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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)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024

The board (the “Board”) of directors (the “Directors”) of Global International Credit Group Limited (the “Company”) is pleased to announce the audited final results of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 2024, together with the comparative figures for the year ended 31 December 2023.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		Year ended 31 December	
		2024	2023
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	5	89,879	87,860
Other income	5	2,256	1,756
Administrative expenses	6	(25,055)	(22,714)
Impairment losses on financial assets, net of reversal	7	(9,974)	(4,683)
Impairment loss on intangible asset	12	(1,800)	(1,640)
Finance costs	8	(259)	(422)
Profit before income tax		55,047	60,157
Income tax expense	9	(9,287)	(9,853)
Profit and total comprehensive income for the year attributable to owners of the Company		45,760	50,304
Earnings per share attributable to owners of the Company			
– Basic and diluted (expressed in HK cents per share)	10	11.4	12.6

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 31 December	
		2024	2023
	Notes	HK\$'000	HK\$'000
ASSETS			
Non-current assets			
Property, plant and equipment		1,134	223
Right-of-use assets		3,068	6,175
Intangible asset	12	11,560	13,360
Loans receivable	13	278,054	369,334
Deposits		1,220	1,220
Deferred tax assets		369	485
Total non-current assets		295,405	390,797
Current assets			
Loans receivable	13	456,736	455,343
Interest receivables	14	6,772	12,778
Repossessed assets		6,626	10,331
Prepayments, deposits and other receivables		6,369	9,174
Cash and cash equivalents		181,823	52,317
Total current assets		658,326	539,943
Total assets		953,731	930,740

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

		As at 31 December	
		2024	2023
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
EQUITY			
Equity attributable to owners of the Company			
Share capital	15	4,000	4,000
Reserves		936,884	911,124
		<hr/>	<hr/>
Total equity		940,884	915,124
		<hr/>	<hr/>
LIABILITIES			
Non-current liability			
Lease liabilities		1,430	3,587
		<hr/>	<hr/>
Total non-current liability		1,430	3,587
		<hr/>	<hr/>
Current liabilities			
Accruals and other payables		2,613	2,905
Lease liabilities		2,157	3,048
Tax payable		6,647	6,076
		<hr/>	<hr/>
Total current liabilities		11,417	12,029
		<hr/>	<hr/>
Total liabilities		12,847	15,616
		<hr/>	<hr/>
Total equity and liabilities		953,731	930,740
		<hr/>	<hr/>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION

Global International Credit Group Limited (the “Company”) was incorporated in the Cayman Islands on 20 January 2014 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised), of the Cayman Islands. The address of the Company’s registered office is P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The Company and its subsidiaries (the “Group”) are principally engaged in the money lending business of providing property mortgage loans and personal loans in Hong Kong.

The immediate holding company of the Company is Blossom Spring Global Limited (“Blossom Spring”), a company incorporated in the British Virgin Islands (“BVI”). The directors of the Company (the “Directors”) regard Blossom Spring as the ultimate holding company of the Company.

The Company has its listing on The Stock Exchange of Hong Kong Limited.

These consolidated financial statements are presented in thousands of Hong Kong dollars (“HK\$’000”), unless otherwise stated. These consolidated financial statements were approved by the Board of Directors for issue on 28 March 2025.

2 BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622 of the Laws of Hong Kong). The consolidated financial statements of the Group have been prepared on a historical cost basis.

The preparation of consolidated financial statements in conformity with HKFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires the management of the Company to exercise its judgment in the process of applying the Group’s accounting policies.

3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

(i) Adoption of new and revised HKFRS Accounting Standards – effective from 1 January 2024

In the current year, the Group has applied for the first time the following amendments of standards issued by the HKICPA, which are relevant and effective for the Group's consolidated financial statements for the annual period beginning on 1 January 2024:

- Lease Liability in a Sale and Leaseback (*Amendments to HKFRS 16 Leases*);
- Classification of Liabilities as Current or Non-current (*Amendment to HKAS 1 Presentation of Financial Statements*);
- Non-current Liabilities with Covenants (*Amendment to HKAS 1 Presentation of Financial Statements*);
- Hong Kong Interpretation 5 (Revised) Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause (*Amendment to HKAS 1 – Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants*); and
- Supplier Finance Arrangements (*Amendment to HKAS 7 Statement of Cash Flows and HKFRS 7 Financial Instruments: Disclosures*).

