



2Q 2022
Results Briefing

AGENDA

- ① **Key Highlights & Updates**
 - ② **Growth Enablers & Strategies**
 - ③ **Financial Overview**
 - ④ **Associate Companies**
 - ⑤ **RAM Updates**
 - ⑥ **Growth Targets**
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Key Highlights & Updates



2Q 2022 KEY HIGHLIGHTS

Achieved Record Quarterly Revenue & Profit

**Stellar PATAMI growth
of 90% YoY**

**Approval-in-principle for
Pioneer Status extension**

**Growing from
strength-to-strength**

FINANCIAL HIGHLIGHTS

- Record Quarterly Revenue at RM46.51mil with higher revenue growth registered across all core business segments, from activation growth and higher transaction volumes
- PATAMI of RM22.5mil underpinned by both organic businesses and inorganic growth from associate contributions
- Recognition of full quarterly contribution from JurisTech
- On-track to achieve our internal management guidance for FY22 as momentum is expected to continue accelerating in 2H 2022

TAX RELIEF STATUS

- Write-back of RM4.2 mil tax for successful transition to the new regime
- New application to MDEC for an extension of tax exemption period for next five (5) years until 2026 has been approved in principle
- Total incremental tax provision of RM7.8Mil from Nov 2021 to June 2022 which will be written back upon getting the final approval from the relevant authorities

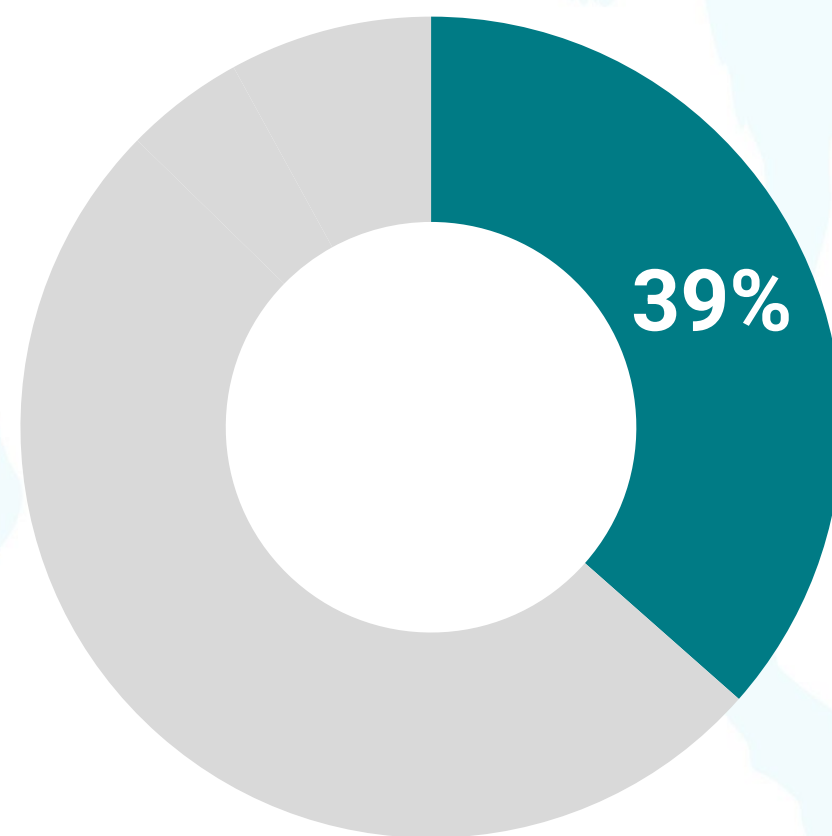
NEW INITIATIVES

- Impressive trajectory for Portfolio Management & Digital Solutions which expanded 87% and 82% in 1H2022 YoY respectively
- Kick-started new services including Multi-faced eKYC, Digital Footprint and e-mail Validation to deepen wallet share
- Expanded into insurance industry via e-KYC and car insurance market place (PolicyStreet.com)
- Proposed additional RAM acquisition & aiming to increase stake in RAM to 55-60%

Key Accounts Segment

Broadening scope of value-added services to increase wallet share

2Q 2022 REVENUE CONTRIBUTION



c. 450 Corporate Clients

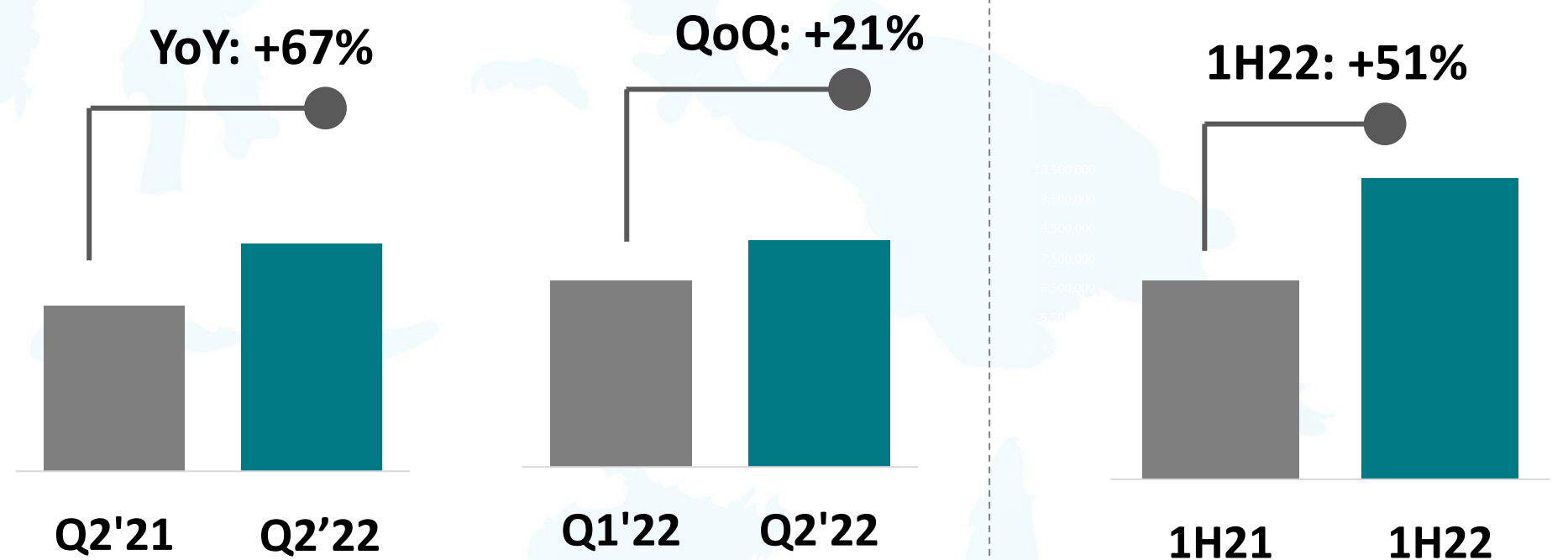
100% Enterprise Client Retention

c.75% Recurring Revenue

2Q 2022 OPERATIONAL UPDATES

- Successfully inaugurated eKYC service with 3 large insurance companies and 1 prominent bank
- Further inroads with more new enterprise signings from BNPL/ Fintech lenders
- Stronger revenue in 2Q with improved contribution from Digital Solutions which witnessed +60% growth QoQ

