

**The Companies Announcements Office
The Australian Stock Exchange Limited
PERTH**

Date: 23 August 2018

APPENDIX 4E

The results for announcement to the market are as follows: -

1. The reporting period is twelve months to 30 June 2018. The previous reporting period was twelve months to 30 June 2017. See comments below regarding the company's change of business during the year.
2. **Results for announcement to the market**

Key information relating to the above reporting periods is as follows: -

	30 June 2018	30 June 2017	% change
	\$	\$	
Revenue from ordinary activities	4,794,266	3,714,690	+29%
Profit/(loss) from ordinary activities after tax attributable to members	(228,191)	1,775,453	-113%
Net Profit attributable to members – see underlying profit table below	(228,191)	1,775,453	-113%
Net tangible assets per issued security	0.005 cent	N/A*	N/A

***3 to 9.** Please refer attached financials which has been prepared in accordance with ASX Listing Rule 4.3A and the disclosure requirements of ASX Appendix 4E.

Credit Intelligence Limited (CIL), being the ultimate legal parent, completed the legal acquisition of Credit Intelligence Holding Limited and its controlled entities (CIH) on 8 May 2018. CIH (the legal subsidiary/accounting parent, ("the Group")) was deemed to be the acquirer for accounting purposes as it has obtained control over the operations of the legal acquirer CIL (accounting subsidiary). Accordingly, the consolidated financial statements of CIL have been prepared as a continuation of the financial statements of CIH. The comparative information presented in the consolidated financial statements is that of CIH.

The impact of the reverse acquisition on each of the primary statements is as follows:

- The consolidated statement of profit or loss and comprehensive income and consolidated statement of cash flow:
 - ☐ for the period between 1 July 2017 to 30 June 2018 comprises 12 months of CIH and the period from 8 May 2018 to 30 June 2018 of CIL; and
 - ☐ for the comparative period comprises 1 July 2016 to 30 June 2017 comprises 12 months of CIH.
- The consolidated statement of financial position:
 - ☐ as at 30 June 2018 represents both CIH and CIL as at that date; and
 - ☐ as at 30 June 2017 represents CIH as at that date.

- The consolidated statement of changes in equity:
 - for the period between 1 July 2017 to 30 June 2018 CIH's balance at 1 July 2017, its profit for the period and transactions with equity holders for 12 months. It also comprises CIL transactions within equity from 8 May 2018 to 30 June 2018 and the equity value of CIH and CIL at 30 June 2018. The number of shares on issue at period end represent those of CIL only; and
 - for the comparative period comprises 1 July 2016 to 30 June 2017 of CIH's changes in equity.

10. Acquisition or disposal of any entities occurring during the financial year.

The Company acquired the following entities on 8 May 2018:

Name of Entity	Country of Incorporation	Ownership Interest 2018 %	Ownership Interest 2017 %	Principal Activities
Credit Intelligence Holding Limited	Cayman Islands	100	Nil	Holding company
Hong Kong Debt Management Limited	British Virgin Island	100	Nil	Holding company
Hong Kong Debt Management Services Limited	Cayman Islands	100	Nil	Personal insolvency management service
Hong Kong I.V.A. Consultants Limited	British Virgin Island	100	Nil	Debt restructuring service

As part of the RTO the Company disposed of its previous coal mining exploration tenements held through the following entities during the year:

Name of Entity	Country of Incorporation	Ownership Interest 2018 %	Ownership Interest 2017 %	Principal Activities
PT Deefu Chemical Indonesia	Indonesia	Nil	99.33%	Coal exploration
PT Batubara Selaras Sapta	Indonesia	Nil	95%	Coal exploration

- 11.** There are no associates or joint venture entities.
- 12.** The Company is not a foreign entity but with its core business activity based in Hong Kong, Special Administrative Region, Peoples Republic of China.
- 13.** See commentary and the attached financials.
- 14.** The full financial statements are in the process of being audited.

Commentary

On 8 May 2018, shareholders of the then APAC Coal Limited approved the acquisition of Credit Intelligence Holdings Limited of Hong Kong by way of a Reverse Take Over (RTO). Shareholders further approved the change of name of the Company to Credit Intelligence Limited. The Company has adopted *AASB 3 Business Combinations* for the preparation of the 2018 consolidated financial statements. The consolidated entity for the year ended 30 June 2018 is CIL and its controlled entities. Comparative figures for the previous year to 30 June 2017 was CIH and its then controlled entities. See previous notes on accounting for the RTO.

