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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

PROVISION OF THE NEW LOANS

The Board is pleased to announce that on 25 May 2021, GICL, as lender, entered into the New Loan Agreements with the Customers (as the case may be), as borrowers, pursuant to which, GICL agreed to grant two secured loans in the aggregate amount of HK\$36,000,000 for a term of 24 months.

Prior to the entering into of the New Loan Agreements, GICL, as lender, entered into the Previous Loan Agreements for the grant of five secured loans in an aggregate original principal amount of HK\$20,100,000 to the Customers (as the case may be). Two of the Previous Loan Agreements in the aggregate principal amount of HK\$4,500,000 have been repaid as at the date of this announcement and upon the drawdown of Loan Agreement G, two of the Previous Loan Agreements in the principal amount of HK\$14,000,000, will be repaid.

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 the Previous Loans, is an indirect wholly-owned subsidiary of the Company.

LISTING RULES IMPLICATIONS

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

As each Customer is associated with each other (details of their relationship are set out in the section headed "Information on the Customers" in this announcement), the grant of the New Loans requires aggregation with the Previous Loans under Rule 14.22 of the Listing Rules. As the applicable percentage ratios in respect of the New Loans and the Previous Loans in aggregate exceed 5% but are less than 25% under Rule 14.07 of the Listing Rules, the grant of the New Loans and the Previous Loans constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

PROVISION OF THE NEW LOANS

The Board is pleased to announce that on 25 May 2021, GICL, as lender, entered into the New Loan Agreements with the Customers (as the case may be), as borrowers, pursuant to which, GICL agreed to grant two secured loans in the aggregate amount of HK\$36,000,000 for a term of 24 months, details of which are set out as follows:

LOAN AGREEMENT F

Date of agreement	:	25 May 2021
Lender	:	GICL
Borrowers	:	Customer A and Customer B
Principal	:	HK\$22,000,000
Interest rate	:	9% per annum
Term	:	24 months commencing from the loan drawdown date
Security	:	A first legal charge/mortgage in respect of a retail shop located in Kowloon City, the valuation of which, as conducted by an independent property valuer on 13 April 2021, was HK\$38,000,000
Repayment	:	The borrowers shall repay the interest on the principal in 24 monthly instalments and the principal amount at loan maturity
Interest	:	Interest is calculated on a daily basis with the maximum amount of HK\$3,960,000
Early repayment	:	The borrowers may at any time before the loan maturity repay the principal by giving GICL not less than one month's prior written notice

LOAN AGREEMENT G

Date of agreement	:	25 May 2021
Lender	:	GICL
Borrowers	:	Customer A, Customer B and Customer C
Principal	:	HK\$14,000,000
Interest rate	:	15.5% per annum
Term	:	24 months commencing from the loan drawdown date
Security	:	A second legal charge/mortgage in respect of a building comprising two retail shops and two residential units located in Kowloon City, the valuation of which, as conducted by an independent property valuer on 15 April 2021, was HK\$34,000,000
Repayment	:	The borrowers shall repay the interest on the principal in 24 monthly instalments and the principal amount at loan maturity
Interest	:	Interest is calculated on a daily basis with the maximum amount of HK\$4,340,000
Early repayment	:	The borrowers may at any time before the loan maturity repay the principal by giving GICL not less than one month's prior written notice

The loan proceeds from Loan Agreement G will be used to settle the principal amount under Loan Agreement B and Loan Agreement E.

PROVISION OF THE PREVIOUS LOANS

Prior to the entering into of the New Loan Agreements, GICL, as lender, entered into the Previous Loan Agreements for the grant of five secured loans in an aggregate original principal amount of HK\$20,100,000 to the Customers (as the case may be). A summary of the Previous Loan Agreements is set out as follows:

LOAN AGREEMENT A

Date of agreement	:	27 July 2017
Lender	:	GICL
Borrower	:	Customer A
Principal	:	HK\$1,600,000
Interest rate	:	11% per annum
Term	:	240 months commencing from the loan drawdown date
Security	:	A first legal charge/mortgage in respect of a residential property located in Kowloon City, the valuation of which, as conducted by an independent property valuer on 25 July 2017, was HK\$2,450,000
Repayment	:	The borrower shall repay principal and interest in 240 monthly instalments
Interest	:	Interest is calculated on a daily basis with the maximum amount of HK\$2,363,600 throughout the term
Early repayment	:	The borrower may at any time before the loan maturity repay the principal by giving GICL not less than one month's prior written notice

Details of Loan Agreement A have been previously disclosed in the section headed "Loan Agreement A" in the announcement of the Company dated 14 October 2020. As at the date of this announcement, the outstanding principal under Loan Agreement A has been reduced to approximately HK\$1,500,000.