TRANSACTIONS VOLUME



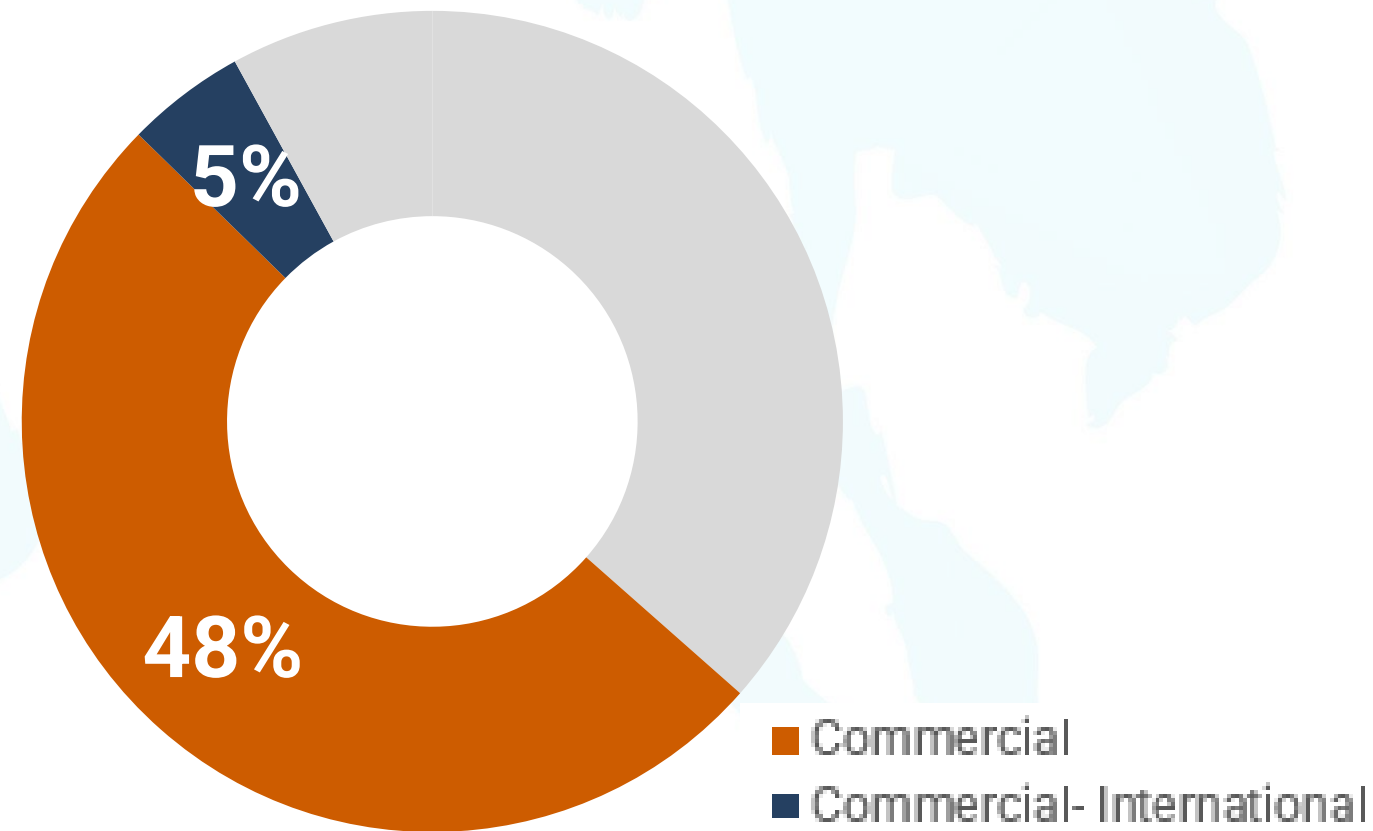
- Digital Reports continued to witness solid growth QoQ and YoY.

- Digital Reports continued to show high volume growth.

Commercial Segment

Expanding Commercial subscriber base across industries to maintain market position

2Q 2022 REVENUE CONTRIBUTION



c. 18,000 SME Customers

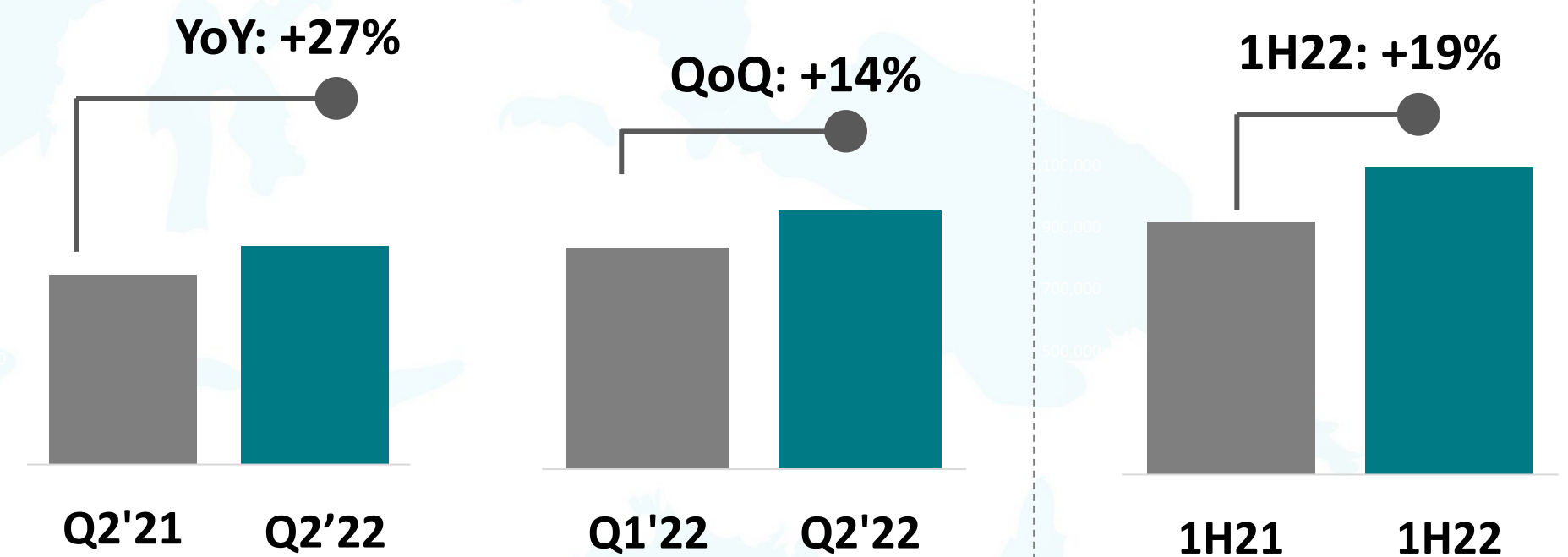
c.100K Addressable SMEs

c.90% Recurring Revenue

2Q 2022 OPERATIONAL UPDATES

- Activation growth of +18% QoQ and +45% YoY
- Churn rate continued to improve from an already low percentage
- Higher usage from increased activation & upselling campaign
- Revenue partially uplifted with higher ARPU from selective 6% price adjustment

