

The Companies Announcements Office
The Australian Securities Exchange Limited

Date: 31 August 2020

APPENDIX 4E - PRELIMINARY FINAL REPORT

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

1. The reporting period is twelve months to 30 June 2020. The previous reporting period was twelve months to 30 June 2019.

2. **Results for announcement to the market**

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

	30 June 2020	30 June 2019	% change
	\$	\$	
Revenue from ordinary activities	13,611,618	6,049,307	+125%
Profit/(loss) from ordinary activities after tax attributable to members	2,541,275	524,662	+384%
Net Profit attributable to members	2,541,275	524,662	+384%
Net tangible assets per issued security	(0.0001)	0.003	-103%
Final dividend			
- Amount per issued security	0.0005	0.0005	N/A
- Franked amount per issued security	-	-	N/A
Final dividend dates			
- Record date	4 September 2020	3 September 2019	N/A
- Payment date	20 November 2020	15 November 2019	N/A

Underlying normalised profit

30 June 2020

\$

Profit after tax

2,541,275

Add: one-off expenses

Consultancy fee

194,804

Residual value of non-cash share based payments

222,896

2,958,975

- 3 to 9. Please refer attached financial statements which have 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 a majority interest 60% in ICS Funding Pte. Ltd (ICS) on 28 June 2019 and Hup Hoe Credit Pte. Limited (HHC) on 30 September 2019 through an intermediate holding company - Credit Intelligence (Singapore) Holdings Limited. As such, the post-acquisition results of ICS and HHC have been consolidated into the Group for the year ended 30 June 2020.

The consolidated entity for the year ended 30 June 2020 is Credit Intelligence Limited and its subsidiaries. Comparative figures for the previous year ended 30 June 2019 are as below.

- The consolidated statement of profit or loss and comprehensive income and consolidated statement of cash flow:
 - for the period between 1 July 2019 to 30 June 2020 comprises 12 months of CIL, Credit Intelligence Holding Limited and subsidiaries (CIH), ICS and 9 months of HHC.
 - for the comparative period between 1 July 2018 to 30 June 2019 comprises 12 months of CIL and its subsidiaries.
- The consolidated statement of financial position:
 - as at 30 June 2020 represents both CIL, CIH, ICS, and HHC as at that date; and
 - as at 30 June 2019 represents both CIL, CIH and ICS as at that date.
- The consolidated statement of changes in equity:
 - for the period between 1 July 2019 to 30 June 2020, CIL, CIH and ICS's balance at 1 July 2019, its profit for the period and transactions with equity holders for 12 months and HHC's profit for the period and transactions with equity holders for 9 months. It also comprises the equity value of CIL, CIH, ICS and HHC at 30 June 2020. The number of shares on issue at period end represent those of CIL only; and
 - for the period between 1 July 2018 to 30 June 2019 CIL and CIH's balance at 1 July 2018, its profit for the period and transactions with equity holders for 12 months. It also comprises the equity value of CIL, CIH and ICS at 30 June 2019. The number of shares on issue at period end represent those of CIL only.

Dividend reinvestment plan

There was no dividend reinvestment plan during the current financial period and previous corresponding period.

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

The Group acquired the following entity during the year:

Name of Entity	Country of Incorporation	Ownership Interest 2020 %	Ownership Interest 2019 %	Principal Activities
Hup Hoe Credit Pte Ltd	Singapore	60%	Nil	Credit financing

The Group disposed the following entity during the year:

Name of Entity	Country of Incorporation	Ownership Interest 2020 %	Ownership Interest 2019 %	Principal Activities
Credit Intelligence (Singapore) Pte Ltd	Singapore	51%	51%	Personal insolvency management Service

11. There are no associates or joint venture entities.
12. The ultimate parent of the Group is not a foreign entity but with its core business activity based in Hong Kong and Singapore.
13. See commentary and the attached financial statements.
14. The full financial statements are in the process of being audited.