Adoption of these amendments to HKFRS Accounting Standards had no material impact on the Group's consolidated financial statements.

(ii) New and revised HKFRS Accounting Standards that have been issued but are not yet effective

The following new and revised HKFRS Accounting Standards potentially relevant to the Group's consolidated financial statements, have been issued, but are not yet effective and have not been early adopted by the Group:

- Classification and Measurement of Financial Instruments (*Amendments to HKFRS 9 Financial Instruments and HKFRS 7 Financial Instruments: Disclosures*)¹
- Annual Improvements to HKFRS Accounting Standards – Volume 11 (*Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7*)¹
- HKFRS 18 *Presentation and Disclosure in Financial Statements*²

^{1.} *Effective for annual periods beginning on or after 1 January 2026*

^{2.} *Effective for annual periods beginning on or after 1 January 2027*

Other than HKFRS 18, the Group does not expect these pronouncements issued by the HKICPA, but not yet effective, to have a material impact on the Group's consolidated financial statements.

4 SEGMENT INFORMATION

During the years ended 31 December 2024 and 2023, all of the Group's revenue was generated from the money lending business of providing property mortgage loans and personal loans in Hong Kong. Revenue represents interest income earned from loans offered to the Group's customers. Information reported to the Group's chief operating decision maker, for the purpose of resource allocation and assessment of the Group's performance, is focused on the operating results of the Group as a whole as the Group's resources are integrated and no discrete financial information is available. Accordingly, no segment analysis or information about the Group's products and services are presented.

All of the Group's revenue from external customers and assets was generated from and located in Hong Kong during the years ended 31 December 2024 and 2023.

5 REVENUE AND OTHER INCOME

Revenue represents the interest income earned from the money lending business of providing property mortgage loans and personal loans in Hong Kong. Revenue and other income recognised during the year are as follows:

	Year ended 31 December	
	2024	2023
	HK\$'000	HK\$'000
Revenue		
Interest income	<u>89,879</u>	<u>87,860</u>
Other income		
Bank interest income	2,256	1,635
Government grants (<i>Note</i>)	<u>–</u>	<u>121</u>
	<u>2,256</u>	<u>1,756</u>

Note: Being subsidies provided by the Hong Kong Government. There are no unfulfilled conditions or other contingencies attaching to these grants.

6 ADMINISTRATIVE EXPENSES

	Year ended 31 December	
	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Employee benefit expenses (including directors' emoluments)	12,072	10,722
Advertising and marketing expenses	3,488	4,093
Legal and professional fees	1,332	1,293
Auditor's remuneration		
– Audit services	730	740
– Non-audit services	243	162
Depreciation of property, plant and equipment	724	115
Depreciation of right-of-use assets	3,118	4,079
Other administrative expenses	3,348	1,510
	25,055	22,714

7 IMPAIRMENT LOSSES ON FINANCIAL ASSETS, NET OF REVERSAL

	Year ended 31 December 2024			Total <i>HK\$'000</i>
	12 months expected credit loss (Stage 1) <i>HK\$'000</i>	Lifetime expected credit loss not credit impaired (Stage 2) <i>HK\$'000</i>	Lifetime expected credit loss credit impaired (Stage 3) <i>HK\$'000</i>	
Net (reversal of)/charge for provisions for impairment losses on loans receivable	(395)	385	8,441	8,431
Net (reversal of)/charge for provisions for impairment losses on interest receivables	(7)	1	630	624
Written off of loans receivable and interest receivables	–	–	184	184
Charge for impairment losses on repossessed assets	–	–	735	735
	<u>(402)</u>	<u>386</u>	<u>9,990</u>	<u>9,974</u>
Year ended 31 December 2023				
	12 months expected credit loss (Stage 1) <i>HK\$'000</i>	Lifetime expected credit loss not credit impaired (Stage 2) <i>HK\$'000</i>	Lifetime expected credit loss credit impaired (Stage 3) <i>HK\$'000</i>	Total <i>HK\$'000</i>
Net (reversal of)/charge for provisions for impairment losses on loans receivable	(1,318)	(2,176)	7,726	4,232
Net (reversal of)/charge for provisions for impairment losses on interest receivables	(13)	(36)	390	341
Charge for impairment losses on a repossessed asset	–	–	110	110
	<u>(1,331)</u>	<u>(2,212)</u>	<u>8,226</u>	<u>4,683</u>

