

23 January 2020

The Manager
Issuers Department
Australian Securities Exchange

Attention: Sandra Wutete

Dear Sandra,

Credit Intelligence Ltd (“CI1”): Aware Query

The following is a response to the questions raised in the ASX Aware Query letter of 21 January 2020.

1. Does CI1 consider the Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?

Yes.

2. When did CI1 first become aware of the Information? Please include details of the relevant time and circumstances of the Company becoming aware of the Information.

CI1 became aware of the specific Information following a request for indicative results to the CFO by the Company Secretary on 16 January 2020. The response received on 16 January 2020 at 5.32pm from the CFO provided indicative results but noted final management accounts had not been received from the subsidiary ICS Funding Pte Ltd.

The ASX Query letter was received by the Company Secretary at 10.59am on 17 January 2020, before the Company Secretary had an opportunity to share the indicative results with the Board.

A review of the consolidated group’s half year results by the Board had been scheduled to be conducted at the end of January 2020, but was brought forward as a result of the Price Query letter from ASX.

By way of context, the following is noted in relation to prior information already disclosed by CI1.

The CI1 Board reviewed the results for the quarter ended 30 September 2019 at a Board meeting on 23 October 2019. The Board requested that a market update be prepared, which following review and approval by the Board was released to the market on 7 November 2019. The announcement disclosed that the result for the Group excluding the Singapore acquisition (substantially the Hong Kong Business) showed a 77% increase in revenue and a 700% increase in profit (compared to the same period in the prior year). The positive effect of the unrest in Hong Kong on the projected results was noted in this announcement and in the preceding business update announcement on 14 August 2019.

The announcement of 7 November 2019 also disclosed that the 30 September 2019 quarterly results for the acquisition, ICS Funding Pte Ltd, made a contribution of \$456,000 for the quarter

(100% interest). This result was well above the pro rata profit guarantee articulated in the acquisition announcement dated 1 July 2019.

The Board proposed to review the half year results for the consolidated group at a Board meeting scheduled for 22 January 2020 (subsequently re-scheduled to 30 January 2020 to take into account of Chinese New Year public holidays in Hong Kong and Singapore given CI1 directors in these locations) to assess whether further guidance was required to be made to the market after that Board meeting. The Price Query letter from the ASX brought forward this review which identified that the half year results were estimated to be in line with the continuing trend as per the first quarter (as disclosed in the announcement of 7 November 2019). Following this review and approval from the Board, the release on 20 January 2020 containing the Information was made.

3. If the answer to question 1 is “no”, please advise the basis for that view.

N/A

4. If the answer to question 1 is “yes” and CI1 first became aware of the Information prior to the release of the Announcement, did CI1 make any announcement prior to the relevant date which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe CI1 was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps CI1 took to ensure that the information was released promptly and without delay.

As indicated in the answer to question 2, CI1 became aware of the specific Information only after the review conducted by the Board on 18 January 2020. However, it is noted that the Information is in line with the trend as disclosed in the announcements made by CI1 to the market on 14 August 2019 and 7 November 2019.

CI1 would be obliged to release the information relating to the half year once it had consolidated the Group results comprising two companies in Hong Kong, two companies in Singapore and the corporate office in Australia, and then on the basis that the Board had reviewed the results and considered that it was appropriate to make an early (pre 29 February 2020) announcement based on those results. As noted in the answer to question 2, this process was scheduled to occur at the end of January 2020 but was brought forward as a result of the Price Query letter. Once this review was undertaken and the Information known, CI1 released the 20 January 2020 announcement promptly and without delay.

It should be noted that the consolidation of the Group’s result for the half year ended 31 December 2019 has not yet been completed and that the high level results provided in the profit guidance note are (as noted in the 20 January 2020 announcement) estimates subject to further management, and audit review.

5. Please confirm that CI1 is complying with the Listing Rules and, in particular, Listing Rule 3.1.

CI1 is complying with the listing rules and particularly Listing Rule 3.1.

6. Please confirm that CI1's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of CI1 with delegated authority from the board to respond to ASX on disclosure matters.

CI1's responses to the questions above have been authorised by the Board.

A handwritten signature in black ink, appearing to read 'Guy Robertson', with a stylized flourish extending from the end.

Guy Robertson
Company Secretary



21 January 2020

Reference: 12798

Mr Guy Robertson
Company Secretary
Credit Intelligence Ltd

By email

Dear Mr Robertson

Credit Intelligence Ltd ('CI1'): Aware Query

ASX refers to the following:

- A. The recent change in the price of CI1's securities from a closing price of \$0.016 on Wednesday, 15 January 2020 to an intra-day high of \$0.026 on Friday, 17 January 2020 and a substantial increase in the volume traded over this period.
- B. The price query letter from ASX dated 17 January 2020 in which ASX queried the recent increased price and volume movement in CI1's securities.
- C. The trading halt requested by CI1 dated 17 January 2020 and released to the market at 11:38 AM (AEDT) on 17 January 2020.
- D. CI1's announcement entitled "CI1 Unaudited Profit Guidance Results Half Year 31 December" lodged on the ASX Market Announcements Platform and released at 9:29 AM on 20 January 2020 (the 'Announcement'), disclosing that CI1 expects the consolidated group's unaudited half yearly result to be approximately \$1.2m profit after tax, a 335% increase over the comparable 2018 half year ('Information').
- E. CI1's response to the price query letter dated 20 January 2020.
- F. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.
- G. The definition of "aware" in Chapter 19 of the Listing Rules, which states that:

"an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity" and section 4.4 in Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B "When does an entity become aware of information."
- H. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied:

"3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:

3.1A.1 One or more of the following applies:

 - *It would be a breach of a law to disclose the information;*
 - *The information concerns an incomplete proposal or negotiation;*
 - *The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*

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- The information is generated for the internal management purposes of the entity; or
 - The information is a trade secret; and
- 3.1A.2 The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and
- 3.1A.3 A reasonable person would not expect the information to be disclosed.”
- I. ASX’s policy position on the concept of “confidentiality”, which is detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. In particular, the Guidance Note states that:
- “Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule.”*

Request for Information

Having regard to the above, ASX asks CI1 to respond separately to each of the following questions and requests for information:

1. Does CI1 consider the Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. When did CI1 first become aware of the Information? Please include details of the relevant time and circumstances of the Company becoming aware of the Information.
3. If the answer to question 1 is “no”, please advise the basis for that view.
4. If the answer to question 1 is “yes” and CI1 first became aware of the Information prior to the release of the Announcement, did CI1 make any announcement prior to the relevant date which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe CI1 was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps CI1 took to ensure that the information was released promptly and without delay.
5. Please confirm that CI1 is complying with the Listing Rules and, in particular, Listing Rule 3.1.
6. Please confirm that CI1’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of CI1 with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **4:00 PM AWST Thursday, 23 January 2020**.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, CI1’s obligation is to disclose the information “immediately”. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require CI1 to request a trading halt immediately.

If you wish to request a trading halt, you must tell us:

- the reasons for the trading halt;

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- how long you want the trading halt to last;
 - the event you expect to happen that will end the trading halt;
 - that you are not aware of any reason why the trading halt should not be granted; and
 - any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at ListingsCompliancePerth@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to CI1's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. It should be noted that CI1's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Suspension

If you are unable to respond to this letter by the time specified above ASX will likely suspend trading in CI1's securities under Listing Rule 17.3.

Enquiries

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

Sandra Wutete
Senior Adviser, Listings Compliance (Perth)