Commentary

Credit Intelligence has made excellent progress in this financial year as a leading diversified debt restructuring, personal insolvency management services business and credit funding for corporates and individuals.

The Company's core business of Bankruptcy administration and Individual Voluntary Arrangement continues to trade well in the current social and political unrest in Hong Kong.

The contributions to the group results for the year ended 30 June 2020 from recently acquired ICS and HHC exceeded the Profit Guarantee expectations. Both Singaporean companies are well managed and are investigating plans to grow their respective businesses.

The group has also completed the acquisition of a 60% interest in Chapter Two Holdings Pty Ltd (Chapter Two) on 1 July 2020, a Sydney based debt solutions business providing debt negotiation and mortgage broking services to individuals who are experiencing financial hardship. Given that the timing of acquisition there are no results to be included from Chapter Two in this financial year.

The Group remains committed to expanding its operations in Australia in credit funding, which includes debt restructuring and insolvency practice. The group is also actively looking at acquisitions and/or joint ventures to achieve this objective and has had preliminary discussions with a number of prospective parties.

REVENUE

Revenue for the equivalent twelve months increased by 125% year on year. Total revenue was \$13,611,618 (2019: \$6,049,307). It included the results of Hong Kong and Singapore businesses. Hong Kong's business reported a 22% jump in revenue.

EXPENDITURE

Expenditure increased over the prior year from \$5,306,126 to \$9,410,834. The cost increases are mainly attributable to the operating cost of ICS and HHC that were consolidated into the group (2019: Nil). The residual value of non-cash share based payment expense \$222,896 was recognised in this year due to the acceleration of the achievement of Performance shares' hurdles at the share price of 2.5c & 3c respectively. The full year of this expense was \$795,004 (2019: \$439,106). A one off, non-recurring consultancy fee of \$194,804 was taken up in the profit statement during the year attributable to the acquisition of HHC and equity fund raising.

BALANCE SHEET

The net assets of the Group grew to \$11,052,136 as at 30 June 2020 (2019: \$6,296,956), following a legal acquisition of a majority 60% interest in HHC. The Group has \$3,060,459 cash on hand as at 30 June 2020, portion of which will fund the planned expansion of the Group's business into Australia and Singapore.

CASHFLOW

The Group reported an operating cash inflow before changes in movements of operating assets for the year of \$1,261,435 (2019: \$440,366), reflecting the positive cash generation from the Hong Kong and Singapore Businesses. There is no major capital expenditure required for the Group's business activity in the foreseeable future. The Group held Cash at the end of the year of approximately \$3.06 million.

Dividend declared subsequent to year end

The dividend reinvestment plan (DRP) will be adopted on the final dividend 2020. The DRP provides eligible shareholders an option to reinvest all or part of any dividend on their shares. The directors have declared an unfranked dividend of \$0.0005 per share. The dividend is funded from the retained earnings of the operating subsidiary of the Group in Hong Kong. The dividend will be paid on Friday, 20 November 2020 with record date for the determination of dividend entitlement to be 5 pm Perth time, 4 September 2020. Shareholders with an Australian address will be paid by direct credit to an Australian bank account. Shareholders with an overseas address will receive their dividend payment in AUD cheque.

Outlook

The Group expects the Hong Kong business to remain strong, and in the short term the mainstay of the group's operations. COVID-19 will have limited impact on the Hong Kong operations, and will potentially increase business in the years to come.

The Singapore business of ICS and HHC continue to perform well, notwithstanding some suspension in operations due to COVID-19. Both businesses are looking to expand their businesses in a challenging economic climate, but are well supported by the Group.

The acquisition of Chapter Two allowed the Group to establish the operation in Australia that could bring up business opportunities as well as providing positive results in next financial year.

The Group remains committed to expanding its operations in Australia in credit funding, which includes a larger loan and mortgage business in Australia, and a substantial credit management business in Hong Kong.