8 FINANCE COSTS

	Year ended 31 December	
	2024	2023
	HK\$'000	HK\$'000
Interest expenses on unsecured bank loan	–	6
Interest expenses on loans from a related company	–	188
Interest expenses on lease liabilities	259	228
	259	422

9 INCOME TAX EXPENSE

Hong Kong Profits Tax has been provided for at the rate of 8.25% for the first HK\$2,000,000 estimated assessable profits and 16.5% for estimated assessable profits above HK\$2,000,000 for the group entity qualified for the two-tiered profits tax rates regime introduced pursuant to the Inland Revenue (Amendment) (No. 7) Bill 2017. For group entities not qualifying for the two-tiered profits tax rates regime, Hong Kong Profits Tax has been provided for at a flat rate of 16.5%.

The amount of income tax charged to the consolidated statement of comprehensive income represents:

	Year ended 31 December	
	2024	2023
	HK\$'000	HK\$'000
Current tax		
– Current tax on profits for the year	9,177	9,403
– Over-provision in prior years	(6)	(135)
Total current tax	9,171	9,268
Deferred tax		
Decrease in deferred tax assets	116	585
Income tax expense	9,287	9,853

During the year ended 31 December 2017, the Hong Kong Inland Revenue Department (the “IRD”) has issued enquiries and a letter to the Company disagreeing with certain interest income received by the Company during the years of assessment 2015/16 and 2016/17 being claimed as capital and offshore in nature.

Notices of assessment of HK\$129,000 and HK\$3,058,000 were issued by the IRD to the Company for the years of assessment 2015/16 and 2016/17, respectively. The Company has lodged objection against the tax assessments with the IRD considering that valid technical grounds are available in claiming the said interest income as capital and offshore in nature. The IRD agreed to hold over the tax claim subject to the purchase of tax reserve certificates of HK\$3,187,000, which was purchased by the Company during the year ended 31 December 2018. During the year ended 31 December 2020, a notice of assessment of HK\$1,310,000 was further issued by the IRD to the Company for the year of assessment 2017/18 on the said interest income. The Company has lodged an objection against the tax assessment 2017/18 with the IRD on the same technical grounds and has purchased an additional tax reserve certificate of HK\$1,310,000 for holding over the tax claim during the year ended 31 December 2020. As at 31 December 2024, the case is referred to the Appeals Section for the Commissioner's determination.

As the ultimate outcome cannot presently be determined and with a view of probable outflow with resources, a tax provision of HK\$4,522,000 in respect of the tax enquiries has been provided in previous years and the Company considered that adequate provision has been made in the Group's consolidated financial statements.

10 EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company of HK\$45,760,000 (2023: HK\$50,304,000) by the weighted average number of ordinary shares in issue during the year of 400,000,000 (2023: 400,000,000 shares).

	Year ended 31 December	
	2024	2023
Profit attributable to owners of the Company (<i>HK\$'000</i>)	45,760	50,304
Weighted average number of ordinary shares in issue for basic earnings per share (<i>'000</i>)	400,000	400,000
Basic earnings per share (<i>HK cents</i>)	<u>11.4</u>	<u>12.6</u>

(b) Diluted earnings per share

There were no potential dilutive ordinary shares outstanding during the years ended 31 December 2024 and 2023 and hence the diluted earnings per share is the same as the basic earnings per share.

11 DIVIDEND

A final dividend in respect of the year ended 31 December 2024 of HK5.0 cents per share, totalling HK\$20,000,000 is to be proposed at the upcoming annual general meeting. These consolidated financial statements do not reflect this dividend payable.

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Proposed final dividend of HK5.0 cents (2023: HK5.0 cents) per share	<u>20,000</u>	<u>20,000</u>

12. INTANGIBLE ASSET

During the year ended 31 December 2023, the Group acquired a nominated membership of Hong Kong Golf Club (“Club Membership”) at a cost of HK\$15,000,000. As at 31 December 2024 and 2023, the Club Membership is assessed as having an indefinite useful life as the management considered the Group has the contractual right to control over the asset and legal rights with an indefinite period. The Club Membership is carried at cost less accumulated impairment.