TRANSACTIONS VOLUME



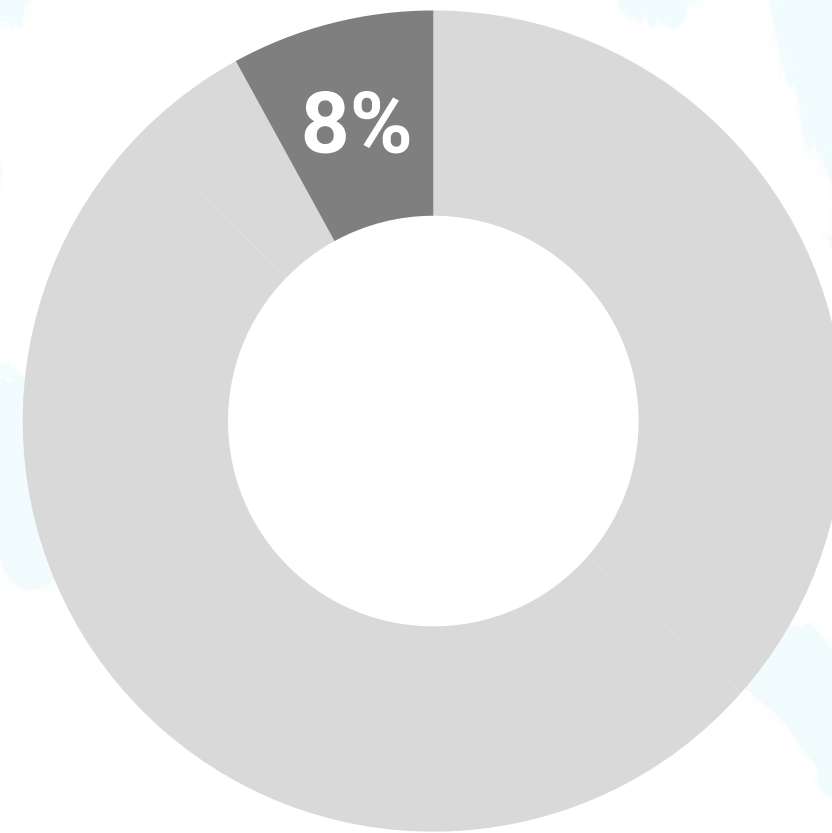
- Balanced QoQ growth witnessed in key services such as Digital Reports and External Search

- Driven by sturdy Digital Reports of CTOS Enquiry and CCRIS related reports as well as External Search services

Direct-to-Consumer Segment

Increase penetration via strategic partnerships & financial literacy initiatives

2Q 2022 REVENUE CONTRIBUTION



c.2.2M Registered Users

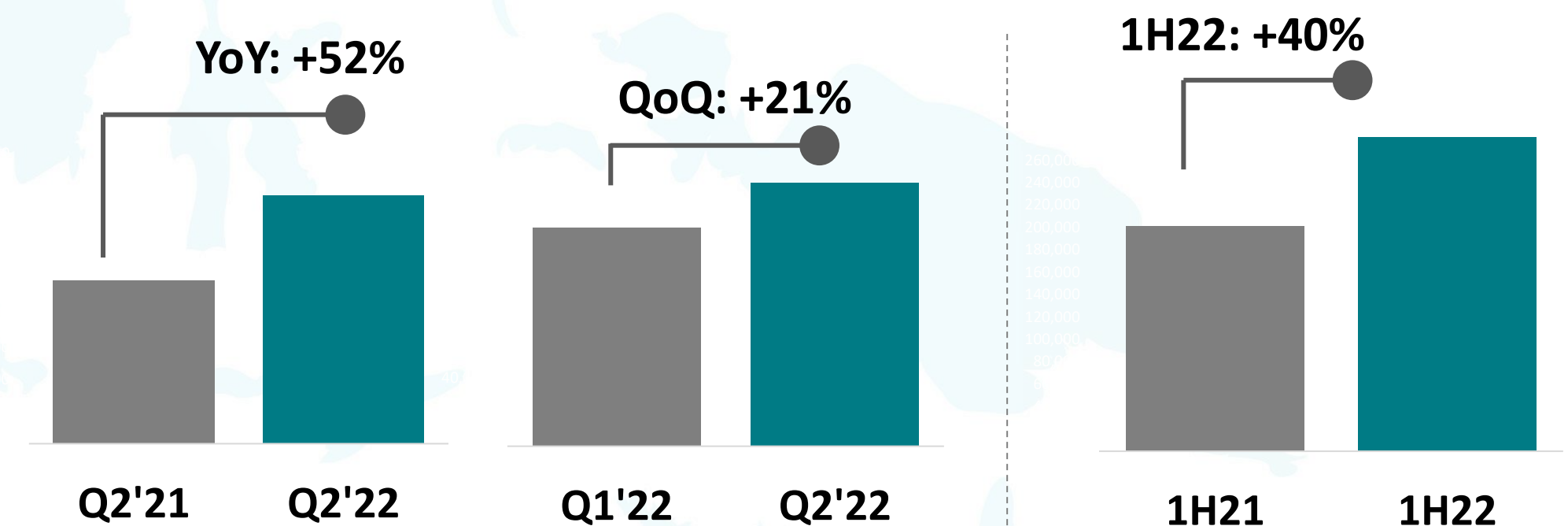
c.15.0M Credit Active Consumers

3 year Revenue CAGR~ 32.6%

2Q 2022 OPERATIONAL UPDATES

- June ending CID base increased to **2.2M** from **1.9M**
- Growth momentum continued in 2Q bolstered by strategic partnerships which grew +62% QoQ
- Supported by improved awareness via digital channels and various marketing activities

TRANSACTIONS VOLUME



- Transactional volume based on registered users continues to increase due to financial literacy initiatives and upselling efforts

- Benefiting from domestic demand recovery, improved labour market condition and supportive policy

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Growth Enablers & Strategies



RESILIENT BUSINESS MODEL

Sustainable Growth for Core Businesses



LARGE RECURRING REVENUE

- 75% of Key Account & 90% of Commercial revenue are recurring
- 100% large enterprise client retention



INCREASE WALLET SHARE

- Up-selling and cross-selling within business units and across related companies
- Digital and analytic products offering



ACTIVE RISK MANAGEMENT

- Multi faceted headwinds require businesses to stay vigilant in credit evaluation
- Monitoring of profile change and collection



LARGE READY MARKET

- Key Accounts- full potential not materialized, can potentially make up to 50% of a Credit Bureau's revenue
- Commercial- 100k addressable SMEs akin to existing client profiles
- D2C- 13.0M Credit active consumers remain



ECONOMIC RECOVERY

- Strong domestic demand, recovery in labour market & continued policy support resulted in GDP growth of 5% (1Q 2022) vs 3.6% (4Q 2021)
- Loan growth maintained at 4.4% despite rates hike

OUR GROWTH STRATEGIES

Proliferation of growth forward



BAU GROWTH

Large addressable market in our key business segments with upselling and cross selling opportunities



DIGITAL ECOSYSTEM

Deep insights and automation through fortifying data analytics, fraud & ID and platform capabilities



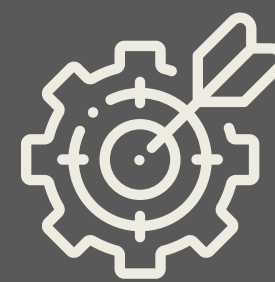
PROPRIETARY DATABASES

Enhance coverage of alternative proprietary databases to offer more comprehensive resources with improved quality of reports



NEW VERTICALS

Expanding into new industries such as Automotive, Fintech, Insurance, Real Estate with refined products and services



VALUED ACQUISITIONS

Value accretive and synergistic value creation acquisition to accelerate growth domestically and internationally

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Financial Overview



FINANCIAL PERFORMANCE - 2Q 2022

Stellar PATAMI growth of 90% YoY

(RM' Million)	2Q 2022	2Q 2021	YoY (%)
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Continuing Operations

