

# Credit Intelligence Limited (ASX:CI1)

**Debt restructuring, lending and insolvency management**

**AGM Presentation**

**November 2020**

Executive Chairman and Founder, Jimmie Wong

## Growing demand for **debt restructuring, lending and insolvency management services**

### **FY20 Highlights:**

- Growing revenue (**FY20 up 125%**) and profitability (**FY20 up 384%**)
- Consistently paying a dividend to shareholders over past two years
- COVID-19 related unemployment, recession will massively increase demand for services
- Expansion into Australian via Chapter Two acquisition, with plans for new products and services
- Hong Kong and Singapore operations profitable and growing strongly

# Why we are an exciting fintech business



Specialist fintech provider with purpose-built proprietary technology stack



Well established, already profitable, strong cashflow and growing fast



Geographically diversified across leading APAC financial centres



Global tailwinds with heavily indebted individuals and companies, slowing economies, and raising unemployment

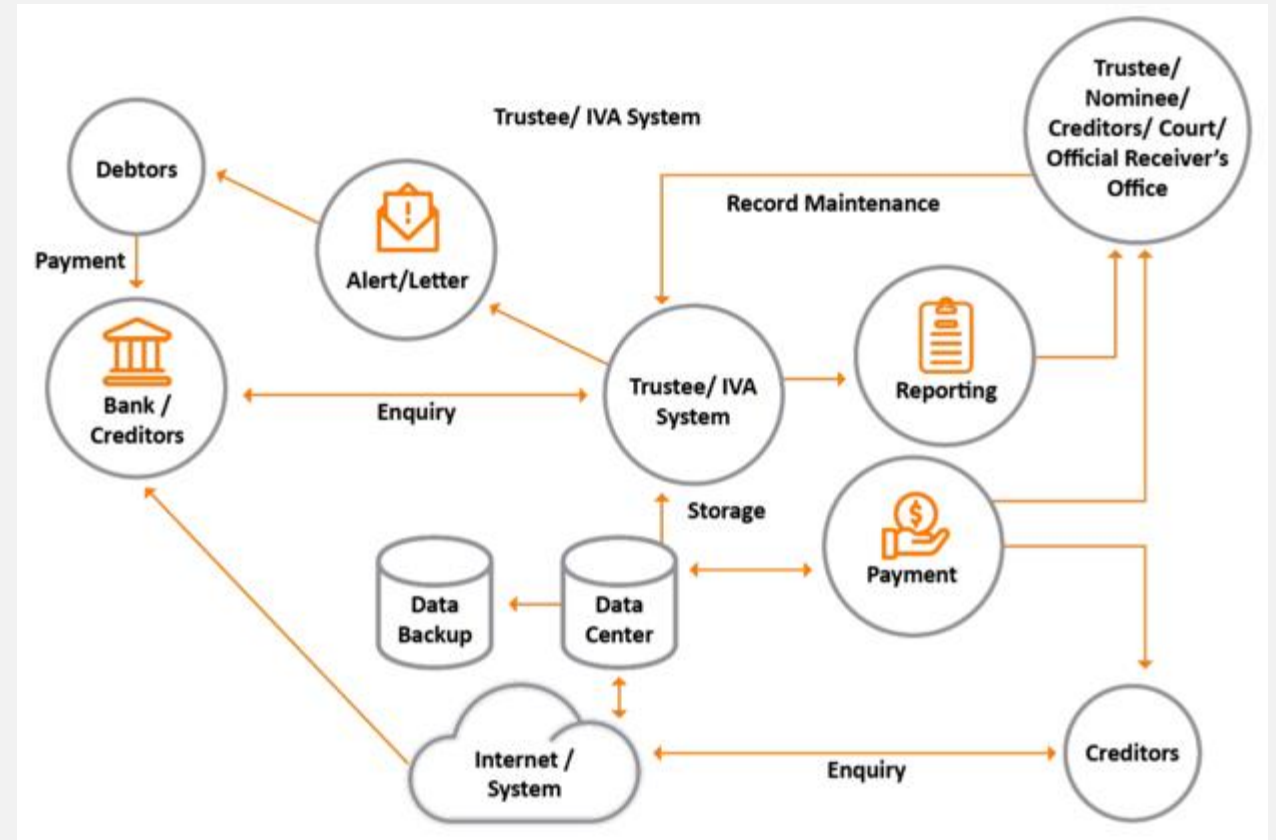


Strongly counter cyclical and defensive stock

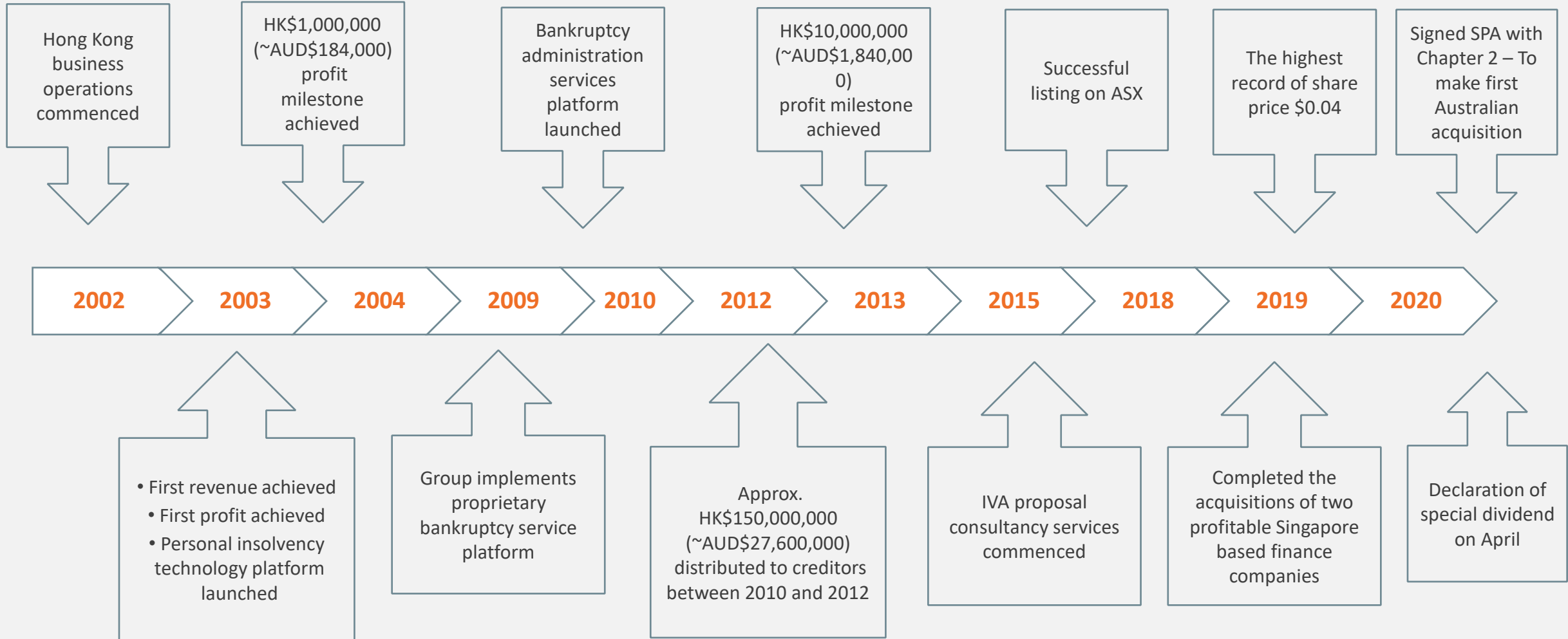
# A Disruptive Approach To Debt Solutions

## Proprietary case management platform is a proven game changer and a sustainable competitive advantage

- Developed over nine years
- Managed with minimal staff, reducing direct labour costs and delivering greater efficiency
- Records case data and any variation to the repayment plan, with notification alerts
- Provides reporting features, including overdue, progress, dividend distribution and half-yearly/annual review
- Accessible by creditors, providing greater transparency
- Automates and streamlines dividend distribution process



# Track Record of Delivery



# Industry Outlook

HONG KONG AND SINGAPORE



