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## **GLOBAL INTERNATIONAL CREDIT GROUP LIMITED**

### **環球信貸集團有限公司**

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

**(Stock Code: 1669)**

### **DISCLOSEABLE TRANSACTION PROVISION OF FINANCIAL ASSISTANCE AND ADVANCE TO AN ENTITY**

#### **PROVISION OF LOANS**

The Board is pleased to announce that on 28 October 2015, GICL, as lender, entered into the New Loan Agreements with the Customer, as borrower, pursuant to which, GICL has agreed to grant secured loans in the amount of HK\$122,500,000 for a term of 12 months.

The Customer is a repeat customer of the Group. Prior to the entering into of the New Loan Agreements, GICL had granted five loans to the Customer.

The Group is principally engaged in money lending business of providing property mortgage loans and personal loans in Hong Kong under the Money Lenders Ordinance. GICL, as the lender of the New Loans and Previous Loans, is an indirect wholly-owned subsidiary of the Company.

#### **LISTING RULES IMPLICATIONS**

##### **New Loans**

As certain of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the New Loans granted to the Customer under the New Loan Agreements exceed 5% but are less than 25%, the grant of the New Loans constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

As the aggregate amount of the New Loans granted to the Customer exceeds 8% under the assets ratio defined under Rule 14.07(1) of the Listing Rules, the grant of the New Loans is subject to the general disclosure obligations under Rules 13.13 and 13.15 of the Listing Rules.

It is required under Rule 13.15 of the Listing Rules to disclose the identities of the Customer. As the Customer has confirmed to the Group that it will not consent to the disclosure of its identity in this announcement, the Company has applied to the Stock Exchange for and has been granted with a waiver from strict compliance with Rule 13.15 of the Listing Rules.

## **Previous Loans**

For the period from August 2014 to April 2015, GICL granted five loans to the Customer.

The total amount of loans granted to the Customer under Loan Agreement A, Loan Agreement B, Loan Agreement C and Loan Agreement D which took place prior to the listing of the Company on the Stock Exchange on 12 December 2014 exceeded 8% under the assets ratio as defined under Rule 14.07(1) of the Listing Rules. Pursuant to Rule 13.20 of the Listing Rules, the Company should have disclosed the specified information relating to the Previous Loans in the annual report for the financial year ended 2014 and the interim report for the six months ended 30 June 2015.

Upon the entering into of Loan Agreement E on 1 April 2015, as certain of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the loans granted to the Customer under the Previous Loan Agreements (except Loan Agreement D which had been fully repaid) exceeded 5% but were less than 25%, the grant of Loan Agreement E constituted a discloseable transaction for the Company under Chapter 14 of the Listing Rules subject to reporting and announcement requirements. Such disclosure obligations should have arisen on 1 April 2015.

## **PROVISION OF NEW LOANS**

The Board is pleased to announce that on 28 October 2015, GICL, as lender, entered into the New Loan Agreements with the Customer, as borrower, pursuant to which, GICL has agreed to grant secured loans in the amount of HK\$122,500,000, in aggregate, for a term of 12 months, details of which are as follows:

### **LOAN AGREEMENT F**

Date of agreement	:	28 October 2015
Lender	:	GICL
Borrower	:	Customer
Principal	:	HK\$95,000,000
Interest rate	:	10.5% per annum
Term	:	12 months commencing from the Drawdown Date
Security	:	A first legal charge/mortgage in respect of a residential property located in Hong Kong Island South with valuation conducted by an independent property valuer on 8 September 2015 with an aggregate amount of approximately HK\$150,000,000
Repayment	:	Customer shall repay the interests in 12 instalments and the principal amount at loan maturity
Interest	:	Interest is calculated on a daily basis with the maximum amount of HK\$9,975,000

## **LOAN AGREEMENT G**

Date of agreement	:	28 October 2015
Lender	:	GICL
Borrower	:	Customer
Principal	:	HK\$27,500,000
Interest rate	:	12% per annum
Term	:	12 months commencing from the Drawdown Date
Security	:	A first legal charge/mortgage in respect of two residential properties located in Sheung Wan with valuation conducted by an independent property valuer on 8 September 2015 with an aggregate amount of approximately HK\$36,800,000
Repayment	:	Customer shall repay the interests in 12 instalments and the principal amount at loan maturity
Interest	:	Interest is calculated on a daily basis with the maximum amount of HK\$3,300,000