LOAN AGREEMENT B

Date of agreement	:	26 May 2020
Lender	:	GICL
Borrowers	:	Customer A, Customer B and Customer C
Principal	:	HK\$9,000,000
Interest rate	:	16% per annum
Term	:	12 months commencing from the loan drawdown date
Security	:	A second legal charge/mortgage in respect of a building comprising two retail shops and two residential units located in Kowloon City, the valuation of which, as conducted by an independent property valuer on 22 May 2020, was HK\$50,000,000
Repayment	:	The borrowers shall repay the interest on the principal in 12 monthly instalments and the principal amount at loan maturity
Interest	:	Interest is calculated on a daily basis with the maximum amount of HK\$1,440,000
Early repayment	:	The borrowers may at any time before the loan maturity repay the principal by giving GICL not less than one month's prior written notice

Details of Loan Agreement B have been previously disclosed in the section headed "Loan Agreement B" in the announcement of the Company dated 14 October 2020. The principal under Loan Agreement B will be fully settled upon the drawdown of the loan under Loan Agreement G.

LOAN AGREEMENT C

Date of agreement	:	24 July 2020
Lender	:	GICL
Borrowers	:	Customer A, Customer B and Customer C
Principal	:	HK\$1,500,000
Interest rate	:	16% per annum
Term	:	12 months commencing from the loan drawdown date
Security	:	A second legal charge/mortgage in respect of a building comprising two retail shops and two residential units located in Kowloon City, the valuation of which, as conducted by an independent property valuer on 22 May 2020, was HK\$50,000,000
Repayment	:	The borrowers shall repay the interest on the principal in 12 monthly instalments and the principal amount at loan maturity
Interest	:	Interest is calculated on a daily basis with the maximum amount of HK\$240,000
Early repayment	:	The borrowers may at any time before the loan maturity repay the principal by giving GICL not less than one month's prior written notice

Details of Loan Agreement C have been previously disclosed in the section headed "Loan Agreement C" in the announcement of the Company dated 14 October 2020. The outstanding principal under Loan Agreement C has been fully settled upon the drawdown of Loan Agreement D and the total interest received on Loan Agreement C was approximately HK\$54,000.

LOAN AGREEMENT D

Date of agreement	:	14 October 2020
Lender	:	GICL
Borrowers	:	Customer A, Customer B and Customer C
Principal	:	HK\$3,000,000
Interest rate	:	16% per annum
Term	:	12 months commencing from the loan drawdown date
Security	:	A second legal charge/mortgage in respect of a building comprising two retail shops and two residential units located in Kowloon City, the valuation of which, as conducted by an independent property valuer on 29 September 2020, was HK\$50,000,000
Repayment	:	The borrowers shall repay the interest on the principal in 12 monthly instalments and the principal amount at loan maturity
Interest	:	Interest is calculated on a daily basis with the maximum amount of HK\$480,000
Early repayment	:	The borrowers may at any time before the loan maturity repay the principal by giving GICL not less than one month's prior written notice

Details of Loan Agreement D have been previously disclosed in the section headed "Loan Agreement D" in the announcement of the Company dated 14 October 2020. The outstanding principal under Loan Agreement D has been fully settled as at the date of this announcement and the total interest received on Loan Agreement D was approximately HK\$119,000.

LOAN AGREEMENT E

Date of agreement	:	12 January 2021
Lender	:	GICL
Borrowers	:	Customer A, Customer B and Customer C
Principal	:	HK\$5,000,000
Interest rate	:	16% per annum
Term	:	12 months commencing from the loan drawdown date
Security	:	A second legal charge/mortgage in respect of a building comprising two retail shops and two residential units located in Kowloon City, the valuation of which, as conducted by an independent property valuer on 15 December 2020, was HK\$50,000,000
Repayment	:	The borrowers shall repay the interest on the principal in 12 monthly instalments and the principal amount at loan maturity
Interest	:	Interest is calculated on a daily basis with the maximum amount of HK\$762,227
Early repayment	:	The borrowers may at any time before the loan maturity repay the principal by giving GICL not less than one month's prior written notice

The principal under Loan Agreement E will be fully settled upon the drawdown of the loan under Loan Agreement G.

