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INTERNATIONAL GENIUS COMPANY: THE CHAIRMAN AFFORDS THE COMPANY A $HK1.56-BILLION, INTEREST-FREE LOAN

Whatever others might think, in the opinion of this medium, there are no (real) geniuses, controlling International Genius Company (Code: 33, Main Board, The Stock Exchange of Hongkong Ltd).

Far from geniuses, in fact, regardless of the academic accolades that might have befallen upon certain individual(s) for putting pen to paper, it is quite possible that they have forgotten a goodly part of their lessons of yore.

International Genius Company makes the claims that it is an investment holding company, engaged in the trading of party products.

The Company's business is said to have been divided into six segments, to wit:

1. The Party Products Trading segment: It is engaged in trading in party products;
2. The Commodities Trading segment: It is engaged in commodity trading;
3. The Securities Brokerage and Asset Management segment: It is mainly engaged in the provision of securities brokerage and asset management services;
4. The Lending Business segment: It is mainly engaged in the provision of lending services;
5. The Metals and Minerals Trading segment: It is engaged in metals and minerals trading; and,
6. The Credit Guarantees Services and Investment Business segment: It is said to be engaged in credit guarantee services and investment business.

International Genius Company – when it was known as Rainbow Brothers Holdings Ltd (十友控股有限公司) – on or about November 19, 2007, sought and obtained a listing of its entire Issued and Fully Paid-Up Share Capital on the Main Board of The Stock Exchange of Hongkong Ltd.

At Page Four of the 2022 Annual Report of the Company, a 166-Page Report that was published and disseminated in the **H**ong**k**ong **S**pecial **A**dministrative **R**egion (**HKSAR**) of the **P**eople's **R**epublic of **C**hina (**PRC**) on or about Friday, November 11, 2022, Dr Ng Yu (吳宇), the Chairman of the Board of Directors of the Company as well as being an Executive Director of the Company, in a six-paragraph Statement, had this to say:

> '*2022 was a volatile year for the global economy. Uncertainties about COVID-19 remained, and the conflict between Russia and Ukraine has led to high energy and food prices; on the other hand, major central banks are actively raising interest rates to combat inflation, which has caused the economy to fall into stagflation. The International Monetary Fund has again lowered its forecast for global economic growth this year and next to 3.2% and 2.7% respectively, and warned that the probability of a global recession have become higher.*
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> '*The U.S. Federal Reserve has repeatedly hiked interest rates significantly and shrank its balance sheet to curb inflation given that the inflation rate in the U.S. rose to over 9% year-on-year in June, hitting a 41-year high. The consumer confidence index also showed a marked decline due to inflation, prompting the Federal Reserve raised interest rates four times this year by a total of 2.25%. The strengthening of the U.S. dollar caused a sharp depreciation of major currencies in various countries, and the yen and sterling hit a new low in recent years. The Federal Reserve stated that it is still appropriate to continue raising interest rates at this stage until inflation drops to the forecasted 2% level, and will determine the future trend of interest rates based on economic data.*
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> *'The Hong Kong economy improved slightly as a whole in 2022, with the decrease in GDP* (the **G**ross **D**omestic **P**roduct) *slowing to 1.3% in the second quarter. As for business environment, the weakening of the overall economic outlook and the haze of interest rate hikes has built up corporate borrowing costs and operating pressures. Furthermore, weaker global demand and continuous disruption of cross-border transportation have dragged export performance such that enterprises became more prudent when investing in assets. Affected by the sharp interest rate hikes in the United States and the uncertain global economic outlook, asset prices such as Hong Kong stocks and properties have continued to fall, with Hong Kong stocks hitting new lows recently. Looking forward to the second half of the year, the further decline of Hong Kong stocks is relatively limited, mainly benefitted from the already low valuation level.*
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> '*As cities in Mainland China gradually lift the lockdowns and supply chains continue to resume operation, according to the National Bureau of Statistics, in the first half of the year, GDP increased by 2.5% year-on-year, showing a trend of stabilization and recovery, and the recovery momentum has gradually shifted from external demand to growing domestic demand. Compared with global inflation, inflationary pressure in China is under control in general, with CPI* (**C**onsumer **P**rice **I**ndex) *increasing by 1.7% year-on-year in the first half of the year. In the second half of the year, China will continue to implement the core policy of*

stabilizing the market and its expectations, that is, the epidemic and epidemic prevention policies are still the crucial factors in determining the pace of economic recovery, real estate regulation will continue, and supply chain layout will put more emphasis on resilience and anti-risk capabilities. In view of this, the 14th Five-Year Plan highlights economic autonomy and drives the "dual circulation" economy, boosting consumption and investment. The national development strategy targets self-reliance and self-improvement by technology, focusing on technological innovation and green transformation, mastery of core technologies and independence of supply chains, and attaches great importance to the manufacturing industry to fully develop the real economy in order to reduce external reliance. The IMF's (**I**nternational **M**onetary **F**und) *growth rate for China's economy is around 3.2% and 4.4% in 2022 and 2023 respectively.*

'*Global growth rate …* CLICK TO ORDER FULL ARTICLE

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