## **PROVISION OF PREVIOUS LOANS**

For the period from August 2014 to April 2015, GICL granted five loans to the Customer. A summary of the Previous Loans is set out as follows:

## **LOAN AGREEMENT A**

Date of agreement	:	18 August 2014
Lender	:	GICL
Borrower	:	Customer
Principal	:	HK\$22,000,000
Interest rate	:	12% per annum
Term	:	12 months commencing from the drawdown date
Security	:	A first legal charge/mortgage in respect of two residential properties located in Sheung Wan with valuation conducted by an independent property valuer on 15 August 2014 with an aggregate amount of approximately HK\$36,100,000
Repayment	:	Customer shall repay the interests in 12 instalments and the principal amount at loan maturity
Interest	:	Interest is calculated on a daily basis with the maximum amount of HK\$2,640,000

The principal and interest under Loan Agreement A were fully settled by part of the loan proceeds upon drawdown of the loan under Loan Agreement G on 28 October 2015.

## **LOAN AGREEMENT B**

Date of agreement	:	23 October 2014
Lender	:	GICL
Borrower	:	Customer
Principal	:	HK\$30,000,000
Interest rate	:	17.2% per annum
Term	:	12 months commencing from the drawdown date
Security	:	A second legal charge/mortgage in respect of a residential property located in Hong Kong Island South with valuation conducted by an independent property valuer on 18 October 2014 with an aggregate amount of approximately HK\$160,000,000
Repayment	:	Customer shall repay the interests in 12 instalments and the principal amount at loan maturity
Interest	:	Interest is calculated on a daily basis with the maximum amount of HK\$5,160,000

The principal and interest under Loan Agreement B were fully settled by the Customer on 3 July 2015.

## **LOAN AGREEMENT C**

Date of agreement	:	2 December 2014
Lender	:	GICL
Borrower	:	Customer
Principal	:	HK\$2,500,000
Interest rate	:	12% per annum
Term	:	12 months commencing from the drawdown date
Security	:	A first legal charge/mortgage in respect of two properties located in Sheung Wan with valuation conducted by an independent property valuer on 15 August 2014 with an aggregate amount of approximately HK\$36,100,000
Repayment	:	Customer shall repay the interests in 12 instalments and the principal amount at loan maturity
Interest	:	Interest is calculated on a daily basis with the maximum amount of HK\$300,000

The principal and interest under Loan Agreement C were fully settled by part of the loan proceeds upon drawdown of the loan under Loan Agreement G on 28 October 2015.

## **LOAN AGREEMENT D**

Date of agreement	:	2 December 2014
Lender	:	GICL
Borrower	:	Customer
Principal	:	HK\$35,000,000
Interest rate	:	17.2% per annum
Term	:	4 months commencing from the drawdown date
Security	:	A second legal charge/mortgage in respect of a residential property located in Hong Kong Island South with valuation conducted by an independent property valuer on 27 November 2014 with an aggregate amount of approximately HK\$150,000,000
Repayment	:	Customer shall repay the interests in 4 instalments and the principal amount at loan maturity
Interest	:	Interest is calculated on a daily basis with the maximum amount of HK\$6,020,000

The principal and interest under Loan Agreement D were fully settled by the proceeds from the drawdown of loan under Loan Agreement E as detailed below.