Revenue	46.51	37.85	23%
GP	38.77	33.03	17%
(-)			
Other income (expenses)	1.28	-0.13	1060%
Selling & Marketing Expenses	-8.49	-7.92	7%
Administrative Expenses	-13.88	-10.68	30%
Finance Income	0.11	0.04	211%
Finance Cost	-0.78	-1.62	-52%
Share of Profit of Associates	5.73	1.77	224%

Growth in all business segments. Malaysia and International operations continue to register highest ever quarterly revenue, at 21% and 69% growth YoY respectively

PBT	22.75	14.48	57%
(-)Tax Expenses	-0.27	-2.46	-89%
PAT from Continuing Operations	22.48	12.02	87%
PAT	22.48	11.67	93%

Higher PBT due to higher revenue, lower finance cost and increased contribution from associates & div income from RAM

Higher PATAMI due to higher revenue, lower finance costs, increased contribution from associates and writeback of prior year tax provision on approval of the incentive for the Transitional Period

PATAMI	22.48	11.84	90%
Normalised PATAMI, before interest expense	21.84	13.37	63%

(RM' Million)	Q2 2022	Q2 2021
Losses from CIBI Holdings and CIBI	-	0.18
Costs related to acquisition	0.07	-
Forex losses on USD borrowings	-	-0.19
Incremental income tax expense	3.49	1.53
Write-back of prior year tax	-4.20	-
Total	(0.64)	1.53

FINANCIAL PERFORMANCE - 1H 2022

Stellar PATAMI growth of 79% YoY

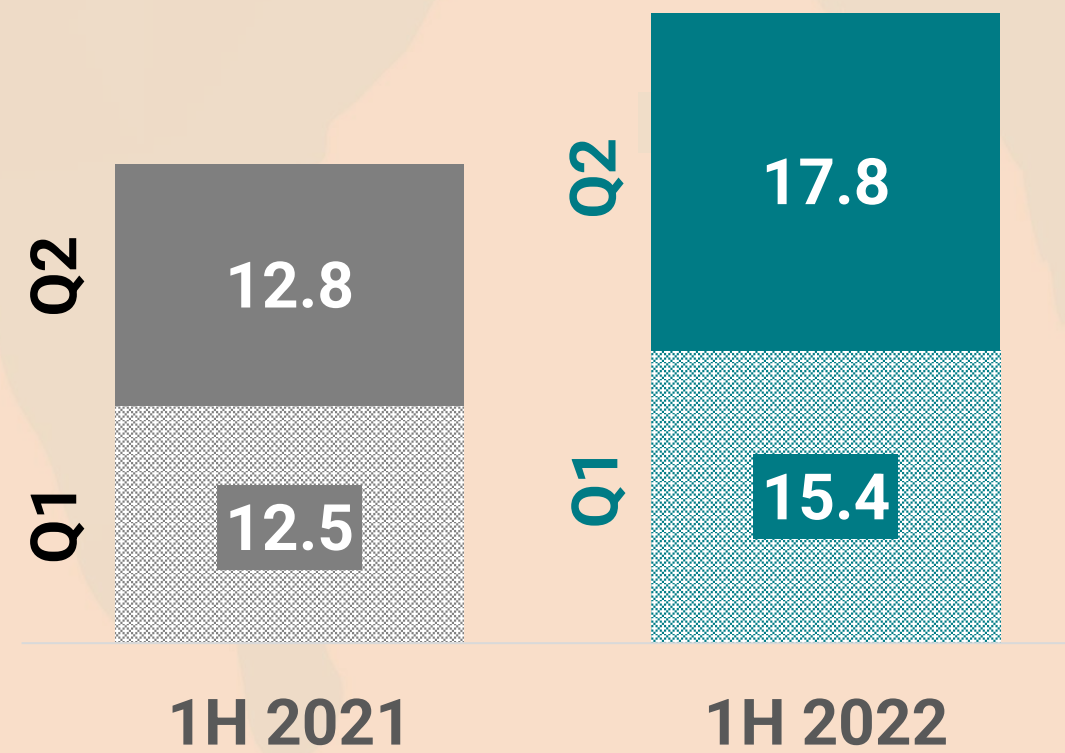
(RM' Million)	1H 2022	1H 2021	YoY (%)	
Continuing Operations				
Revenue	89.19	75.80	18%	Growth in all business segments. Malaysia revenue grew at 16.5% meanwhile International revenue grew at 42.9% YoY
GP	75.17	66.53	13%	
(-)				
Other income/ (expenses)	1.18	-0.19	724%	Higher staff costs and IT support expenses as the Group's continuing investment in key talents, cybersecurity and technology to drive future growth
Selling & Marketing Expenses	-16.07	-14.98	7%	
Administrative Expenses	-27.80	-24.62	13%	
Finance Income	0.19	0.08	144%	
Finance Cost	-1.46	-5.20	-72%	
Share of Profit of Associates	8.14	3.42	138%	
PBT	39.35	25.04	57%	Higher PBT due to higher revenue, lower finance cost and increased contribution from associates & div income from RAM
(-)Tax Expenses	-4.40	-4.93	-11%	
PAT from Continuing Operations	34.96	20.11	74%	
PAT	34.96	18.97	84%	
PATAMI	34.96	19.53	79%	
Normalised PATAMI, before interest expense	38.10	26.20	45%	

(RM' Million)	1H 2022	1H 2021
Losses from CIBI Holdings and CIBI	-	0.58
Costs related to acquisition	0.76	0.10
Forex losses on USD borrowings	-	2.92
Incremental income tax expense	6.59	3.08
Write-back of prior year tax	(4.20)	-
Total	3.15	6.67

REVENUE BREAKDOWN BY BUSINESS SEGMENTS

Strong YoY growth in all segments driven by improving demand & economic conditions

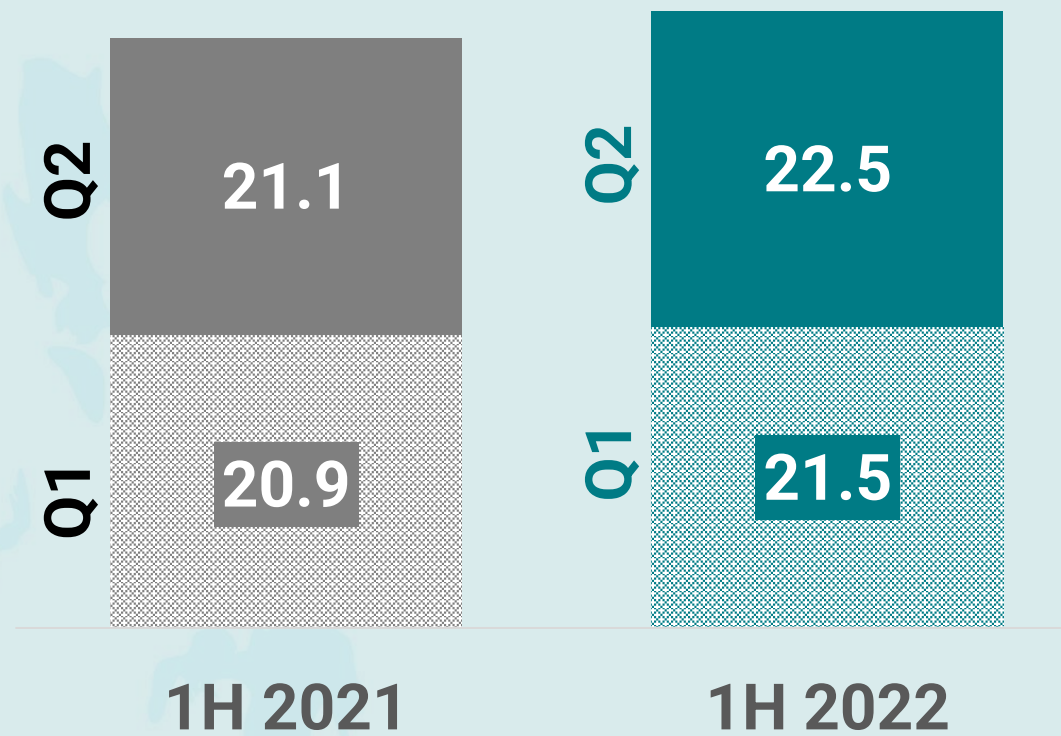
Key Accounts (RM' Million)