On 22 May 2018, CIL was listed on the Australian Securities Exchange (ASX) under the code CI1.

As a new business re-listed on the ASX, it is extremely satisfying that revenue for the year grew strongly at +29% year on year. Whilst reported statutory net profit after tax was -113% down on the previous year, the underlying profit of the Company's Hong Kong debt restructuring and personal insolvency management business (the Business) remains strong and grew at +8% year on year. On a like for like basis, the underlying profits were:

	30 June 2018	30 June 2017	
Reported (Loss)/Profit after tax	(228,191)	1,775,453	
Add: one off RTO transaction costs			
- Non-cash deemed acquisition cost	1,439,979	-	
- Others cost of listing	703,035	-	
Underlying normalised Profit	1,914,823	1,775,453	+8%

The Earnings per share based on restated underlying profits are

<i>Basic Loss/(Earnings) per share (cents per share)</i>	<i>0.00238</i>	<i>N/A</i>
<i>Diluted Loss/(Earnings) per share (cents per share)</i>	<i>0.00227</i>	<i>N/A</i>

Results for the year ended 30 June 2018 included one off transaction costs of \$2,143,014 associated with the RTO that were charged to the consolidated profits for the year.

Corporate costs associated with being an ASX listed company from 22 May 2018 were also incurred. These included non-cash share-based payments of \$36,734 approved by shareholders for the grant of performance shares to directors of the Company. The comparative figures did not include these costs.

The Company's Business in Hong Kong remains well managed. The Company has more than 10,000 bankruptcy cases under personal insolvency management. The cumulative average growth rate is approximately 20% since 2011. The Business owns and uses its proprietary processing software platform to manage the large number of cases under insolvency management in an effective and at a low cost per case being managed. This is the Company's Business unique selling proposition to banks and financial institutions that referred their defaulting individual clients to the Company's Business for debt insolvency management.

REVENUE

The Company's Business continued to derive revenues from its Business of debt restructuring and personal insolvency management services. Service fees were received from bankruptcy administration service. Service fees received were \$4,674,957 (2017: \$3,475,036) being 97% (2017: 93%) of total revenue for the year.

EXPENDITURE

Expenditure increased over the prior year from \$1,686,108 to \$4,707,849. Once off, non-recurring re-listing transaction costs of \$2,143,014 were taken up in the profit statement. The other increase is attributable to the volume growth of cases under insolvency management and share-based payments of \$36,734. See underlying profits table above.

BALANCE SHEET

The net assets of the Group grew to \$4,301,909 as at 30 June 2018 (2017: \$1,271,289), following a successful capital raising of \$3.6 million (before costs). Together with the strong cash flow generated by the Company's Business in Hong Kong, the Company has \$4,334,378 cash on hand as at 30 June 2018. This will fund the planned expansion of the Company's business into Australia and elsewhere in Asia.

CASHFLOW

The Group reported an operating cash inflow for the year of \$1,562,410 (2017: \$1,766,029), reflecting a continuing and strong cash generation from the Hong Kong Business. The Company's other non-cash depreciation charge was \$18,482 (2017 \$7,070). There is no major capital expenditure required for the Company's Business activity in Hong Kong in the foreseeable future.

The Group held Cash at the end at year of \$4.3 million.

Dividend declared

Consistent with the Company's Business and strong cash generation, the directors have declared an unfranked maiden dividend of 0.0012 cent per share. Total dividend payment is \$984,513. The dividend is funded from the retained earnings of the operating subsidiary of the Company in Hong Kong leaving the funds raised during the RTO of \$3.56 million for investments in Australia. The dividend will be paid on Friday, 16 November 2018 with record date for the determination of dividend entitlement to be 5 pm Perth time, 28 September 2018. Shareholders with an Australian address will be paid by direct credit to an Australian bank account. Shareholders with an overseas address will received their dividend payment in AUD cheque.

Outlook

The Company has commenced investigations into expanding its Business to Australia, in the first instance. This may include joint ventures with Australian insolvency practices to focus on the personal insolvency and debt restructuring markets. Investigations are also focusing on the potential of outsourcing to the Company's Hong Kong processing platform, with commensurate cost savings and competitive advantage.