## **LOAN AGREEMENT E**

Date of agreement	:	1 April 2015
Lender	:	GICL
Borrower	:	Customer
Principal	:	HK\$35,000,000
Interest rate	:	20% per annum for the period from 1 April 2015 to 30 June 2015 and 17.2% per annum for the period from 1 July 2015 to 31 March 2016
Term	:	12 months commencing from the drawdown date
Security	:	A second legal charge/mortgage in respect of a residential property located in Hong Kong Island South with valuation conducted by an independent property valuer on 27 March 2015 with an aggregate amount of approximately HK\$150,000,000
Repayment	:	Customer shall repay the interests in 12 instalments and the principal amount at loan maturity
Interest	:	Interest is calculated on a daily basis with the maximum amount of HK\$1,750,000 (for the period from 1 April 2015 to 30 June 2015) and HK\$4,515,000 (for the period from 1 July 2015 to 31 March 2016)

The entering of Loan Agreement E was for the purpose of renewal of the loan granted under Loan Agreement D. The principal and interest under Loan Agreement E were fully settled by part of the loan proceeds upon drawdown of the loan under Loan Agreement F on 29 October 2015.

## **INFORMATION ON THE CREDIT RISK RELATING TO THE NEW LOANS**

The New Loans are collateralised against three properties provided by the Customer with an aggregate loan-to-value ratio of approximately 65.6% based on the value of the mortgaged properties for the New Loans as determined by an independent property valuer.

The advance in respect of the New Loans was made based on (i) the Group's credit assessments on the financial strength and repayment ability of the Customer and (ii) the collaterals provided by the Customer, which are at prime sites in Hong Kong. After taking into account the factors as disclosed above in assessing the risks of the relevant advance, the Group considers that the risks involved in the advance to the Customer are acceptable to the Group.

## **FUNDING OF THE NEW LOANS**

The Group will finance the New Loans with the Group's general working capital.

## **INFORMATION ON THE CUSTOMER**

The Customer is a company incorporated in Hong Kong which is principally engaged in the business of property investment. The Customer is a repeat customer of the Group with outstanding loans with GICL, prior to the grant of the New Loans, of approximately HK\$59,500,000 and no record of default as at the date of this announcement. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, the Customer and its ultimate beneficial owners are third parties independent of the Group and connected persons of the Group.

## **INFORMATION ON THE GROUP AND THE LENDER**

The Group is principally engaged in money lending business of providing property mortgage loans and personal loans in Hong Kong under the Money Lenders Ordinance. GICL, as the lender of the New Loans and Previous Loans, is an indirect wholly-owned subsidiary of the Company.

## **REASONS FOR ENTERING INTO THE NEW LOAN AGREEMENTS**

Taking into account the principal business activities of the Group, the grant of the New Loans to the Customer is in the ordinary and usual course of business of the Group.

The terms of the New Loan Agreements were negotiated on an arm's length basis between GICL and the Customer. The Directors consider that the granting of the New Loans is financial assistance provided by the Group within the meaning of the Listing Rules. The

Directors are of the view that the terms of the New Loan Agreements were entered into on normal commercial terms based on the Group's credit policy. Taking into account the satisfactory financial background of the Customer and that a stable revenue and cashflow stream from the interest income is expected, the Directors consider that the terms of the New Loan Agreements are fair and reasonable and the entering into of the New Loan Agreements is in the interests of the Company and its shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

### **New Loans**

As certain of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the New Loans exceed 5% but are less than 25%, the grant of the New Loans constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

As the aggregate amount of the New Loans granted to the Customer exceeds 8% under the assets ratio defined under Rule 14.07(1) of the Listing Rules, the grant of the New Loans is subject to the general disclosure obligations under Rules 13.13 and 13.15 of the Listing Rules.

It is required under Rule 13.15 of the Listing Rules to disclose the identity of the Customer. As the Customer has confirmed to the Group that it will not consent to the disclosure of its identity in this announcement, the Company has applied to the Stock Exchange for and has been granted with a waiver from strict compliance with Rule 13.15 of the Listing Rules.

### **Previous Loans**

The Board would also like to inform the Shareholders that during recent negotiations of the New Loans, the Company has become aware that:

1. the total amount of loans granted to the Customer under Loan Agreement A, Loan Agreement B, Loan Agreement C and Loan Agreement D prior to the listing of the Company on the Stock Exchange on 12 December 2014 exceeded 8% under the assets ratio as defined under Rule 14.07(1) of the Listing Rules. The Company should have complied with Rule 13.20 of the Listing Rules by including the relevant specified information in the annual report for the financial year ended 2014 and the interim report for the six months ended 30 June 2015; and
2. at the time of granting the loan under Loan Agreement E, the Company should have complied with Chapter 14 of the Listing Rules by publishing an announcement on or about 1 April 2015 as the loan under Loan Agreement E, after aggregating with the loans under Loan Agreement A, Loan Agreement B and Loan Agreement C which were then outstanding, constituted a discloseable transaction of the Company under Chapter 14 of the Listing Rules subject to the reporting and announcement requirements.