During the year ended 31 December 2024, the Group carried out an assessment of the recoverable amount of the Club Membership and recognised an impairment loss of HK\$1,800,000 (2023: HK\$1,640,000) charged to the consolidated statement of comprehensive income for the year ended 31 December 2024. Such recoverable amount is estimated with reference to the current open market value less cost of disposal as of the end of the reporting period.

13. LOANS RECEIVABLE

	As at 31 December	
	2024	2023
	HK\$'000	HK\$'000
Loans receivable	746,090	834,670
Less:		
Provision for impairment losses on loans receivable		
– Stage 1	(918)	(1,313)
– Stage 2	(814)	(429)
– Stage 3	(9,568)	(8,251)
	(11,300)	(9,993)
Loans receivable, net of provision	734,790	824,677
Less: non-current portion	(278,054)	(369,334)
Current portion	456,736	455,343

The Group’s loans receivable, which arise from the money lending business of providing property mortgage loans and personal loans in Hong Kong, are denominated in Hong Kong dollars.

As at 31 December 2024, except for loans receivable of HK\$1,108,000 (2023: HK\$1,301,000), which are unsecured, interest-bearing and are repayable with fixed terms agreed with customers, all other loans receivable are secured by collaterals provided by customers, interest-bearing and are repayable with fixed terms agreed with the customers. The maximum exposure to credit risk at each of the reporting dates is the carrying amount of the loans receivable mentioned above.

A maturity profile of the loans receivable as at the end of the reporting period, based on the maturity date, net of provision, is as follows:

	As at 31 December	
	2024	2023
	HK\$'000	HK\$'000
Current	456,736	455,343
Over 1 year and within 5 years	124,646	205,945
Over 5 years	153,408	163,389
	<u>734,790</u>	<u>824,677</u>

14 INTEREST RECEIVABLES

	As at 31 December	
	2024	2023
	HK\$'000	HK\$'000
Interest receivables	7,299	13,265
Less:		
Provision for impairment losses on interest receivables		
– Stage 1	(6)	(13)
– Stage 2	(21)	(20)
– Stage 3	(500)	(454)
	<u>(527)</u>	<u>(487)</u>
Interest receivables, net of provision	<u>6,772</u>	<u>12,778</u>

The Group's interest receivables, which arise from the money lending business of providing property mortgage loans and personal loans in Hong Kong, are denominated in Hong Kong dollars.

As at 31 December 2024, except for interest receivables of HK\$96,000 (2023: HK\$30,000), which are unsecured and are repayable with fixed terms agreed with the customers, all other interest receivables are secured by collaterals provided by customers and are repayable with fixed terms agreed with the customers. The maximum exposure to credit risk at each of the reporting dates is the carrying amount of the interest receivables mentioned above.

The ageing analysis of these interest receivables by due date, net of provision, is as follows:

	As at 31 December	
	2024	2023
	HK\$'000	HK\$'000
Current	1,504	1,557
1–30 days	1,762	3,378
31–90 days	1,653	2,963
Over 90 days	1,853	4,880
	<u>6,772</u>	<u>12,778</u>

15 SHARE CAPITAL

Authorised share capital

	Number of ordinary shares	Nominal value of ordinary shares HK\$	Equivalent nominal value of ordinary shares HK\$
At 1 January 2023, 31 December 2023, 1 January 2024 and 31 December 2024	<u>10,000,000,000</u>	<u>0.01</u>	<u>100,000,000</u>

Issued share capital

	Number of issued shares	Amount HK\$
At 1 January 2023, 31 December 2023, 1 January 2024 and 31 December 2024	<u>400,000,000</u>	<u>4,000,000</u>

16 RELATED PARTY TRANSACTIONS

The Group is controlled by Blossom Spring (incorporated in BVI), which is the ultimate holding company of the Company and owns 75% of the Company's shares. The remaining 25% of the shares are widely held. The ultimate controlling party is Ms. Jin Xiaoqin ("Ms. Jin").

The following is a summary of the significant transactions carried out between the Group and its related parties in the ordinary course of business during the years ended 31 December 2024 and 2023.

