月三十一日，本集團共有28位全職僱員（二零零三年：25位）及59位客戶主任（二零零三年：62位），其中12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。

PROSPECTS

Looking ahead, the Board is still cautiously optimistic about the performance of the stock market. On one side, the uncertainty in relation to the interest rate, oil price and a possible hard landing of the Chinese economy may have considerable impact on the investors' confidence. On the other side, the steady recovery of local economy and the influence from the mainland on the stock market, such as some giant enterprises to list in Hong Kong and the implementation of the qualified domestic institutional investor to allow mainland institutional investors to park their money overseas, will certainly be favourable factors to the equities market. Over the past years, the Group has reengineered its cost structure to cope with the difficult times. We are now well-positioned to face any ups and downs of the equities market but at the same time we will look for any new investment opportunities in order to increase the shareholder's return.

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, 19th July, 2004

前景

展望未來，董事局對股票市場的表現仍然抱着審慎樂觀的態度。於一方面，利息、油價及大陸經濟可能硬着陸等不明朗因素對投資者信心有一定的影響。另一方面，持續的本地經濟復甦及國內對股票市場的影響，如一些大型企業來港上市及推行合資格境內機構投資者讓國內機構投資者可於海外放置其資金，將絕對有利於證券市場。過去數年，本集團已重組其成本架構，以應付困難時期。現時我們已準備就緒面對任何證券市場之起伏，但同時我們會尋求任何新的投資機會，從而提高股東回報。

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，二零零四年七月十九日