The main reasons why the Company did not previously become aware the amounts of the various aforementioned loans may from time to time have exceeded 5% or 8% of the assets ratio, as the case may be, were that the loans were entered into at different times covering the period before and after the listing of the Company and due to inadvertent oversight in respect of the aggregation requirements, it was not realized that the totals had exceeded the relevant ratios.

The Company has strengthened its internal control procedures to ensure that such oversight in respect of aggregation of loans will not happen again. The credit team of the Company calculates the percentage ratios of all loan transactions which are then reviewed by the financial controller to ensure the compliance of the relevant reporting and announcement requirements under the Listing Rules and will further ensure that new or additional loans to existing customers will be aggregated, where necessary, to ensure full compliance with the Listing Rules. Furthermore, internal training on the Listing Rules will be provided to the executive Directors and senior management of the Group and they will also be updated on a regular basis with the assistance from professional parties such as compliance adviser and legal advisors in order to comply with the Listing Rules.

## **DEFINITIONS**

In this announcement, the following expressions have the following meanings:

“Board”	the board of Directors
“Company”	Global International Credit Group Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange
“Customer”	the borrower being a company incorporated in Hong Kong and an Independent Third Party
“Director(s)”	the director(s) of the Company
“Drawdown Date”	the date on which the New Loans are drawdown
“GICL”	Global International Credit Limited, a limited liability company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company
“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
“Loan Agreement A”	the loan agreement entered into between GICL and the Customer on 18 August 2014, particulars of which are stated in the section headed “Loan Agreement A”
“Loan Agreement B”	the loan agreement entered into between GICL and the Customer on 23 October 2014, particulars of which are stated in the section headed “Loan Agreement B”
“Loan Agreement C”	the loan agreement entered into between GICL and the Customer on 2 December 2014, particulars of which are stated in the section headed “Loan Agreement C”
“Loan Agreement D”	the loan agreement entered into between GICL and the Customer on 2 December 2014, particulars of which are stated in the section headed “Loan Agreement D”
“Loan Agreement E”	the loan agreement entered into between GICL and the Customer on 1 April 2015, particulars of which are stated in the section headed “Loan Agreement E”
“Loan Agreement F”	the loan agreement entered into between GICL and the Customer on 28 October 2015, particulars of which are stated in the section headed “Loan Agreement F”
“Loan Agreement G”	the loan agreement entered into between GICL and the Customer on 28 October 2015, particulars of which are stated in the section headed “Loan Agreement G”
“Money Lenders Ordinance”	the Money Lenders Ordinance (Chapter 163 of the laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“New Loan Agreements”	Loan Agreement F and Loan Agreement G
“New Loans”	mortgage loans in the aggregate amount of HK\$122,500,000 provided by GICL to the Customer under New Loan Agreements
“Previous Loans”	the mortgage loans in the aggregate amount of HK\$89,500,000 granted by GICL to the Customer under Previous Loan Agreements

“Previous Loan Agreements”      Loan Agreement A, Loan Agreement B, Loan Agreement C,  
Loan Agreement D, and Loan Agreement E

“Stock Exchange”                      The Stock Exchange of Hong Kong Limited

By Order of the Board of  
**Global International Credit Holdings Limited**  
**Wang Yao**  
*Chairman and Chief Executive*

Hong Kong, 29 October 2015

*As at the date of this announcement, the executive directors of the Company are Ms. Wang Yao and Ms. Jin Xiaoqin; and the independent non-executive directors of the Company are Mr. Chan Chi On (alias Mr. Derek Chan), Dr. Ng Lai Man, Carmen, and Mr. Tang, Warren Louis.*