(a) Interest expenses on loans from a related company

	Year ended 31 December	
	2024	2023
	HK\$'000	HK\$'000
Interest expenses on loans from a related company		
– World Deluxe Limited ("World Deluxe")	–	188

During the year ended 31 December 2024, the Group obtained an unsecured revolving loan facility from World Deluxe, a related company of the Group where Ms. Wang Yao, an executive director of the Company is the sole ultimate beneficial owner, with a facility limit of HK\$50,000,000 (2023: HK\$50,000,000). The facility is denominated in Hong Kong dollars, repayable in one year and bears a fixed interest rate of 6.5% per annum (2023: 5.5%). As at 31 December 2024, the Group did not utilise the loan facility (2023: Nil).

(b) Key management compensation

The remuneration of executive Directors of the Company and other members of key management is shown below:

	Year ended 31 December	
	2024	2023
	HK\$'000	HK\$'000
Salaries, benefits and other remuneration	4,464	4,147
Discretionary bonus	332	288
Pension costs	72	72
	<u>4,868</u>	<u>4,507</u>

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND INDUSTRY OVERVIEW

The Group is principally engaged in the money lending business focusing primarily on providing short-term and long-term property mortgage loans in Hong Kong under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong).

During the year ended 31 December 2024 (“FY2024”), Hong Kong’s Gross Domestic Product grew by approximately 2.5%, which was primarily supported by the external sector. However, the local economy remained weak in terms of domestic consumption due to a shift in consumption patterns and weak investment sentiment. Despite the government’s removal of all property cooling measures in February 2024, the property market’s brief rebound faded. The Private Domestic Property Price Index of Hong Kong plunged by 7.2% from 311.3 in December 2023 to 288.9 in December 2024. Although the best lending rate in Hong Kong began to decline from September 2024, with a cumulative reduction of 0.625% over the year following interest rate cut by the U.S. Federal Reserve, the overall interest rate environment remained elevated. Coupled with low confidence and a subdued domestic economy, this kept the industry under pressure.

In light of the challenging operating environment, the Group continued to manage its mortgage loan business with stringent credit control to minimise associated credit risk during the year. With loan demand remaining relatively subdued, the Group’s gross loans receivable decreased by approximately HK\$88.6 million or 10.6% from approximately HK\$834.7 million as at 31 December 2023 to HK\$746.1 million as at 31 December 2024. Meanwhile, the Group’s revenue increased slightly by HK\$2.0 million or 2.3% from HK\$87.9 million for the year ended 31 December 2023 (“FY2023”) to HK\$89.9 million for FY2024.

Due to the on-going deterioration of the property market in 2024, there was an overall decrease in the market value of the Group’s collaterals coupled with an increase in default loans receivable and interest receivables. As a result, the Group recorded impairment losses on loans receivable, interest receivables and repossessed assets of HK\$10.0 million in FY2024, compared to HK\$4.7 million in FY2023. In response to the rising threat of declining collateral value and an increase of delinquent payments, the Group has implemented measures to regularly review customer’s repayment records and conduct comprehensive assessments of the related collaterals to manage the credit risk. Prompt legal action for loan recovery has been initiated for any identified defaults to minimise possible credit losses. The Group strived to uphold the quality of its loan portfolio, managing the overall weighted average loan-to-value ratio at 60.7% as at 31 December 2024 (2023: 60.0%).

FINANCIAL REVIEW

Revenue

For FY2024, the Group's interest income from its money lending business was HK\$89.9 million, representing a slight increase of HK\$2.0 million or 2.3% from interest income of HK\$87.9 million for FY2023. The increase is mainly attributable to the increase in effective interest rate in FY2024 given the average month-end balance of aggregate loans receivable decreased by HK\$11.6 million or 1.4% from HK\$822.7 million for FY2023 to HK\$811.1 million for FY2024.

Other income

Other income increased by HK\$0.5 million from HK\$1.8 million in FY2023 to HK\$2.3 million in FY2024. The increase was mainly due to increase in bank interest income.

Administrative expenses

Administrative expenses incurred by the Group mainly comprised employee benefit expenses, advertising and marketing expenses, legal and professional fees, auditor's remuneration, depreciation of property, plant and equipment, depreciation of right-of-use assets and other administrative expenses. These expenses, which constitute 27.9% and 25.8% of the total revenue for FY2024 and FY2023, respectively, increased from HK\$22.7 million in FY2023 to HK\$25.1 million in FY2024, representing an increase of HK\$2.4 million or 10.6%.

Employee benefit expenses increased by HK\$1.4 million or 13.1% from HK\$10.7 million in FY2023 to HK\$12.1 million in FY2024.