Concurrently, the Company is seeking to enhance its processing platform in Hong Kong with a proprietary smartphone App to enable an integrated FinTech ecosystem. This will provide the processing foundation for growth into other markets.

There are economic headwinds confronting the Australian economy. The current tariff driven trade war between USA and China may create further economic uncertainties in Asia. The debt restructuring, and personal insolvency management services of the Group would benefit from such uncertainties and an increase in defaults in personal debt. This is the segment of the market where the Group has extensive experience and expertise in assisting this category of potential clients.

The Company does not deal with corporate insolvency management.

Consolidated Statements of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2018

	Note	2018 \$	2017 \$
Revenue	1	4,794,266	3,714,690
Other income	2	109,964	93,300
Advertising and promotion		(28,654)	(27,537)
Audit fee		(133,954)	(3,238)
Bank charges and interests		(152,084)	(146,938)
Directors' fees		(370,764)	(153,370)
Directors' fees (Share-based payments)		(36,734)	-
Directors' mandatory provident fund		(10,473)	(6,561)
Depreciation expense		(18,482)	(7,070)
Legal and professional fees		(99,571)	(53,168)
Listing costs		(703,035)	-
Printing and stationery		(35,890)	(26,986)
Rents and rates		(255,394)	(195,091)
Reverse acquisition cost		(1,439,979)	-
Employee benefits expense		(1,032,112)	(896,479)
Search fees		(28,619)	(28,196)
Secretarial and filing fees		(46,622)	-
Travelling expenses		(136,419)	(884)
Other expenses		(179,063)	(140,591)
Profit before income tax		196,381	2,121,882
Income tax expense	3	(424,572)	(346,429)
Profit/(Loss) after tax		(228,191)	1,775,453
Profit/(Loss) for the year		(228,191)	1,775,453
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that will be reclassified subsequently to profit or loss when specific conditions are met:		-	-
- Exchange differences on translating foreign operations, net of tax		75,417	(46,457)
Items that have been reclassified to profit or loss		-	-
Items that will not be reclassified subsequently to profit or loss		-	-
Total other comprehensive income for the year, net of tax		75,417	(46,457)
Total comprehensive income for the year		(152,774)	1,728,996
Net profit/(loss) attributable to:			
Members of the parent entity		(228,191)	1,775,453
Non-controlling interest		-	-
		(228,191)	1,775,453
Total comprehensive income/(loss) attributable to:			
Members of the parent entity		(152,774)	1,728,996
Non-controlling interest		-	-
		(152,774)	1,728,996
Earnings per share			
Basic earnings/(loss) per share (cents per share)	13	(0.00028)	N/A
Diluted earnings/(loss) per share (cents per share)	13	(0.00026)	N/A

The accompanying notes form part of these financial statements.

Consolidated Statement of Financial Position

As at 30 June 2018

	Note	2018 \$	2017 \$
CURRENT ASSETS			
Cash and cash equivalents	4	4,334,378	349,480
Trade and other receivables	5	252,782	903,584
Other current assets	6	131,092	112,380
TOTAL CURRENT ASSETS		4,718,252	1,365,444
NON-CURRENT ASSETS			
Property, plant and equipment	7	83,381	31,308
TOTAL NON-CURRENT ASSETS		83,381	31,308
TOTAL ASSETS		4,801,633	1,396,752
CURRENT LIABILITIES			
Trade and other payables	8	288,260	34,463
Current tax liabilities	9	211,464	91,000
TOTAL CURRENT LIABILITIES		499,724	125,463
TOTAL LIABILITIES		499,724	125,463
NET ASSETS		4,301,909	1,271,289
EQUITY			
Issued capital	10	4,485,035	-*
Reserves		76,731	(35,404)
Retained earnings/(accumulated loss)		(259,856)	1,306,693
Equity attributable to owners of the parent entity		4,301,909	1,271,289
Non-controlling interest		-	-
TOTAL EQUITY		4,301,909	1,271,289