The Company does not deal with corporate insolvency management.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2020

	Notes	2020 \$	2019 \$
Revenue	1	13,611,618	6,049,307
Other income	2	342,745	191,385
Bad debt written off and loss allowance		(1,434,425)	-
Bank charges and interest		(173,719)	(149,265)
Consultancy fee		(262,317)	(384,704)
Directors' fees		(195,138)	(218,204)
Directors' fees (Share-based payments)		(163,079)	(110,484)
Amortisation on right-of-use assets	3	(502,615)	-
Depreciation expense		(73,582)	(51,246)
Employee benefits expense (including Share-based payments)		(4,197,468)	(2,349,713)
Administration cost		(1,911,076)	(2,042,510)
Finance cost		(497,415)	-
Profit before income tax		4,543,529	934,566
Income tax expense	4	(961,656)	(409,904)
Profit after income tax		3,581,873	524,662
Profit for the year		3,581,873	524,662
Other comprehensive income			
Exchange differences on translating foreign operations, net of tax		(93,556)	69,684
Total other comprehensive income for the year, net of tax		(93,556)	69,684
Total comprehensive income for the year		3,488,317	594,346
Net profit attributable to:			
Members of the parent entity		2,541,275	524,662
Non-controlling interest		1,040,598	-
		3,581,873	524,662
Total comprehensive income attributable to:			
Members of the parent entity		2,502,701	524,662
Non-controlling interest		985,616	-
		3,488,317	524,662
Earnings per share			
Basic earnings per share	21	0.0025	0.0006
Diluted earnings per share	21	0.0023	0.0006

The accompanying notes form part of these consolidated financial statements.

Consolidated Statement of Financial Position

As at 30 June 2020

	Notes	2020 \$	2019 \$
CURRENT ASSETS			
Cash and cash equivalents	5	3,060,459	3,432,929
Trade and other receivables	6	410,294	319,065
Loan receivables	7	11,447,207	4,411,288
Swap assets	8	500,000	-
Other current assets	9	769,583	633,278
TOTAL CURRENT ASSETS		16,187,543	8,796,560
NON-CURRENT ASSETS			
Property, plant and equipment	10	302,935	232,495
Right-of-use assets	3	316,363	-
Loan receivables	7	-	19,738
Intangible assets	11	11,094,456	3,628,678
TOTAL NON-CURRENT ASSETS		11,713,754	3,880,911
TOTAL ASSETS		27,901,297	12,677,471
CURRENT LIABILITIES			
Trade and other payables	12	2,835,852	1,836,179
Lease liabilities	13	322,055	-
Amounts due to vendors of ICS & HHC	14	6,254,453	1,323,636
Amounts due to related party	15	3,485,696	-
Derivative liabilities	16	1,000,000	-
Current tax liabilities	17	807,710	195,739
TOTAL CURRENT LIABILITIES		14,705,766	3,355,554
NON-CURRENT LIABILITIES			
Amounts due to related party	15	2,143,395	2,526,486
Amounts due to vendors of ICS	14	-	498,475
TOTAL NON-CURRENT LIABILITIES		2,143,395	3,024,961
TOTAL LIABILITIES		16,849,161	6,380,515
NET ASSETS		11,052,136	6,296,956
EQUITY			
Issued capital	18	8,915,406	6,220,555
Reserves		71,107	585,521
Accumulated profit / (loss)		801,422	(719,707)
Equity attributable to owners of the parent entity		9,787,935	6,086,369
Non-controlling interest		1,264,201	210,587
TOTAL EQUITY		11,052,136	6,296,956

The accompanying notes form part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