Advertising and marketing expenses decreased by HK\$0.6 million or 14.6% from HK\$4.1 million in FY2023 to HK\$3.5 million in FY2024. The decrease in advertising and marketing expenses in FY2024 was mainly due to a decrease in expenses for television advertising.

Excluding employee benefit expenses and advertising and marketing expenses mentioned above, administrative expenses increased by HK\$1.6 million or 20.3% from HK\$7.9 million in FY2023 to HK\$9.5 million in FY2024. These expenses were comprised of mainly legal and professional fees of HK\$1.3 million (FY2023: HK\$1.3 million); auditor's remuneration of HK\$1.0 million (FY2023: HK\$0.9 million); depreciation of property, plant and equipment of HK\$0.7 million (FY2023: HK\$0.1 million); depreciation of right-of-use assets of HK\$3.1 million (FY2023: HK\$4.1 million); and other administrative expenses of HK\$3.4 million (FY2023: HK\$1.5 million). The increase in other administrative expenses was mainly due to increase in expenses relating to loan recovery process and miscellaneous expenses on office relocation.

Impairment losses on financial assets, net of reversal

The Group recognised impairment losses on financial assets of HK\$10.0 million in FY2024 (FY2023: HK\$4.7 million), which was primarily due to increase in default loans receivable and interest receivables and the decrease in market value of the related collaterals.

A majority of the provisions made in FY2024 related to loans and interest receivables that were classified as credit impaired as at 31 December 2024, below is the breakdown of provision for impairment and write-off of loans and interest receivables and repossessed assets incurred in FY2024 and FY2023:

	Year ended 31 December 2024			Total <i>HK\$'m</i>
	12 months expected credit loss (Stage 1) <i>HK\$'m</i>	Lifetime expected credit loss not credit impaired (Stage 2) <i>HK\$'m</i>	Lifetime expected credit loss credit impaired (Stage 3) <i>HK\$'m</i>	
Net (reversal of)/charge for provisions for impairment losses on loans receivable	(0.4)	0.4	8.5	8.5
Net charge for provisions for impairment losses on interest receivables	—*	—*	0.6	0.6
Written off of loans receivable and interest receivables	—	—	0.2	0.2
Charge for impairment losses on repossessed assets	—	—	0.7	0.7
	<u>(0.4)</u>	<u>0.4</u>	<u>10.0</u>	<u>10.0</u>

* less than HK\$0.1 million

	Year ended 31 December 2023			Total HK\$'m
	12 months expected credit loss (Stage 1) HK\$'m	Lifetime expected not credit impaired (Stage 2) HK\$'m	Lifetime expected credit impaired (Stage 3) HK\$'m	
Net (reversal of)/charge for provisions for impairment losses on loans receivable	(1.3)	(2.2)	7.7	4.2
Net charge for provisions for impairment losses on interest receivables	—*	—*	0.4	0.4
Charge for impairment losses on a repossessed asset	—	—	0.1	0.1
	<u>(1.3)</u>	<u>(2.2)</u>	<u>8.2</u>	<u>4.7</u>

* less than HK\$0.1 million

As at 31 December 2024, except for gross loans and interest receivables of approximately HK\$0.4 million, which were unsecured and fully provided for, approximately 97% of the remaining credit impaired loans and interest receivables were first mortgage loans, while approximately 3% were subordinated mortgage loans. The management had initiated legal actions to recover these credit impaired loans.

Impairment loss on intangible asset

The Group recognised an impairment loss of HK\$1.8 million on golf club membership that was charged to the consolidated statement of comprehensive income during FY2024 (FY2023: HK\$1.6 million), details of which are disclosed in note 12 to the notes to the consolidated financial statements.

Finance costs

Finance costs decreased by HK\$0.1 million or 25.0% from HK\$0.4 million in FY2023 to HK\$0.3 million in FY2024 due to a decrease in average borrowings during the year.

Net interest margin

Net interest margin during the year refers to the interest income in respect of the Group's mortgage loans and personal loans less finance costs (excluding interest expenses on lease liabilities) divided by the average of month-end gross loans receivable balances of the corresponding loans during the year.

Net interest margin increased from 10.7% for FY2023 to 11.1% for FY2024.

Income tax expenses

The Group's effective tax rate increased from 16.4% for FY2023 to 16.9% for FY2024.