*- amounts less than \$1

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity

For the years ended 30 June 2018

Note	Ordinary Share Capital \$	Retained Earnings \$	Merger Reserve \$	Foreign Currency Translation Reserve \$	Share-based Payment Reserve \$	Total \$
Balance at 1.7.2016	-*	1,013,815	4	-	-	1,013,819
Comprehensive income:						
Profit/(loss) for the year	-	1,775,453	-	-	-	1,775,453
Other comprehensive income for the year	-	-	-	(46,457)	-	(46,457)
Total comprehensive income for the year	-	2,789,268	4	(46,457)	-	2,742,815
Transactions with owners, in their capacity as owners, and other transfers						
Allotment of shares by Hong Kong Debt Management Limited (HKDM)	-	-	13,290	-	-	13,290
Difference arising from reorganisation of HKDM	-	-	(2,241)	-	-	(2,241)
Dividends recognised for the period	-	(1,482,575)	-	-	-	(1,482,575)
Total transactions with owners and other transfers	-	(1,482,575)	-	-	-	(1,471,526)
Balance at 30.6.2017	-*	1,306,693	11,053	(46,457)	-	1,271,289
Balance at 1.7.2017	-*	1,306,693	11,053	(46,457)	-	1,271,289
Comprehensive income:						
Profit/(loss) for the year	-	(228,191)	-	-	-	(228,191)
Other comprehensive income for the year	-	-	-	75,417	-	75,417
Total comprehensive income for the year	-	1,078,502	11,053	28,960	-	1,118,515
Transactions with owners, in their capacity as owners, and other transfers						
Allotment of shares	16	-	(16)	-	-	-
Deemed acquisition costs for RTO	3,565,500	-	-	-	-	3,565,500
Procced from capital raising net of costs	1,439,999	-	-	-	-	1,439,999
Cost of capital raising	(520,480)	-	-	-	-	(520,480)
Option expense recognised in the year	-	-	-	-	36,734	36,734
Dividends recognised for the period	-	(1,338,359)	-	-	-	(1,338,359)
Total transactions with owners and other transfers	4,485,035	(1,338,359)	(16)	-	36,734	3,183,394
Balance at 30.6.2018	4,485,035	(259,857)	11,037	28,960	36,734	4,301,909

*- amounts less than \$1

The accompanying notes form part of these financial statements.

Consolidated Statement of Cash Flows

For the years ended 30 June 2018

	Note	2018 \$	2017 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		4,824,810	3,788,532
Payments to suppliers and employees		(2,798,273)	(1,545,602)
Interest received		-*	-
Finance costs		(152,084)	(146,938)
Income tax refunded/(paid)		(312,043)	(329,963)
Net cash provided by (used in) operating activities	11	1,562,410	1,766,029
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(67,380)	(11,430)
Repayments from related company		-	(660,946)
Amount due from director		(633,093)	-
Net cash provided by (used in) investing activities		(700,473)	(672,376)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from capital raising		3,565,500	-
Cost of capital raising		(520,480)	-
Repayment of borrowings		-	(1,704,110)
Net cash provided by (used in) financing activities		3,045,020	(1,704,110)
Net increase (decrease) in cash held		3,906,957	(610,457)
Cash at beginning of the year		349,480	984,616
Effect of foreign currency translation		77,941	(24,679)
Cash at the end of the year	11	4,334,378	349,480

*- amounts less than \$1

The accompanying notes form part of these financial statements.

Notes to the Consolidated Financial Statements

For the years ended 30 June 2017 and 2018

	2018 \$	2017 \$
1 Revenue		
Bankruptcy administration service income	4,674,957	3,475,036
IVA service income	119,309	239,653
	4,794,266	3,714,690
2 Other income		
Bank interest income	1	-
Administrative charges	103,152	93,300
Foreign exchange gain	6,811	-
	109,964	93,300
3 Income tax		
Current tax – Hong Kong Profits Tax	424,572	346,429
	424,572	346,429
<p>The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operated.</p> <p>Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax under these jurisdictions during the years.</p> <p>Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit derived in Hong Kong for the years ended 30 June 2017 and 2018.</p> <p>Reconciliation between income tax expense and accounting profit before income tax at the applicable tax rate:</p>		
	2018 \$	2017 \$
Profit before income tax	196,381	2,121,882
Add: Permanent differences	2,325,079	-
	2,521,460	2,121,882
Tax at the applicable tax rate at 16.5%	416,041	350,111
Tax effect on non-deductible expenses	20,046	1,021
Tax effect on temporary differences not recognised	(6,567)	(659)
Others	-	2,772
Special tax reduction	(4,948)	(6,816)
Income tax expense	424,572	346,429
4 Cash and cash equivalents		
Cash at bank and in hand	4,334,378	349,480
	4,334,378	349,480