For the year ended 30 June 2020

	Notes	Issued Capital \$	Retained Earnings \$	Merger Reserve \$	Foreign Currency Translation Reserve \$	Share based Payment Reserve \$	Total \$	Non- controlling Interest \$	Total Equity \$
Balance at 1.7.2018		4,485,035	(259,856)	11,037	28,960	36,734	4,301,910	-	4,301,910
Comprehensive income:									
Profit after tax for the year		-	524,662	-	-	-	524,662	-	524,662
Other comprehensive income for the year		-	-	-	69,684	-	69,684	-	69,684
Total comprehensive income for the year		4,485,035	264,806	11,037	98,644	36,734	4,896,256	-	4,896,256
Transactions with owners, in their capacity as owners, and other transfers									
Allotment of shares		1,735,520	-	-	-	-	1,735,520	-	1,735,520
Acquisition of subsidiaries		-	-	-	-	-	-	210,587	210,587
Share based payments expense recognised in the year		-	-	-	-	439,106	439,106	-	439,106
Dividends recognised for the period		-	(984,513)	-	-	-	(984,513)	-	(984,513)
Total transactions with owners and other transfers		1,735,520	(984,513)	-	-	439,106	1,190,113	210,587	1,400,700
Balance at 30.6.2019		6,220,555	(719,707)	11,037	98,644	475,840	6,086,369	210,587	6,296,956
Balance at 1.7.2019		6,220,555	(719,707)	11,037	98,644	475,840	6,086,369	210,587	6,296,956
Comprehensive income:									
Profit after tax for the year		-	2,541,275	-	-	-	2,541,275	1,040,598	3,581,873
Other comprehensive loss for the year		-	-	-	(38,574)	-	(38,574)	(54,982)	(93,556)
Total comprehensive income for the year		6,220,555	1,821,568	11,037	60,070	475,840	8,589,070	1,196,203	9,785,273
Transactions with owners, in their capacity as owners, and other transfers									
Allotment of shares		2,424,007	-	-	-	-	2,424,007	-	2,424,007
Acquisition of subsidiary		-	-	-	-	-	-	484,491	484,491
Disposal of subsidiary		-	-	-	-	-	-	(47)	(47)
Share based payments expense recognised in the year		-	-	-	-	795,004	795,004	-	795,004
Classified to derivative liabilities	16	(1,000,000)	-	-	-	-	(1,000,000)	-	(1,000,000)
Convert share based payment reserve on exercise of share based payment		1,270,844	-	-	-	(1,270,844)	-	-	-
Dividends recognised for the period		-	(1,020,146)	-	-	-	(1,020,146)	(416,446)	(1,436,592)
Total transactions with owners and other transfers		2,694,851	(1,020,146)	-	-	(475,840)	1,198,865	67,998	1,266,863
Balance at 30.6.2020		8,915,406	801,422	11,037	60,070	-	9,787,935	1,264,201	11,052,136

The accompanying notes form part of these consolidated financial statements.

Consolidated Statement of Cash Flows

For the year ended 30 June 2020

	Notes	2020 \$	2019 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		7,534,217	6,173,962
Payments to suppliers and employees		(5,740,283)	(5,001,587)
Interest received		304	3,768
Bank charges and interest		(173,719)	(149,265)
Income tax paid		(380,140)	(586,512)
		<u>1,240,379</u>	<u>440,366</u>
Changes in operating assets arising from cash flow movements:			
Net funding of customer loans		(777,724)	-
Loan from related party		2,680,350	-
Net cash provided by operating activities	19	<u>3,143,005</u>	<u>440,366</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(135,406)	(192,379)
Investment in subsidiary		(1,008,607)	(215,060)
Net cash outflow on disposal of subsidiary		(47)	-
Amount paid to vendors		(1,180,771)	-
Net cash used in investing activities		<u>(2,324,831)</u>	<u>(407,439)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liabilities		(496,131)	-
Finance cost for debt for equity funding		(32,500)	-
Debt for equity funding		467,500	-
Dividend paid		(1,020,146)	(984,513)
Net cash used in financing activities		<u>(1,081,277)</u>	<u>(984,513)</u>
Net decrease in cash held		(263,103)	(951,586)
Cash at beginning of the year		3,432,929	4,334,378
Effect of foreign currency translation		(109,367)	50,137
Cash at the end of the year		<u>3,060,459</u>	<u>3,432,929</u>

The accompanying notes form part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2020

	2020	2019
	\$	\$
1 Revenue		
Bankruptcy administration service income	7,300,894	5,951,051
IVA service income	80,206	98,256
Service income of ICS	2,990,110	-
Service income of HHC	3,240,408	-
	13,611,618	6,049,307

The service income of ICS and HHC comprise interest income, late interest income, permit fees income and factoring income.