Profit and total comprehensive income

As a result of the foregoing, the Group's profit and total comprehensive income for FY2024 was HK\$45.8 million, representing a decrease of HK\$4.5 million or 9.0% as compared to the Group's profit and total comprehensive income of HK\$50.3 million for FY2023.

OUTLOOK

As 2025 begins, Hong Kong's economic landscape presents a mix of positive developments and lingering uncertainties. Moderating geopolitical tensions, a steady recovery in China's economy, and interest rate reductions initiated in late 2024 provide a supportive environment for loan growth. However, the property market, which has been in decline for three consecutive years, requires sustained lower interest rates and broader economic improvement to achieve gradual stabilisation.

Given the considerable decline in the Group's collateral value in recent years, and with the property market yet to show confirmed signs of stabilisation, the Group will focus on enhancing its loan portfolio. This includes prioritizing efforts to minimise exposure to high-risk segments and adjusting pricing strategies to address elevated mortgage-related risks in this uncertain environment.

Although the Group does not have any detailed plans for material investments, capital assets or launching new products in a large scale in the coming year, it will continue to improve its existing products and services to enhance customer experience.

LIQUIDITY AND FINANCIAL RESOURCES AND CAPITAL STRUCTURE

During FY2024, the Group's operational and capital requirements were financed principally through retained earnings.

Based on the Group's current and anticipated levels of operations, the Group's future operations and capital requirements will be mainly financed through retained earnings and share capital. There were no significant commitments for capital expenditure as at 31 December 2024.

During FY2024, the Group did not use financial instruments for hedging purposes.

As at 31 December 2024, cash and cash equivalents amounted to HK\$181.8 million, which were mainly denominated in Hong Kong dollars, representing a significant increase of HK\$129.5 million as compared to the position as at 31 December 2023. The increase was mainly attributable to a decrease in gross loans receivable as at 31 December 2024.

As at 31 December 2024 and 2023, the Group did not have any outstanding interest-bearing bank loans or loans from related parties.

During FY2024, none of the Group's borrowing facilities were subject to any covenants relating to financial ratio requirements or any material covenants that restrict the Group from undertaking additional debt or equity financing. As at 31 December 2024, the unutilised facility available to the Group for drawdown amounted to HK\$50.0 million (2023: HK\$50.0 million).

Current ratio

The Group's current ratio increased from 44.8 times as at 31 December 2023 to 57.7 times as at 31 December 2024.

Gearing ratio

The Group's gearing ratio was calculated by dividing net debts (being the total borrowings and lease liabilities less cash and cash equivalents) by total equity. The Group was in a net cash position as at 31 December 2024 and 2023 and hence no gearing ratio is presented.

Return on total assets and return on equity

The return on total assets decreased from 5.4% as at 31 December 2023 to 4.8% as at 31 December 2024. The return on equity decreased from 5.5% as at 31 December 2023 to 4.9% as at 31 December 2024.

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS

The Group did not have any significant investments held, material acquisitions or disposals of subsidiaries, associated companies and joint ventures during FY2024.

EMPLOYEES AND REMUNERATION

As at 31 December 2024, the Group employed 19 full-time employees (2023: 18). The total employee benefit expenses (including directors' emoluments) of the Group for the years ended 31 December 2024 and 2023 were HK\$12.1 million and HK\$10.7 million, respectively. The remuneration of its employees included salaries, overtime allowances, commissions and year end discretionary bonuses. The Group remunerates its employees mainly based on current market trends, individual performance and experience and conducts performance appraisals on an annual basis. The Group also provides continuous training support to its employees in order to drive their personal development and improve their knowledge and skills for discharging duties at work.

CONTINGENT LIABILITIES

As at 31 December 2024 and 2023, the Group had no material contingent liabilities.

PLEDGE OF ASSETS

As at 31 December 2024 and 2023, the Group did not have any pledged assets.

FOREIGN CURRENCY EXPOSURE

The business activities of the Group were denominated in Hong Kong dollars. The Directors did not consider the Group was exposed to any significant foreign exchange risks during the financial year ended 31 December 2024. As the impact from foreign exchange exposure was minimal, the Directors were of the view that no hedging against foreign currency exposure was necessary. In view of the operational needs, the Group will continue to monitor the foreign currency exposure from time to time and take necessary actions to minimise the exchange related risks.