# Hong Kong Provides A Strong Operational Foundation

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## Credit Intelligence is being supported by favourable macroeconomic conditions

- More than 13,000 bankruptcy cases under personal insolvency management and growing fast
- The Company's business in Hong Kong managed by an experienced team
- FinTech application deliver cost saving efficiencies and scalability
- Revenue from the Hong Kong operation remains strong under the COVID-19 and political unrest conditions



# Acquisitions In Singapore

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## Completed the acquisitions of two profitable Singapore companies

- **ICS Funding Pte Ltd (ICS), and**
- **Hup Hoe Credit Pte Ltd (HHC)**



- Acquisitions funded through the issue of Credit Intelligence shares and cash flow
- Highlight the acceleration of Credit Intelligence's expansion across Asia
- Provide Credit Intelligence economy of scale and earnings accretive
- The contributions to the group results for the half-year exceeded the Profit Guarantee expectations
  - ICS exceeded its profit guidance for the year to 30 June 2020
  - HHC exceeded its profit guidance for the year to 30 September 2020
- Well managed and are investigating plans to grow the respective businesses



## Credit Intelligence – Completed acquisition of ChapterTwo in June 2020

- A debt negotiation business in Australia.
- Provides informal debt negotiation to individuals in financial hardship due to unsecured debts (credit cards, personal loans and other credit).
- Offers reduced-debt settlements, long-term payment arrangements and mortgage refinancing.
- Strive to offer debt solutions to individuals without impacting their credit rating like Part IX debt agreements and Bankruptcy's.
- Focuses on debt solutions that improve the individuals overall financial position and leads them on a path to financial freedom.
- Able to solve client's financial problems by negotiating with Australian banks and financial institutions.

