



INCREDIBLE HOLDINGS LTD.  
(Incorporated in the Republic of Singapore)  
(Company Registration Number: 199906220H)

## MEDIA RELEASE

### INCREDIBLE TO ACQUIRE BILLION CREDIT FINANCIAL COMPANY LIMITED FOR HK\$5.8 MILLION TO KICKSTART ITS LOAN FINANCING BUSINESS IN HONG KONG

- ***Group entered into a sales and purchase agreement (“SPA”) with Great Winner Holdings Limited (the “Vendor”) for the proposed acquisition of 100% of Billion Credit Financial Company Limited (the “Target”) for HK\$5.8 million***

**Singapore, September 28, 2021** – Incredible Holdings Ltd. (“Incredible” or “the Group”), which is in the electronics industry distribution, luxury goods trading and loan financing business, is pleased to announce that it had signed a SPA with the Vendor to enter into a proposed earnings-accretive acquisition of 100% of the Target for HK\$5.8 million (equivalent to S\$1.0 million).

Operating in Hong Kong as a private limited company since 2012, the Target is in the business of providing loans mainly to individuals who provide assets e.g. properties as collateral. For the financial year ended 31 December 2020 (“FY2020”), the Target generated HK\$155,000 in net profit after tax. Based on an independent valuation report by Peak Vision Appraisals Limited on 27 September 2021, the Target had a market value of HK\$4.73 million.<sup>1</sup>

The proposed acquisition is in line with the Group’s core strategy of diversifying into the loan financing business of providing personal and business loans secured by assets such as privately owned commercial, industrial or residential properties in Hong Kong based on a loan to value (“LTV”) ratio at prevailing market interest rates.

The proposed acquisition would enable the Group to kickstart its loan financing business with a ready team of professionals and an existing loan book with recurring interest income. Despite the Target’s money lending license in Hong Kong being expired on 18 August 2021, it is still able to conduct its loan

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<sup>1</sup> Prepared in accordance with HKIS Valuation Standards 2020 published by the Hong Kong Institute of Surveyors and the International Valuation Standards (effective 31 January 2020) published by the International Valuation Standards Council

financing business as it awaits its license renewal approval from the court in Hong Kong as licensed money lenders are regulated by the Money Lenders Ordinance (“MLO”) in Hong Kong.

To secure the proposed acquisition of the Target, the Group will issue a promissory note of S\$1.0 million at 8% per annum to the Vendor due 30 September 2022. The promissory note can be redeemed at any time within 14 business days of notice upon full repayment of the principal amount of S\$1.0 million and any accrued outstanding interest paid. The Group intends to fund the proposed acquisition through raising funds in the capital markets. The Group will update shareholders via SGXNet accordingly when any material developments on future corporate actions arise.

In addition, the Group had appointed an independent financial advisor (“IFA”), W Capital Markets Pte. Ltd., to advise the Audit Committee of the Group on the proposed acquisition. The proposed acquisition and the SPA are also subject to obtaining the relevant approvals from the respective authorities and regulatory bodies as well as the due diligence process being completed by 31 March 2022.

Commenting on the proposed acquisition, Mr. Christian Kwok-Leun Yau Heilesen, Executive Director of Incredible, said: ***“Following our shareholders’ approval at the Extraordinary General Meeting (“EGM”) on 6 September 2017, our Group had announced our intention to diversify into the loan financing business in Hong Kong. This proposed earnings accretive acquisition represents an excellent opportunity for our Group to fast track into this business with an existing team of experienced professionals, a ready clientele base to serve, an existing loan portfolio with recurring interest income and a money lending license in Hong Kong nearing renewal approval. We will continue to hunt for earnings accretive acquisitions to diversify our revenue streams and to enhance our shareholder value in the long run.”***

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**About Incredible Holdings Ltd. (SGX code : RDR)**

Incredible Holdings Ltd. and its subsidiaries (the “Group”) focus its core business on the distribution of equipment and consumable materials for the electronics industry in Singapore, the trading of luxury goods in Europe and Asia, and loan financing business in Hong Kong.

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Issued for and on behalf of Incredible Holdings Ltd.

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*This press release has been reviewed by the Company's Sponsor, Hong Leong Finance Limited. It has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this press release, including the correctness of any of the statements or opinions made or reports contained in this press release.*

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