EVENTS AFTER THE REPORTING PERIOD

Subsequent to the end of the financial year ended 31 December 2024 and up to the date of this announcement, there was no other significant or important event that affects the business of the Group.

PURCHASE, SALE, OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither our Company nor any of our subsidiaries purchased, sold or redeemed any of our Company's listed securities during the year ended 31 December 2024.

CORPORATE GOVERNANCE PRACTICES

For the year ended 31 December 2024, the Company has complied with the relevant code provisions under Part 2 of the Corporate Governance Code as set out in Appendix C1 of the Listing Rules (the "Code") applicable as at 31 December 2024, except for the following deviations:

Pursuant to Code Provision C.2.1 of the Code, the role of chairman and the chief executive should be segregated and should not be performed by the same individual. However, the Company does not have a separate chairman and chief executive and Ms. Wang Yao currently performs these two roles. The Board believes that vesting the roles of both chairman and chief executive in the same position has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. A balance of power and authority between the Board and management can be ensured by the operation of the Board, whose members (including the three independent non-executive directors) are individuals with ample experience, such that the interests of shareholders can be safeguarded. Furthermore, the Directors had regular discussions in relation to major matters affecting the operations of the Group and the Group has an effective risk management and internal control systems in place for providing adequate checks and balances. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of chairman of the Board and chief executive of the Company at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted a code of conduct (the “Company’s Code”) regarding securities transactions by the Directors on terms no less exacting than the required standards set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix C3 of the Listing Rules. Having made specific enquiry with all Directors, the Company confirms that all the Directors have complied with the required standards as stated in the Model Code and the Company’s Code for the year ended 31 December 2024.

REVIEW OF FINAL RESULTS BY THE AUDIT COMMITTEE

The audit committee (the “Audit Committee”) of the Company consists of three independent non-executive directors, namely, Dr. Ng Lai Man, Carmen (“Dr. Ng”), Mr. Man Yiu Kwong, Nick, and Mr. Pao Ping Wing, and is chaired by Dr. Ng.

The Audit Committee has discussed with the management of the Company about the internal control and financial reporting matters including the accounting principles and practices related to the preparation of the consolidated financial statements for the year ended 31 December 2024. It has also reviewed the accounting principles and practices adopted by the Group and the annual results for the year ended 31 December 2024 with the management and the auditor of the Company and recommended them to the Board for approval.

FINAL DIVIDEND

The Board recommends the payment of a final dividend of HK5.0 cents per ordinary share, totalling HK\$20,000,000 payable to the shareholders whose names appear on the register of members of the Company on Monday, 16 June 2025. The proposed final dividend will be paid on or about Monday, 30 June 2025 following approval at the forthcoming AGM of the Company.

No arrangement under which a shareholder has waived or agreed to waive any dividends was made by the Company.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the forthcoming AGM of the Company to be held on Wednesday, 4 June 2025, the register of members of the Company will be closed from Friday, 30 May 2025 to Wednesday, 4 June 2025 (both days inclusive), during which no transfer of shares of the Company will be registered. In order to qualify for attendance and voting at the forthcoming AGM of the Company, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Boardroom Share Registrars (HK) Limited of Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong for registration not later than 4:30 pm on Thursday, 29 May 2025.

For determining the entitlement to the payment of final dividend, the register of members of the Company will be closed from Thursday, 12 June 2025 to Monday, 16 June 2025 (both days inclusive), during which no transfer of shares of the Company will be registered. The final dividend is payable to the Company's shareholders whose names appear on the Register of Members of the Company at the close of business on Monday, 16 June 2025. In order to qualify for the payment of final dividend, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Boardroom Share Registrars (HK) Limited of Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong for registration not later than 4:30 pm on Wednesday, 11 June 2025.

PUBLICATION

The final results announcement of the Company for the year ended 31 December 2024 is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.gicl.com.hk) respectively. The 2024 annual report will be dispatched to the shareholders of the Company upon request and published on the respective websites of the Stock Exchange and the Company for viewing in due course.

ANNUAL GENERAL MEETING

The forthcoming AGM of the Company will be held on Wednesday, 4 June 2025. The notice of the forthcoming AGM, which constitutes part of the circular to its shareholders, together with proxy form and the Company's 2024 annual report will be published on the aforesaid websites and dispatched to the shareholders of the Company upon request in due course.

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

Hong Kong, 28 March 2025

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. Pao Ping Wing.