INFORMATION ON THE CREDIT RISK RELATING TO THE NEW LOANS AND THE PREVIOUS LOANS

The New Loans and the Previous Loans are collateralised against the first mortgages in respect of a retail shop and a residential property and a second mortgage in respect of a building comprising two retail shops and two residential units provided by the Customers with an aggregate loan-to-value ratio of approximately 59.1% based on the value of the mortgaged properties for the New Loans and the Previous Loans as determined by independent property valuers. Details of each of the mortgage and their respective loan-to-value ratio are summarized as below:

Loan Agreement A is collateralised against a first mortgage in respect of a residential property provided by Customer A with a loan-to-value ratio of approximately 65.3% based on the value of the mortgaged property as determined by an independent property valuer when the loan was originally assessed. The Group has been regularly monitoring the updated market value of the mortgaged property under Loan Agreement A and the Board considered that there is no adverse change to the loan-to-value ratio as at the date of this announcement.

Loan Agreement F is collateralised against a first mortgage in respect of a retail shop provided by the Customer A and Customer B with a loan-to-value ratio of approximately 57.9% based on the value of the mortgaged property as determined by an independent property valuer.

Loan Agreement G is collateralised against a second mortgage in respect of a building comprising two retail shops and two residential units provided by Customer C with a loan-to-value ratio of approximately 60.1% based on the value of the mortgaged properties as determined by an independent property valuer.

The advances in respect of the New Loans and the Previous Loans were made based on (i) the Group's credit assessments on the financial strength and repayment ability of the Customers; and (ii) the collaterals provided by the Customers, which are at prime sites in Hong Kong. In assessing the financial strength and repayment ability of the Customers, the Group has (i) considered the value of the mortgaged properties; (ii) considered the historical repayment record of the Customers with no record of default as at the date of this announcement; (iii) reviewed the external credit reports and ratings of Customer A and Customer B, with satisfactory results; and (iv) conducted a litigation and bankruptcy search on the Customers with no material irregularities noted. After taking into account the factors as disclosed above in assessing the risk of the advances, the Group considers that the risk involved in the advances to the Customers is acceptable to the Group.

FUNDING OF THE NEW LOANS

Part of the New Loans in the amount of HK\$14,000,000 will be used to settle the outstanding principal under Loan Agreement B and Loan Agreement E and the Group will finance the remaining New Loans of HK\$22,000,000 by the Group's general working capital.

INFORMATION ON THE CUSTOMERS

Customer A

Customer A is an individual and an Independent Third Party. He is one of the directors and one of the ultimate beneficial owners of Customer C. He is a merchant and the spouse of Customer B.

Customer B

Customer B is an individual and an Independent Third Party. She is one of the directors and one of the ultimate beneficial owners of Customer C. She is a housewife and the spouse of Customer A.

Customer C

Customer C is a company incorporated in Hong Kong with limited liability which is principally engaged in the business of property holding and is an Independent Third Party. Each of Customer A and Customer B is (i) a director; and (ii) one of the ultimate beneficial owners of Customer C.

The Customers are repeated customers of the Group and their aggregate outstanding loan amount due to GICL, prior to the grant of the New Loans, was approximately HK\$15,500,000 and there is 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 Customers and its ultimate beneficial owners (where applicable) are third parties independent of the Company and its connected persons.

INFORMATION ON THE GROUP AND GICL

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 the Previous Loans, is an indirect wholly-owned subsidiary of the Company.

REASONS FOR ENTERING INTO THE NEW LOAN AGREEMENTS AND THE PREVIOUS LOAN AGREEMENTS

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

The terms of the New Loan Agreements and the Previous Loan Agreements were negotiated on an arm's length basis between GICL and the Customers. The Directors consider that the grant of the New Loans and the Previous 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 and the Previous 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 Customers 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 and the Previous Loan Agreements are fair and reasonable and the entering into of the New Loan Agreements and the Previous Loan Agreements is in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