2 Other income

Bank interest income	304	3,768
Administrative charges	156,711	168,832
Other income	87,292	54
Foreign exchange gain	98,438	18,731
	342,745	191,385

3 Right-of-use assets

The Group leases properties under non-cancellable operating lease arrangements with lease term of two years without option to renew the lease term at the expiry date. The leases do not include contingent rentals.

(i) AASB 16 related amounts recognised in the balance sheet

	2020
	\$
Right-of-use assets	
Recognised on initial application of AASB 16 (previously classified as operating leases under AASB 117)	192,277
Addition to right-of-use assets	624,162
Amortisation expense for the year	(502,615)
Foreign exchange adjustment	2,539
Net carrying amount	316,363

(ii) AASB 16 related amounts recognised in the statement of profit or loss

Amortisation charge related to right-of-use assets	502,615
Interest expense on lease liabilities (under finance cost)	21,056
Short-term leases expense	37,800

	2020	2019
	\$	\$
Total yearly cash outflows for leases	517,187	-

Notes to the Consolidated Financial Statements

For the year ended 30 June 2020

4 Income tax

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.

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.

Hong Kong Profits Tax is calculated at 8.25% of the first HK\$ 2 million estimated assessable profit and 16.5% above HK\$ 2 million estimated assessable profit derived in Hong Kong for the years ended 30 June 2019. Singapore Profits Tax is calculated at 17% of estimated assessable profit.

Reconciliation between income tax expense and accounting profit before income tax at the applicable tax rate:

	2020 \$	2019 \$
The components of tax expense comprise:		
Current tax – Hong Kong	462,663	409,904
Current tax – Singapore	498,993	-
Income tax reported in statement of comprehensive income	<u>961,656</u>	<u>409,904</u>

5 Cash and cash equivalents

Cash at bank and in hand	<u>3,060,459</u>	<u>3,432,929</u>
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6 Trade and other receivables

Trade debtors	410,294	312,828
Amounts due from directors	-	6,237
	<u>410,294</u>	<u>319,065</u>

7 Loan receivables

Loan receivables – Third parties	<u>11,477,207</u>	<u>4,431,026</u>
Current	11,477,207	4,411,288
Non-current	-	19,738
Loan receivables – unsecured money lending (ICS and HHC)	<u>11,477,207</u>	<u>4,431,026</u>

Unsecured loans to customers in the moneylending segment are loans which are interest-bearing.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2020

	2020	2019
	\$	\$
8 Swap assets		
Swap assets	500,000	-

Under the equity financing arrangement with LS Whitehall Group (see note 16 for further details), the Group received \$500,000 cash and has a right to \$500,000 swap assets (50% of equity financing arrangement). On settlement of equity financing arrangement, the difference between the amount received and the swap assets will be recognised as changes in fair value in the statement of profit or loss in accordance with AASB 9: Financial Instruments.

9 Other current assets

Deposits	94,031	80,715
Accrued income and other debtors	544,280	406,510
GST receivable	18,816	93,348
Prepayments	112,456	52,705
	769,583	633,278

10 Property, plant and equipment

Leasehold improvements		
At cost	72,307	25,113
Accumulated depreciation	(12,854)	(4,469)
Foreign exchange adjustment	(236)	610
Total leasehold improvements	59,217	21,254
Furniture, fixtures and equipment		
At cost	536,644	410,855
Accumulated depreciation	(298,097)	(206,985)
Foreign exchange adjustment	5,171	7,371
Total furniture, fixtures and equipment	243,718	211,241
Total property, plant and equipment	302,935	232,495

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	21,254	211,241	232,495
Additions	46,425	92,662	139,087
Disposals	-	-	-
Depreciation expense	(8,226)	(65,356)	(73,582)
Foreign exchange adjustment	(236)	5,171	4,935
Carrying amount at the end of year	59,217	243,718	302,935

Notes to the Consolidated Financial Statements

For the year ended 30 June 2020

11 Intangible assets

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is calculated as the excess of the sum of:

- (i) the consideration transferred;
- (ii) any non-controlling interest (determined under either the full goodwill or proportionate interest method);
- (iii) the acquisition date fair value of any previously held equity interest; and
- (iv) less the acquisition date fair value of any identifiable assets acquired and liabilities assumed.

