

12 January 2023

Ben Dawson  
Adviser, Listings Compliance  
Australian Securities Exchange

By Email: [ListingsCompliancePerth@asx.com.au](mailto:ListingsCompliancePerth@asx.com.au)

We refer to your aware query letter dated 10 January 2023 and respond to your questions as follows:

- 1(a). Yes .
- 1(b). Yes.
2. Not applicable.
- 3(a). On 6 January 2023, as soon as the Company is aware that the first 5 months (July – November 2022) of unaudited consolidated interim results with the incorporation of other supplementary accrued financial data for December 2022, represents a decrease in its unaudited consolidated profit attributable to members by not less than 50% as compared with that reported for the corresponding period, it released a profit warning announcement to the ASX (6 days after the reporting period ended).

The Company's 7 operating subsidiaries November 2022 management accounts were prepared progressively throughout the month of December 2022, with the last set of subsidiary accounts prepared on 23 December 2022. These management accounts were not reviewed by the Company until the return of staff from Christmas and New Year holiday break.

On 9 January 2023, in response to ASX's request to quantify the extent of the unaudited consolidated profit, the Company reviewed its December month accruals and updated financial data provided during 7 – 8 January 2023, and determined that the unaudited consolidated profit for HY23 was \$480,000 (subject to audit and exclude impairment loss adjustment on carrying amount of goodwill, which is to be formerly reviewed by the independent auditors and audit committee of the Company).

- 3(b). As above.

4. As explained in point 3 above, in response to ASX's request on 9 January 2023 to quantify the extent of the unaudited consolidated profit, the Company reviewed its December month accruals and updated financial data provided during 7 – 8 January 2023, and determined that the unaudited consolidated profit for HY23 was \$480,000, and released an update announcement to ASX prior to the commence of trade on 10 January 2023.
5. CI1 is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

The above response has been authorised and approved by the Board of CI1.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Nicholas Ong', written in a cursive style.

Nicholas Ong  
Company Secretary



10 January 2023

Mr Nicholas Ong  
Company Secretary  
Credit Intelligence Limited  
Level 8, 99 St Georges Terrace  
PERTH WA 6000

By email: Nicholas.ong@minervacorporate.com.au

Dear Mr Ong

**Credit Intelligence Limited ('CI1'): General – Aware Query**

ASX refers to the following:

- A. CI1's announcement entitled "Profit Warning" lodged on the ASX Market Announcements Platform ('MAP') on 9 January 2023 at 8.10PM EST (the 'Profit Warning Announcement'), disclosing amongst other things "...a decrease in [CI1's] unaudited consolidated profit attributable to members of the Company by not less than 50% as compared with that reported for the corresponding period". The announcement was marked as sensitive.
- B. The decrease in the price of CI1's securities from \$0.225 at the close of trading 6 January 2023 to an intraday low of \$0.145 and the increase in the volume of securities traded on 9 January 2023;
- C. CI1's announcement entitled "Update on Profit Warning" lodged on MAP on 10 January 2023, disclosing amongst other things "...Based on the unaudited financial information, [CI1's] unaudited consolidated profit for HY23 was \$480,000 (HY22: \$1.6m), a 70% decrease compare to the same period in last financial year [sic]" (the 'Updated Profit Information'). The announcement was marked as sensitive.
- D. Section 1041H of the *Corporations Act 2001* (Cth) ('Act') which, among other things, prohibits a person from engaging in "conduct, in relation to a financial product or a financial service, that is misleading or deceptive or is likely to mislead or deceive".
- E. 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.
- F. 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."*
- G. 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;*
- *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.”*

H. 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 Updated Profit Information, in particular the information that:
  - a) the unaudited consolidated profit for HY23 was \$480,000 (HY22: \$1.6m); and
  - b) the unaudited consolidated profit for HY23 was a 70% decrease compare to the same period in last financial year,to be information that a reasonable person would expect to have a material effect on the price or value of its securities?

Please answer separately for each of the above.
2. If the answer to question either part of is “no”, please advise the basis for that view.
3. When did CI1 first become aware of the Updated Profit Information, in particular the information that:
  - a) the unaudited consolidated profit for HY23 was \$480,000 (HY22: \$1.6m); and
  - b) the unaudited consolidated profit for HY23 was a 70% decrease compare to the same period in last financial year.

Please answer separately for each of the above.
4. If CI1 became aware of either part of the Updated Profit Information before the release of the Profit Warning Announcement, why did it not release either part of the Updated Profit Information in the Profit Warning Announcement?
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.

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### **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 **9 AM AWST Friday, 13 January 2023**. 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.

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.

### **Trading halt**

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in CI1's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- 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*.

### **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.

### **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.

### **Release of correspondence between ASX and entity**

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under listing rule 18.7A.

### **Questions**

If you have any questions in relation to the above, please do not hesitate to contact me.

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Yours sincerely

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**Ben Dawson**  
Adviser, Listings Compliance