◆ Driven by strong demand for CTOS Digital reports and uplifted by revenue contributed by digital solutions

2Q YoY %	2Q QoQ %	1H YoY %
40%	15%	32%

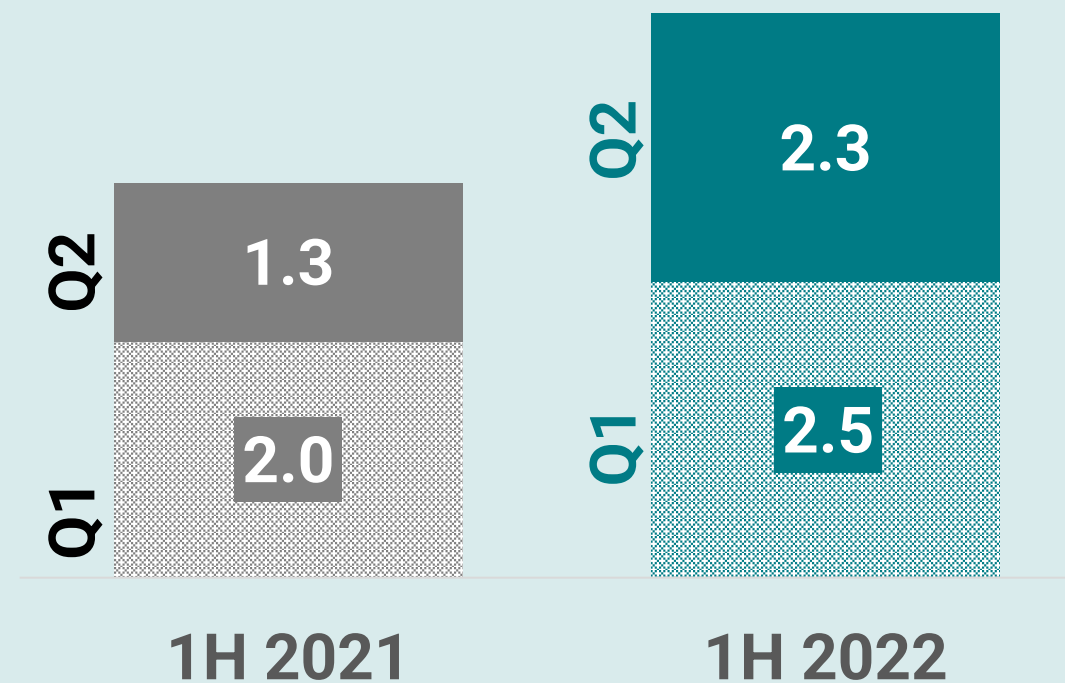
Commercial- Malaysia (RM' Million)



◆ Improved revenue on the back of new activation, higher transaction volume and minimal churn rate

2Q YoY %	2Q QoQ %	1H YoY %
7%	5%	5%

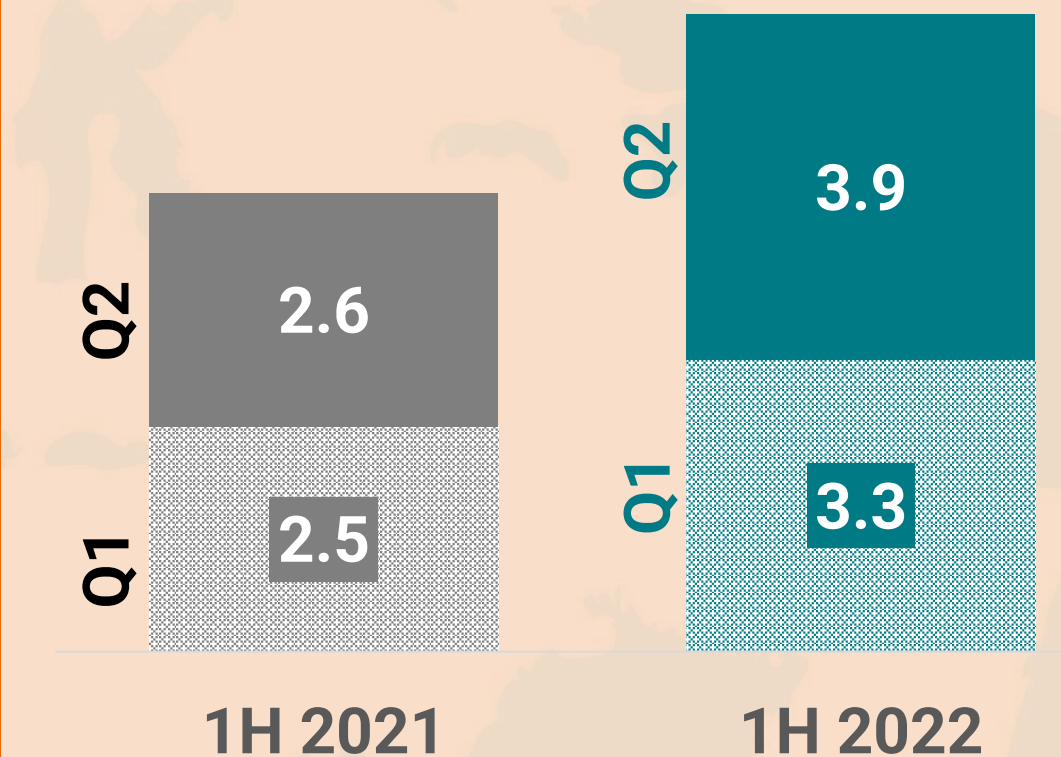
Commercial- International (RM' Million)



◆ Higher YOY growth contributed by higher bulk data sales

2Q YoY %	2Q QoQ %	1H YoY %
69%	-9%	43%

D2C (RM' Million)