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

As each Customer is associated with each other (details of their relationship are set out in the section headed “Information on the Customers” in this announcement), the grant of the New Loans requires aggregation with the Previous Loans under Rule 14.22 of the Listing Rules. As the applicable percentage ratios in respect of the New Loans and the Previous Loans in aggregate exceed 5% but are less than 25% under Rule 14.07 of the Listing Rules, the grant of the New Loans and the Previous Loans constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

It is required under Rule 14.58(2) of the Listing Rules to disclose the identities of the Customers. As (i) the Customers have confirmed to the Group that they will not consent to the disclosure of their identities in this announcement, the Company encounters practical difficulty for the strict compliance of the aforesaid disclosure requirement; (ii) the Company is of the view that the New Loans and the Previous Loans are not regarded as a material transaction of the Group as compared to the Group’s overall financial positions; (iii) the disclosure of the identities of the Customers does not reflect their financial standing or repayment abilities and thus will serve little purpose in assisting the Shareholders to evaluate the Customers’ creditworthiness and the risk exposure of the New Loans and the Previous Loans; and (iv) the Company has made alternative disclosures in respect of the New Loans and the Previous Loans in this announcement, including but not limited to the details of the collaterals and the loan-to-value ratio of the collaterals in respect of the New Loans and the Previous Loans, the information disclosed could already enable the Shareholders to assess the risk exposure of the New Loans and the Previous Loans, the Company has applied to the Stock Exchange for and has been granted with a waiver from strict compliance with Rule 14.58(2) of 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 A”	the borrower under Loan Agreement A and one of the borrowers of Loan Agreement B, Loan Agreement C, Loan Agreement D, Loan Agreement E, Loan Agreement F and Loan Agreement G, being an individual and an Independent Third Party
“Customer B”	one of the borrowers of Loan Agreement B, Loan Agreement C, Loan Agreement D, Loan Agreement E, Loan Agreement F and Loan Agreement G, being an individual and an Independent Third Party

“Customer C”	one of the borrowers of Loan Agreement B, Loan Agreement C, Loan Agreement D, Loan Agreement E and Loan Agreement G, being a company incorporated in Hong Kong with limited liability and an Independent Third Party
“Customers”	Customer A, Customer B and Customer C
“Director(s)”	the director(s) of the Company
“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
“Independent Third Party(ies)”	third party(ies) independent of the Company and its connected persons
“Listing Rules”	the Rule Governing the Listing of Securities on the Stock Exchange
“Loan Agreement A”	the loan agreement entered into between GICL and Customer A on 27 July 2017, particulars of which are stated in the section headed “Loan Agreement A” in this announcement
“Loan Agreement B”	the loan agreement entered into between GICL and the Customers on 26 May 2020, particulars of which are stated in the section headed “Loan Agreement B” in this announcement
“Loan Agreement C”	the loan agreement entered into between GICL and the Customers on 24 July 2020, particulars of which are stated in the section headed “Loan Agreement C” in this announcement
“Loan Agreement D”	the loan agreement entered into between GICL and the Customers on 14 October 2020, particulars of which are stated in the section headed “Loan Agreement D” in this announcement
“Loan Agreement E”	the loan agreement entered into between GICL and the Customers on 12 January 2021, particulars of which are stated in the section headed “Loan Agreement E” in this announcement

“Loan Agreement F”	the loan agreement entered into between GICL and Customer A and Customer B on 25 May 2021, particulars of which are stated in the section headed “Loan Agreement F” in this announcement
“Loan Agreement G”	the loan agreement entered into between GICL and the Customers on 25 May 2021, particulars of which are stated in the section headed “Loan Agreement G” in this announcement
“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”	the mortgage loans in the aggregate amount of HK\$36,000,000 provided by GICL to the Customers (as the case may be) under the New Loan Agreements
“Previous Loan Agreements”	Loan Agreement A, Loan Agreement B, Loan Agreement C, Loan Agreement D and Loan Agreement E
“Previous Loans”	the mortgage loans in the aggregate original principal amount of HK\$20,100,000 granted by GICL to the Customers (as the case may be) under the Previous Loan Agreements
“Shareholders”	Shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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

Hong Kong, 25 May 2021

As at the date of this announcement, the executive directors of the Company are Ms. Wang Yao, Ms. Jin Xiaoqin and Ms. Yip Lee Ying; and the independent non-executive directors of the Company are Dr. Ng Lai Man, Carmen, Mr. Man Yiu Kwong, Nick, and Mr. Tang, Warren Louis.