	2018	2017
	\$	\$
5 Trade and other receivables		
Trade debtors	252,782	191,293
Amounts due from directors	-	712,291
	252,782	903,584
6 Other current assets		
Deposits	35,284	32,814
Accrued Income and other debtors	86,444	76,125
GST receivable	6,276	-
Prepayments	3,088	3,441
	131,092	112,380
7 Property, plant and equipment		
Leasehold improvements		
At cost	5,097	-
Accumulated depreciation	(737)	-
Total leasehold improvements	4,360	-
Furniture, fixtures and equipment		
At cost	238,492	173,034
Accumulated depreciation	(159,471)	(141,726)
Total furniture, fixtures and equipment	79,021	31,308
Total property, plant and equipment	83,381	31,308

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and end of the current financial year

	Leasehold improvements	Furniture, fixtures and equipment	Total
	\$	\$	\$
Balance at the beginning of the year	-	31,308	31,308
Additions	5,097	65,458	70,555
Disposals	-	-	-
Depreciation expense	(737)	(17,745)	(18,482)
Carrying amount at the end of year	4,360	79,021	83,381

8 Trade and other payables

	2018	2017
	\$	\$
Accrued Expenses	288,260	27,618
Other payables	-	6,845
	288,260	34,463

9 Current tax liabilities

	2018	2017
	\$	\$
Provision for taxation	211,464	91,000
	211,464	91,000

10 Issued capital

	2018	2017
	\$	\$
820,427,185 (2017: Nil) fully paid ordinary shares	4,485,035	-

11 Cash flow information

Reconciliation of cash flow from operations with operating profit from ordinary activities after income tax:

Profit/(loss) from ordinary activities after income tax	(228,191)	1,775,453
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Non-cash flows in profit from ordinary activities:

Depreciation	18,482	7,070
Reverse acquisition cost	1,439,999	-
Share-based payment	36,734	-
Effect of foreign currency translation	1,326	-
Decrease/(Increase) in trade and other receivables	(61,489)	(19,458)
Decrease/(Increase) in other current assets	(18,712)	(8,664)
Decrease/(Increase) in trade and other payables	253,797	(4,838)
Increase/(Decrease) in income tax payable	120,464	16,466

Cash flow from operations	1,562,410	1,766,029
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12 Interests in other entities

The Group's subsidiaries at 30 June 2018 are set out below. The subsidiaries have share capital consisting solely of ordinary shares, which are held directly by the Group and the proportion of ownership interests held equals the voting rights held by the Group.

Name of Entity	Country of Incorporation	Principal Place of Business	Ownership Interest 2018 %	Ownership Interest 2017 %
Credit Intelligence Holding Limited	Cayman Islands	Hong Kong	100	Nil
Hong Kong Debt Management Limited	British Virgin Island	Hong Kong	100	Nil
Hong Kong Debt Management Services Limited	Hong Kong	Hong Kong	100	Nil
Hong Kong I.V.A. Consultants Limited	British Virgin Island	Hong Kong	100	Nil

13 Earnings per share

	2018	2017
	\$	\$
Basic Loss/(Earnings) per share (cents per share)	(0.00028)	N/A
Diluted Loss/(Earnings) per share (cents per share)	(0.00026)	N/A
Weighted average number of shares		
Basic earnings per share calculation	820,427,185	N/A
Diluted earnings per share calculation	860,427,185	N/A
(Loss)/profit for the period used in earnings per share		
From continuing operations	(228,191)	N/A

14 Segment information

Credit Intelligence is one of the leading diversified debt restructuring and personal insolvency management businesses operating in Hong Kong. Credit Intelligence's main business model includes the provision of bankruptcy administration services and Individual Voluntary Arrangement (**IVA**) proposal consultancy and implementation services. The Group operated only in the Hong Kong market and revenue was generated predominantly from the Group's provision of bankruptcy administration services. All revenue is generated from external customers. There were no inter-segment sales in the current year (2017: Nil).