

ASX Announcement

1 June 2020

**CREDIT INTELLIGENCE TO MAKE FIRST AUSTRALIAN ACQUISITION****HIGHLIGHTS**

- **Credit Intelligence to acquire a 60% interest in Chapter Two Holdings Pty Ltd (CTH), a Sydney based debt negotiation business**
- **CTH provides debt solutions and mortgage broking services to individuals who are experiencing financial hardship**
- **CTH is Credit Intelligence's first step in building a comprehensive debt management business in Australia**

Credit Intelligence Limited (ASX: CI1, CIL, Company) is pleased to announce that it has executed a Share Purchase Agreement (SPA) to acquire a 60% interest in Chapter Two Holdings Pty Ltd, a Sydney based debt negotiation business.

*CIL's Chairman Jimmie Wong said: "This transaction marks Credit Intelligence's first step in building a comprehensive debt management business in Australia. Having reviewed a number of potential Australian acquisitions over the last two years, we are excited to be partnering with and investing in CTH to unlock its significant growth potential, and continuing our Asia-Pacific expansion strategy".*

A combination of high personal debt levels in Australia and economic hardship caused by COVID-19 is expected to drive strong business growth for CTH in the year ahead.

CIL is also now actively looking for other good acquisition targets in Australia and Asia.

Key terms of the transaction:

- \$400,000 in cash on completion.
- \$320,000 in CI1 shares to be issued over three years based on CTH achieving a profit guarantee of \$300,000 per annum.
- CI1 shares to be issued at 30 day VWAP prior to completion.
- Completion is scheduled for 1 July 2020 and is subject to due diligence (in progress) and any regulatory approvals.

This announcement has been approved by the Board.

-ENDS-

**For more information, please contact:**

**Credit Intelligence Limited**

**Mr Jimmie Wong**

**Executive Chairman**

[jimmiewong@ci1.com.au](mailto:jimmiewong@ci1.com.au)

**Mr Guy Robertson**

**Company Secretary**

[guyrobertson@ci1.com.au](mailto:guyrobertson@ci1.com.au)

### **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.

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)