# Financials



# Group Financials (Full Year Ended 30 June)



## Financial Overview

	FY2019 (‘000) Audited	FY2020 (‘000) Audited	% Change
Revenue	6,049	13,611	<b>+125%</b>
Profit before tax	934	4,543	<b>+386%</b>
Profit after tax attributable to members	524	2,503	<b>+384%</b>
Basic EPS	0.06c	0.25c	<b>+333%</b>
Net cash inflow from operating activities	440	1,240	<b>+181%</b>
Dividend per share	0.05c	0.10c	<b>+100%</b>
Equity attributable to members	6,086	9,787	<b>+60%</b>

# Cash Flow From Operating Activities

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## CI1 delivered on FY20 guidance

- FY2020 profit after tax growth of 384%, compared to FY2019
- Support partnership / JV in Australia
- Inject capital / loan to Singapore's businesses
- Pay dividend to shareholders

# Credit Intelligence: Experienced Board

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## **Jimmie Wong – Executive Chairman**

Founder of Credit Intelligence, with over 20 years' experience as a leading Hong Kong insolvency lawyer. He has provided legal advice in relation to cross-border takeovers and mergers, corporate finance, IPOs and foreign direct investment.



## **King Wong – Executive Director and COO**

Joined Credit Intelligence in 2002, holds a Bachelor of Laws degree (Honours) from the City University of Hong Kong. A Trustee in Bankruptcy and a practising solicitor.



## **Wilson Lim – Executive Director**

Specialised in the credit lending industry for the last 10 years. He is the founder of ICS Funding Pte Ltd which was recently majority acquired by ASX listed Credit Intelligence Limited

# Credit Intelligence: Experienced Board



## **Brett Crowley – Non-Executive Director**

A practicing solicitor and a former Partner of Ernst & Young in Hong Kong and Australia, and of KPMG in Hong Kong. Mr Crowley is chairman of Jatenergy Limited (ASX:JAT), non-executive director of Uscom Limited (ASX:USC) and company secretary of a number of other ASX-listed companies. Brett is a former Senior Legal Member of the NSW Civil and Administrative Tribunal.



## **Michael Pixley – Non-Executive Director**

Has 35 years Merchant banking experience in Australia and Asian regions across a broad range of industries. Michael is a Non-executive director of Eve Investments Ltd (ASX:EVE), Refreshgroup Ltd (ASX:RGP) and is a founding director of Story-I Ltd (ASX:SRY). He has a Bachelor of Business Management, Curtin University, Perth, Western Australia.



## **Vincent Lai – Non-Executive Director**

Over 30 years' experience in international banking and corporate finance. Previously a senior executive at the PRC Office of Bank of America and CEO of a Hong Kong-listed company.



## **Russell Goodman – Non-Executive Director**

Over 30 years' experience in stock broking and equity investments, including over 10 years as the Head of Institutional Australian Equities Dealing Desk for Credit Suisse First Boston. Mr Goodman was also a fund manager at ANZ Funds Management and K2 Investment Management. Mr Goodman was also previously Director/Chairman of Vmoto Limited.

# Credit Intelligence: Corporate Overview



Credit Intelligence ASX Code	CI1
Market capitalisation	\$31.4 m
Shares on issue	1.2b
GICS industry group	Commercial & Professional Services
Share price	\$0.026 (20 Nov 2020)
52 week high	\$0.035
52 week low	\$0.012
Average daily volume	3.4m

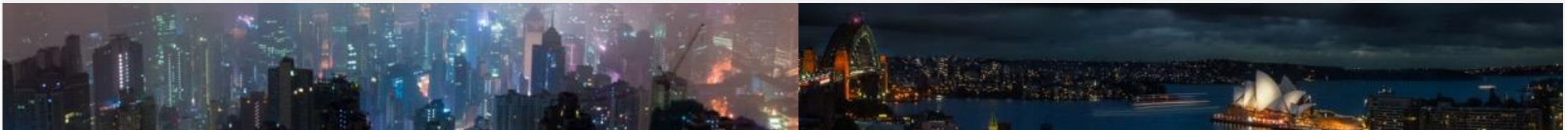
## Top Shareholders (20 November 2020)

Jimmie Wong	30.88%
BNP Paribas Nominees Pty Limited	20.80%
HSBC Custody Nominees	4.97%

# Summary

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- ✓ **Already profitable with revenue growing fast (pre-COVID-19)**
- ✓ **COVID-19 will significantly accelerate demand for CI1 services for years to come**
- ✓ **Established teams in Hong Kong, Singapore and Australia delivering services successfully**
- ✓ **Significantly undervalued given existing profitability, low risk and growth potential**
- ✓ **Macroeconomic conditions (COVID-19 recession) not yet reflected in growth numbers**







**Mr Jimmie Wong | Chairman**  
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**Mr Guy Robertson | Company Secretary**  
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# Legal Disclaimer

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