The goodwill during the financial year arose from the acquisition of a 60% interest in Hup Hoe Credit Pte. Limited (HHC). No impairment has been recognised in respect of goodwill at the end of the reporting period.

	Goodwill
	\$
Year ended 30 June 2020	
Balance at the beginning of the year	3,628,678
Acquisitions through business combinations	6,115,658
Reassessment	1,336,962
Foreign exchange adjustment	13,158
Closing value at 30 June 2020	<u>11,094,456</u>

12 Trade and other payables

	2020	2019
	\$	\$
Accrued expenses	346,873	171,100
Other payables	2,488,979	1,665,079
	<u>2,835,852</u>	<u>1,836,179</u>

The other payables represent accrued salaries of HHC and a dividend payable to the individual shareholders of ICS and HHC.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2020

13 Lease liabilities

The measurement principles of AASB 16 are only applied from 1 July 2019. At the date of initial application, the right-of-use assets equals to the lease liabilities and there was no adjustment to retained earnings. The liabilities are presented below:

	\$
Operating lease commitment disclosed as at 30 June 2019	196,356
Discounting using leases incremental borrowing rate	(4,079)
Balance at 1 July 2019	192,277
New leases during the period	624,162
Payments	(517,187)
Interest charges during the period	21,056
Foreign exchange adjustment	1,747
Balance at 30 June 2020	322,055

14 Amounts due to vendors of ICS and HHC

	2020 \$	2019 \$
Current	6,254,453	1,323,636
Non-current	-	498,475
	6,254,453	1,822,111

Amounts due to vendors of ICS and HHC comprise 18 monthly interest-free instalments for the acquisition of 60% interest of ICS and the contingent consideration of ICS and HHC.

15 Amounts due to related party

Current	3,485,696	-
Non-current	2,143,395	2,526,486
	5,629,091	2,526,486

The amount is trade in nature, unsecured, interest bearing and repayable within 12 months.

16 Derivative liabilities

Equity financing	1,000,000	-
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On 22 May 2020, the Group issued 32,148,759 fully paid ordinary shares for \$1,000,000 to LS Whitehall Group under an equity financing (swap) arrangement. This arrangement will be fully settled after an agreed pricing period where the final amount is to be adjusted by a swap amount calculated using an average VWAP of CIL's shares nominated by the investor. Upon settlement, the carrying amount of \$1,000,000 will be transferred to share capital.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2020

	2020	2019
	\$	\$
17 Current tax liabilities		
Provision for taxation - Hong Kong	170,234	43,496
Provision for taxation - Singapore	637,476	152,243
	807,710	195,739

18 Issued capital

1,114,952,542* (2019: 936,128,534) fully paid ordinary shares	8,915,406	6,220,555
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The increase in shares on issue of 178,824,008 is attributable to the issue of shares to the vendors of ICS and HCC as part of the consideration for the acquisition and the vesting of performance shares/rights.

*Excluding the shares issued under equity financing arrangement pending settlement.