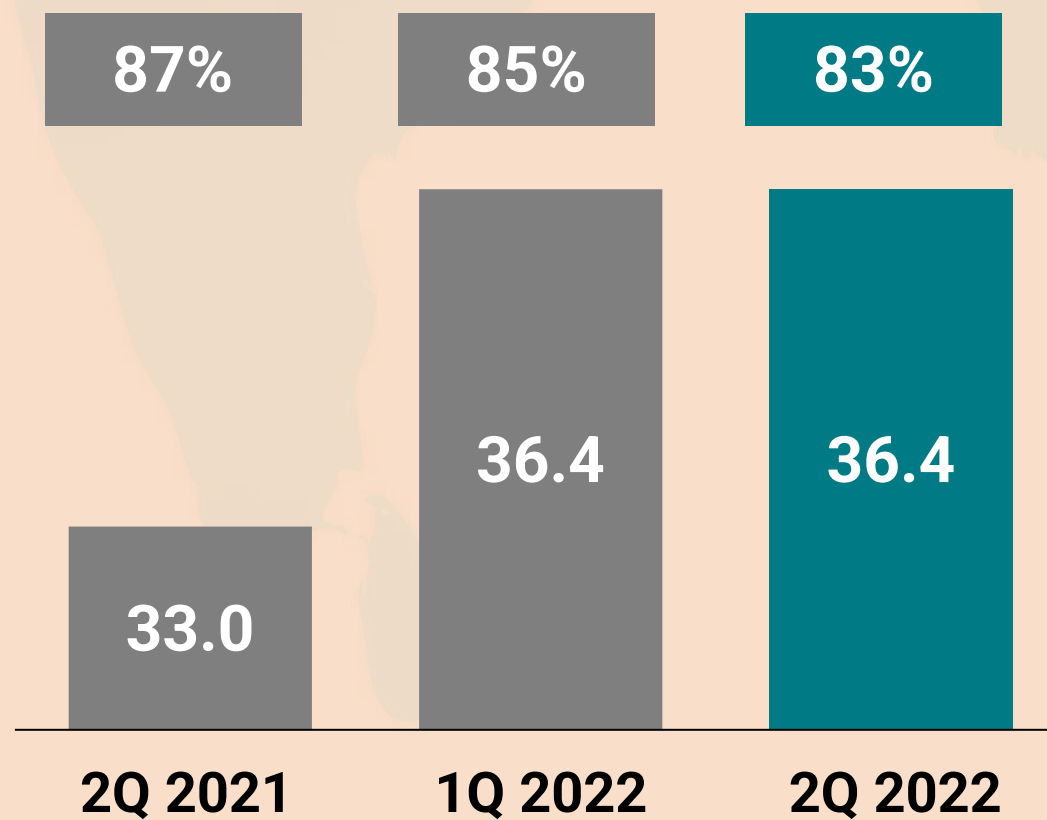


◆ Higher transaction volume with increased client base

2Q YoY %	2Q QoQ %	1H YoY %
48%	19%	39%

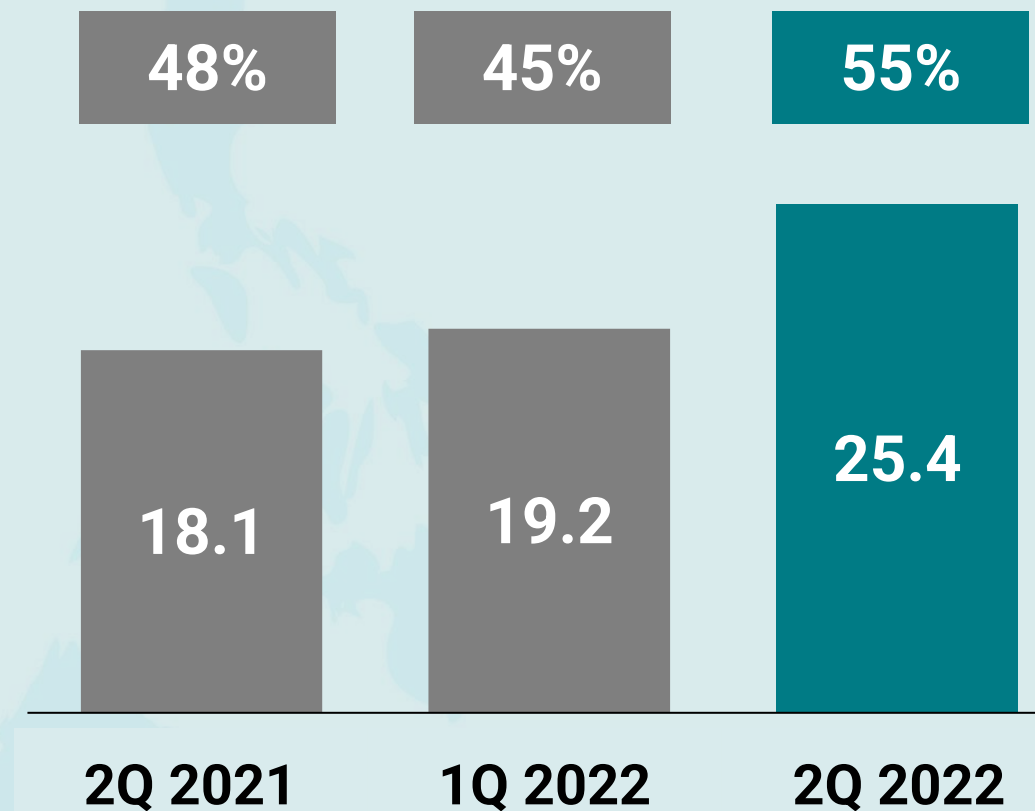
PROFITABILITY TREND

GP (RM' Mil) & Margin (%)



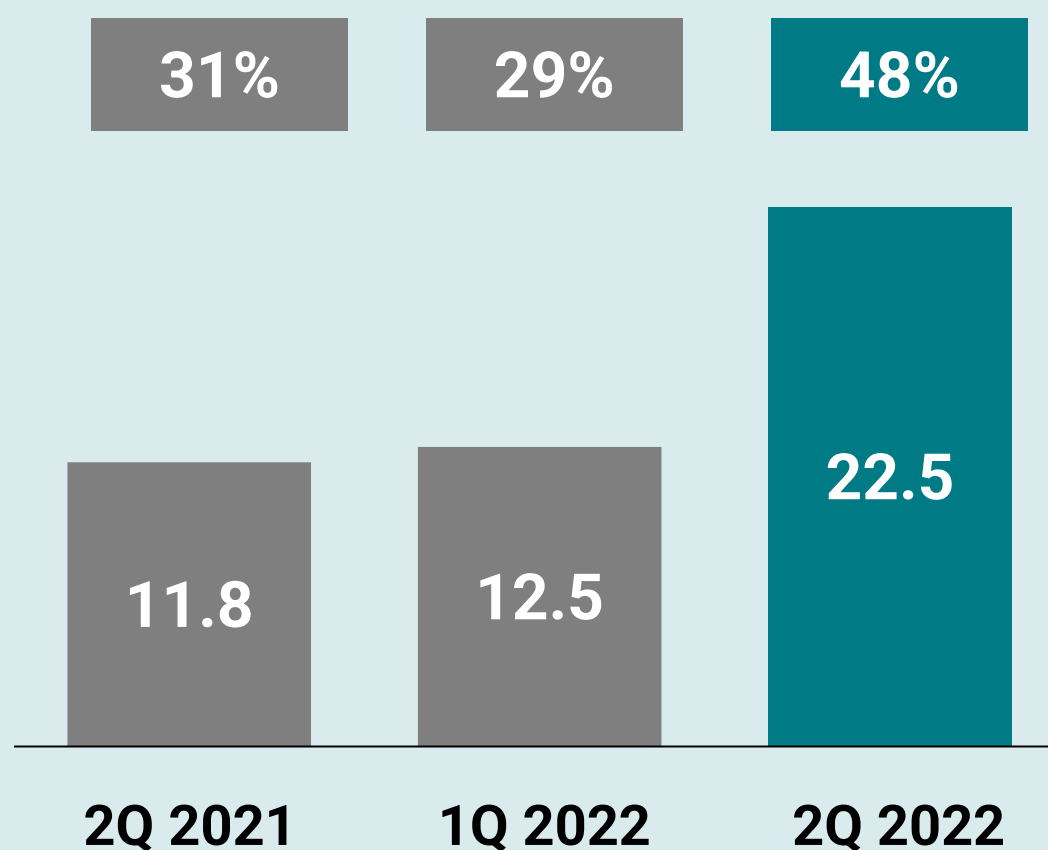
Lower YoY & QoQ GP margin in 2Q 2022 mainly due to variation in product sales mix

EBITDA (RM' Mil) & Margin (%)



