

Hup Hoe Credit Pte Limited Continues Strong Performance

Leading diversified debt restructuring and personal insolvency management services business within the credit funding sector, Credit Intelligence Limited (ASX:CI1) (“Credit Intelligence” or “the Company”) is pleased to advise that its 60% owned subsidiary, Hup Hoe Credit Pte Limited (HHC) based in Singapore continues to perform strongly.

HHC’s business provides short term loans to individuals. Notwithstanding a brief hiatus in March and April due to COVID-19 HHC Revenue for the year to 30 September 2020 surged to ~S\$4.4 million and profit after tax to ~ S\$1.9 million.

In accordance with the Sale and Purchase Agreement SPA outlined in an announcement dated 1 October 2019 and in the notice of meeting lodged with the ASX on 28 May 2019, CI1 are required to issue the vendors additional shares in CI1 in the event the profit for the twelve months ended 30 September 2020 exceeds S\$700,000. If the adjustment is settled in shares, then the shares to be issued are the profit for the period less the profit guarantee of S\$700,000 multiplied by 60% of net profit after tax multiplied by 8.5 (adjusted to A\$) then divided by the 30 day VWAP of CI1 Shares prior to 30 September 2020.

HHC’s result for the year to 30 September 2020 is subject to review and audit, however, it is expected that the company will be required to issue up to a further ~200 million new CI1 shares to the vendor as outlined in the Appendix 3B issued on 22 October 2020. The Company will seek shareholder approval for this issue at the upcoming Annual General Meeting which will then be adjusted when the determination has been finalised and the audit completed.

This announcement approved for release by the Board.

Ends.

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About Credit Intelligence Limited (ASX:CI1)

Credit Intelligence Limited (ASX:CI1) is one of the leading diversified debt-restructuring and personal insolvency management services operating in Hong Kong in the credit funding sector. Credit Intelligence's main business includes the provision of bankruptcy admission services and Individual Voluntary Arrangement (IVA) proposal consultancy and implementation services. CI1 acquired 60% of two profitable Singapore based finance companies, ICS Funding Pte Limited (ICS) and Hup Hoe Credit Pte Limited (HHC) on 28 June 2019 and 30 September 2019 respectively. Both acquisitions are profit accretive to the group results for the financial year ended 30 June 2020.

On 1 July 2020 CI1 acquired a 60% interest in Chapter Two Holdings Pty Ltd a Sydney based debt solutions business providing debt negotiation and mortgage broking services to individuals who are experiencing financial hardship.

Credit Intelligence acts for all the leading banks and financial institutions in Hong Kong with regular referrals from those banks and financial institutions to assist their defaulting personal clients. Two of the directors of the Company are registered Trustees in Bankruptcy in Hong Kong.

For the latest research and news on Credit Intelligence, please visit: www.ci1.com.au