

**ASX Announcement**

**8 February 2021**

**Credit Intelligence positioned to be a leading BNPL debt management platform through leveraging its ChapterTwo technology capabilities**

The Australian consumer credit market is being transformed through Buy Now Pay Later (BNPL) players such as Afterpay, now a \$40bn market cap company. However, ASIC research shows that almost 20% of BNPL customers are in debt arrears and this is set to grow.

*Source: <https://asic.gov.au/about-asic/news-centre/find-a-media-release/2020-releases/20-280mr-asic-releases-latest-data-on-buy-now-pay-later-industry/>*

Credit Intelligence has a next generation technology enabled platform that will provide a better solution for the coming wave of millennial debts caused by BNPL.

Uniquely the solution transforms traditional debt management. Instead of taking debtors through a court process to enforce debt recovery, the CI1 approach is to freeze the debt, no more interest accrues, and CI1 then manages a performing balance sheet loan.

Jimmie Wong, MD of Credit Intelligence commented:

“Credit Intelligence is a proven leader in managing debt in a different way, and we have decades of experience across Asia in making debt management a better process. We are growing, we are profitable, and we will leverage the unique insights we have gained into technology enabled debt management to transform the experience of large numbers of Australian BNPL customers “.

To enable delivery of this ground breaking model Credit Intelligence will leverage its recently acquired subsidiary, Chapter Two Holdings Pty Ltd.

Credit Intelligence Australian subsidiary ChapterTwo has engaged a leading Salesforce partner to build a Customer Portal and Mobile App. The Portal/App will be a first in the Debt Restructuring industry.

The Portal/ App will allow Australian consumers to see all of their debts in one place and make payments towards these debts over a 5 – 7 year period without entering into any formal insolvency. ChapterTwo will collect the customers payments each month and disburse those payments to the creditors simplifying the process for Australian Consumers.

ChapterTwo has seen a surge in Australian Consumers with overdue debts and this Portal/App will enable them to make one payment each month and will be a welcome tool to the industry. The arrangements with the banks will generally be interest free which will allow the customers to cash-flow their debt management each month and see the debt balances reduce over time. It will also take the stress and pressure away from Consumers dealing with banks and harsh debt collectors, by consolidating their expenses.

**This announcement was authorised by the Board.**

**Ends.**

**For more information, please contact:**

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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](http://www.ci1.com.au)