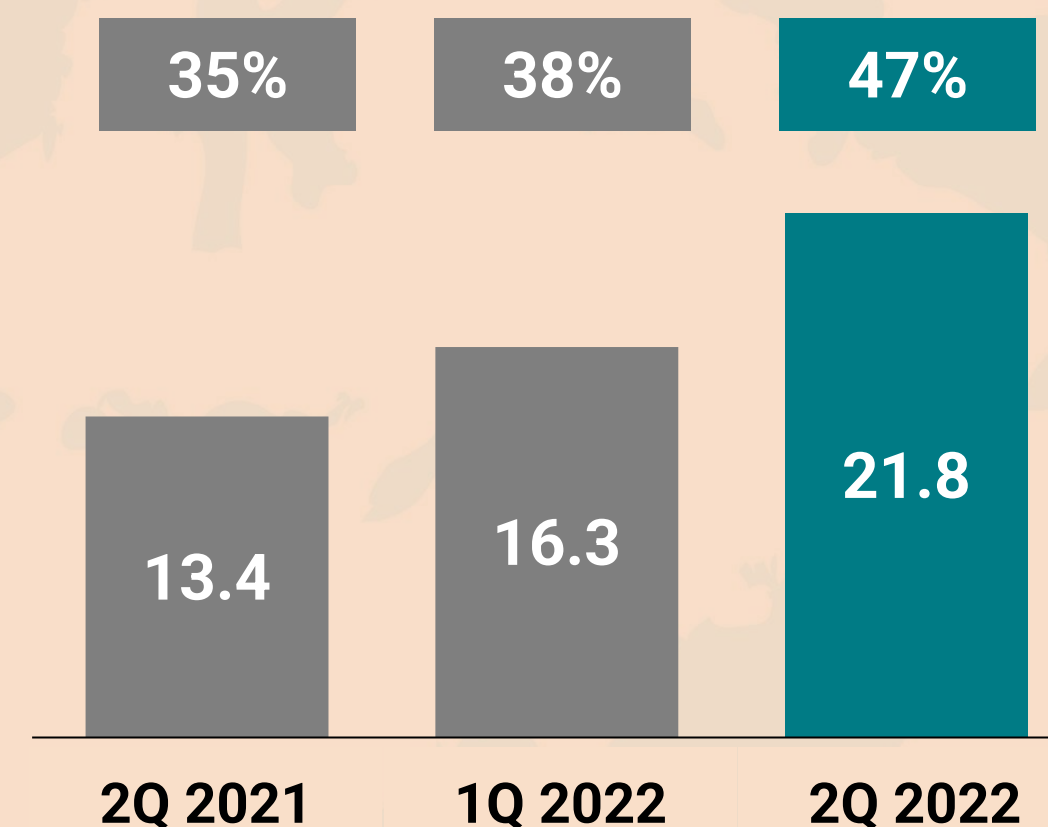
Higher EBITDA margin due to scalable organic growth and higher associate contribution

PATAMI (RM' Mil) & Margin (%)



Higher PATAMI margin partially due to higher share of profit of associates and tax write-back of RM4.2 million

NORM. PATAMI* (RM' Mil) & Margin (%)

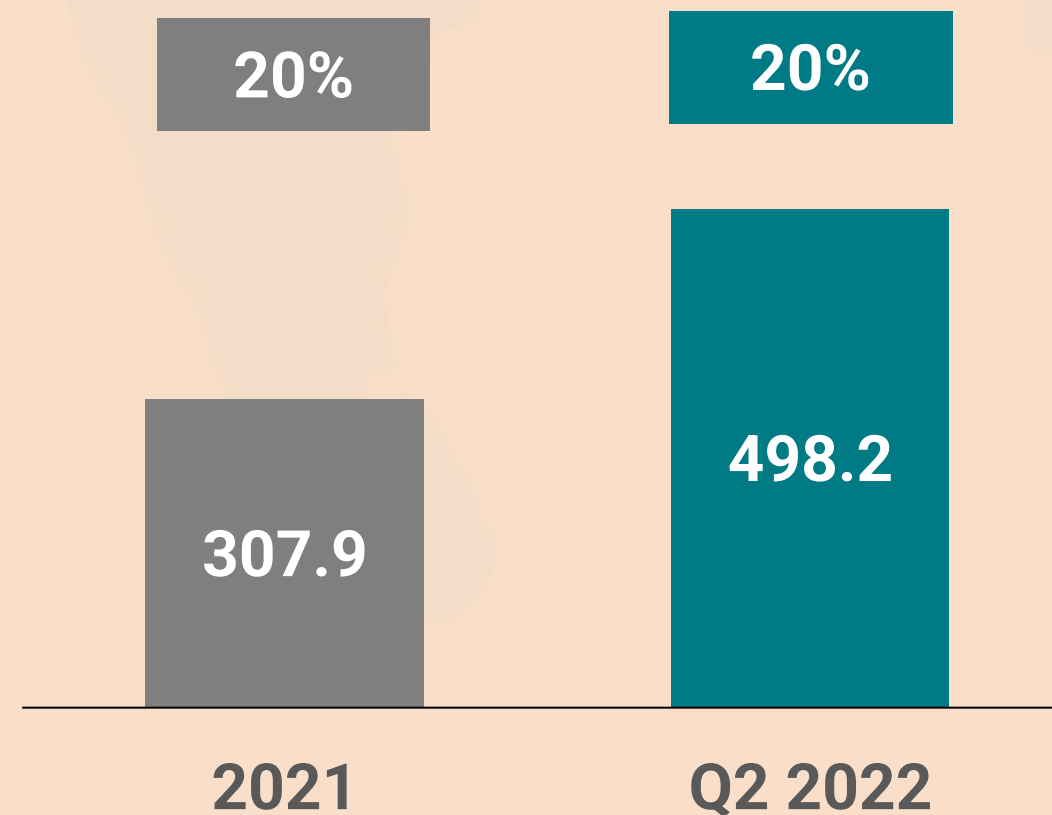


Normalised PATAMI margin in 2Q 2022 improved mainly due to the higher contribution from associates and dividend income from RAM

*Normalised PATAMI, before interest expense

KEY FINANCIAL RATIOS & MATRICES

Shareholder Equity (RM' Mil) & ROE (%)



Shareholder equity base increased as a result of the private placement of new 110 million shares on 3rd of March 2022

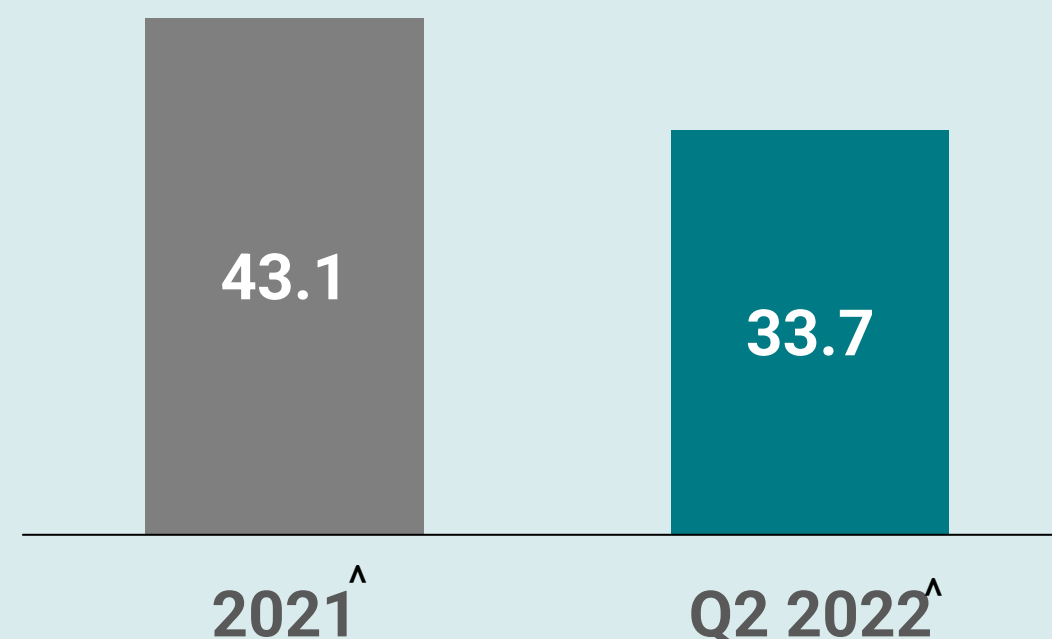
Borrowings (RM' Mil) & Net Gearing (x)