	2020	2019
	\$	\$
19 Cash flow information		
Reconciliation of cash flow from operations with operating profit from ordinary activities after income tax:		
Profit from ordinary activities after income tax	3,581,873	524,662
Non-cash flows in profit from ordinary activities:		
Bad debt written off	1,434,425	-
Depreciation	73,582	51,246
Amortisation on right-of-use assets	502,615	-
Finance costs of debt for equity funding	32,500	-
Interest expense on advance from shareholders	443,987	-
Gain on acquisition of a subsidiary	-	(54)
Share-based payment	795,004	439,106
Effect of foreign currency translation	(33,783)	11,566
Increase in trade and other receivables	(97,465)	(60,046)
Increase in loan receivables	(6,958,915)	-
Increase in other current assets	(95,058)	(192,315)
Increase in loan from related party	2,658,618	-
Increase/(Decrease) in trade and other payables	233,706	(165,831)
Increase/(Decrease) in income tax payable	571,916	(167,968)
Cash flow from operations	3,143,005	440,366

The cash flow information does not reflect the non-cash share issue for the acquisition of HHC.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2020

20 Interests in other entities

The Group's subsidiaries at 30 June 2020 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 2020 %	Ownership Interest 2019 %
Credit Intelligence Holding Limited	Cayman Islands	Hong Kong	100	100
Hong Kong Debt Management Limited	British Virgin Island	Hong Kong	100	100
Hong Kong Debt Management Services Limited	Hong Kong	Hong Kong	100	100
Hong Kong I.V.A. Consultants Limited	British Virgin Island	Hong Kong	100	100
Credit Intelligence Finance (Hong Kong) Limited	Hong Kong	Hong Kong	100	100
Credit Intelligence (Singapore) Holdings Limited	Cayman Islands	Hong Kong	100	100
ICS Funding Pte. Ltd	Singapore	Singapore	60	60
Hup Hoe Credit Pte Ltd	Singapore	Singapore	60	Nil

21 Earnings per share

	2020 \$	2019 \$
Basic Earnings/(loss) per share	0.0025	0.0006
Diluted Earnings/(loss) per share	0.0023	0.0006

*Weighted average number of shares used in

Basic earnings per share calculation	1,023,909,906	821,378,155
Diluted earnings per share calculation ¹	1,084,181,248	881,725,929

*Excluding the shares issued under equity financing arrangement pending settlement.

Profit/(loss) for the period used in earnings per share

From continuing operations	2,541,275	524,662
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¹Rights to deferred shares granted to executives and employees, including those granted under the group's performance rights plan, are included in the calculation of diluted earnings per share assuming all rights will vest.

22 Segment information

Credit Intelligence is one of the leading diversified debt restructuring and personal insolvency management businesses operating in Hong Kong. For management purposes, the Group is organised into two main operating segments which involves provision of bankruptcy administration services and Individual Voluntary Arrangement proposal consultancy, implementation services and credit funding for corporate and individuals. All of the Group's activities are interrelated and financial information is reported to the Board as two single segments. Accordingly, all significant operating decisions are based upon analysis of the Group as two segments. The financial results from these segments are equivalent to the financial statements of the Group as a whole.

During the year ended 30 June 2020 the Group operated in the Hong Kong and Singapore markets. The Group operated only in the Hong Kong market during the year ended 30 June 2019. There are inter-segment sales of \$365,055 between CIL and CIH in the current year (2019: 296,215).

Notes to the Consolidated Financial Statements

For the year ended 30 June 2020

22 Segment information (continued)

(i) *Revenue by geographical region*

Revenue attributable to external customers is disclosed below, based on the location of the external customer:

	2020	2019
	\$	\$
Australia	-	-
Hong Kong	7,381,100	6,049,307
Singapore	6,230,518	-
Total revenue	13,611,618	6,049,307

(ii) *Revenue by operating segment*

Debt restructuring and personal insolvency	7,381,100	6,049,307
Credit Financing	6,230,518	-
Total revenue	13,611,618	6,049,307

(iii) *Timing of revenue recognition*

At point in time	1,828,139	-
Over time	11,783,479	6,049,307
Total revenue	13,611,618	6,049,307

(iv) *Assets by geographical region*

The location of segment assets by geographical location of the assets is disclosed below:

Australia	1,158,462	4,787,326
Hong Kong	2,958,508	1,491,612
Singapore	23,784,327	6,398,533
Total assets	27,901,297	12,677,471