Borrowings increased to partially fund the acquisition of Juris Technologies

Net Gearing remains at minimal level

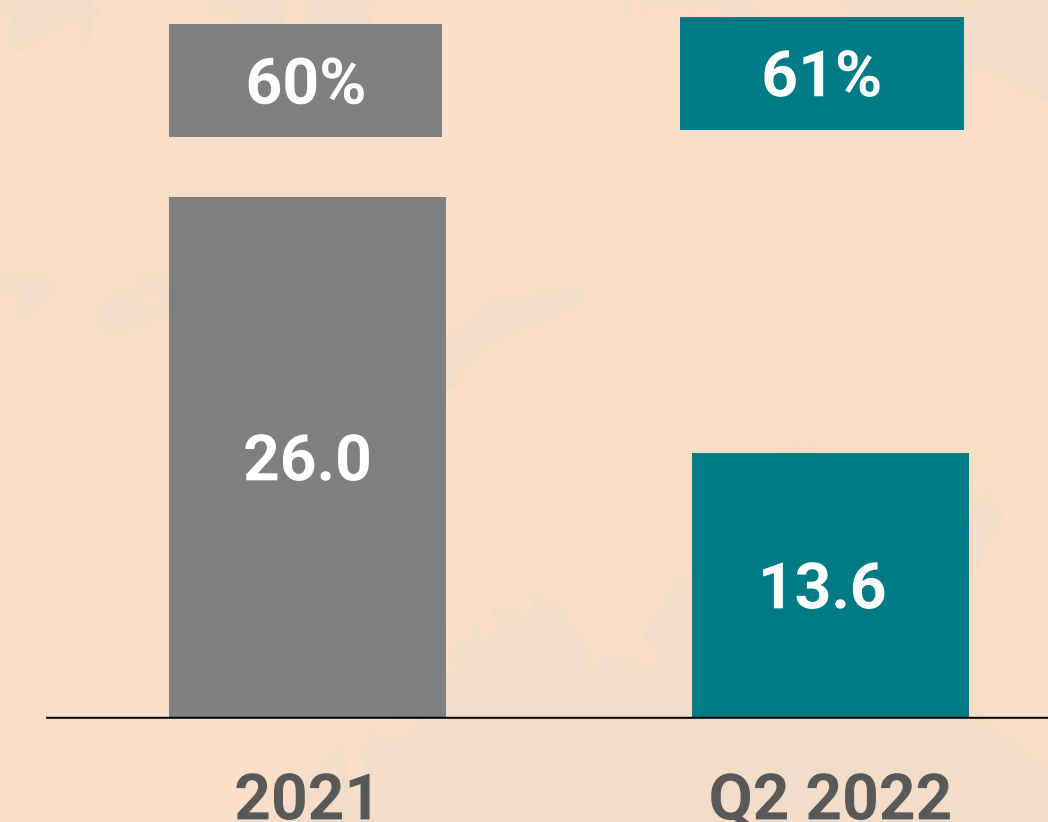
Cash (RM' Mil)



Cash on hand remains healthy

[^] inclusive of investment in money market funds of RM26m in 2021 and RM18.6m in 2Q 2022.

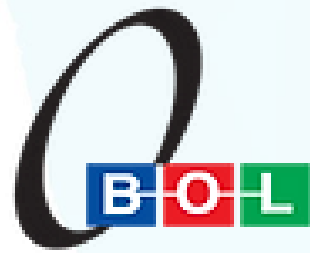
Dividend Payout (RM Mil) & Payout Ratio (%)



Annual dividend pay-out policy with at least 60% of PATAMI

2nd interim dividend: 0.59 sen/share
Entitlement date: 16 Aug 2022
Payment date: 13 Sep 2022

BOL AND JURISTECH



Business Online PLC (BOL): 24.83%

Market leader in business information in Thailand

- ◆ BOL is striving to be the leading provider of business information and analytics tools to enable its customers to enjoy fast and effective decision-making process
- ◆ BOL continuously develops and updates its existing business registry and financial database while searching for new information sources. Leading innovations from around the world are harnessed to offer new dimensions in analyzing and interpreting business risks and opportunities
- ◆ **Reported PAT of THB 61.3m in 1Q 2022**



Juris Technologies: 49%

Market leader in credit related enterprise-class software solutions in Malaysia

- ◆ **Joint account planning** - formalising account plans for several strategic key account clients where CTOS & JurisTech will bring their complete suit of solutions, especially enabling their digital and credit transformation.
- ◆ **Introducing digital lending platform for moneylenders** - combining JurisTech's solution on digital origination, decisioning & collections system together with CTOS's eKYC, credit reports and credit analytics for an end-to-end solution in a box that can be rolled out to the broader fintech and digital moneylending segment.
- ◆ **Integrated core offering on JurisTech's platform** - CTOS bureau data and scores as well as eKYC will soon be pre-integrated across all relevant JurisTech's solutions, providing great access to CTOS's bureau services for all JurisTech's current and new enterprise clients.
- ◆ Targeting 15-20% CAGR profit growth

OUR GROWTH TARGETS

FY22 PATAMI to increase by RM5m; Revised Upwards FY23 PATAMI to RM95-100m

	Actual FY2021	Internal Mgmt. Target FY2022 ⁽¹⁾	Previous Internal Mgmt. Target FY2023	Revised Internal Mgmt. Target FY2023 ⁽²⁾
Revenue <i>(YoY Growth)</i>	RM153m (15%)	RM185-195m (20-25%)	RM220-230m (15-20%)	RM275-290m (45-53%)
EBITDA <i>(YoY Growth)</i>	RM66m (24%)	RM85-92m (30-40%)	RM103-108m (15-20%)	RM124-131m (40-48%)
Associates contribution		RM17-20m		RM22-25m
Normalized PATAMI <i>(YoY Growth)</i>	RM60m (32%)	RM75-80m (25-30%)	RM90-94m (15-20%)	RM95-100m (23-29%)

Note: Figures are for simulation purposes only and mgmt. internal targets; Indicated YoY growth % assumes average of previous year figures

⁽¹⁾ Excludes any contribution from RAM

⁽²⁾ Assumes consolidation of RAM's FY22 financials with a 55-60% shareholding in the Company. Yet to factor contribution from planned introduction of new products

CTOS Digital's Prospects



Strong organic business growth

- Expansion of customer base in all segments
- Advancement into new verticals



Proliferate growth from accumulated base

- Higher usage translates into sturdy customer retention
- Increased wallet share with more services penetration



Harnessing synergies from acquisitions

- Penetrate new addressable markets
- Co-develop new solutions



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Thank You