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1Q 2023 Results Briefing

18th April 2023



AGENDA

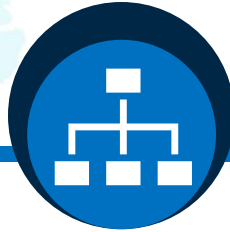
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1Q 2023 KEY HIGHLIGHTS



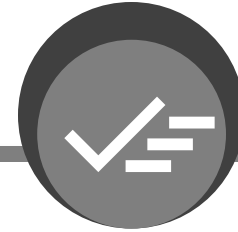
Solid Financial Growth

Revenue +40% YoY, +13% QoQ
PAT + 33% YoY, +21% QoQ



Strong BAU Performance

Double digit YoY growth across all business segments



Growth Across Services

Impressive trajectory for Digital Reports and Comprehensive Portfolio Review & Analytics which grew 62% and 84% YoY respectively



Management Targets

On-track to achieve internal targets for FY23 as momentum is expected to accelerate in the remaining quarters



Rewarding Shareholders

Declared dividend of 0.433 sen per share representing 60% payout ratio



Tax Status

Total incremental prov. of RM18.7m to be written back upon gazettelement of Income Tax Exemption Order

PERFORMANCE BY BUSINESS SEGMENTS



KEY ACCOUNTS

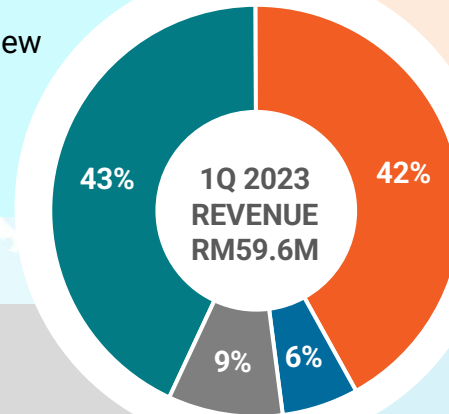
- >470 of our highest revenue generating customers and selected customers
- Our top contributors are banks, NBFIs and telco
- Digital reports, Comprehensive Portfolio Review & Analytics, Digital Solutions (CAD, eKYC, ID Guard), eTR



COMMERCIAL MALAYSIA

- Serves c.20k[^] customers, including SMEs and other than those in Key Accounts
- Top 5 industries include wholesale & retail trade, manufacturing, professional services, construction, finance & insurance
- Credit Manager, Reports, Credit Monitoring and eTR

[^]Including Commercial International



- c.2.65 mm registered users for CTOS ID
- CTOS Scores, CTOS SecureID, Credit Finder, CTOS Tenant Screening, CTOS Vehicle Check and CTOS Car Insurance



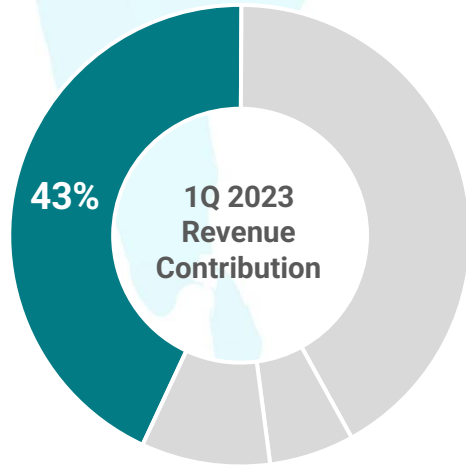
DIRECT-TO-CONSUMER



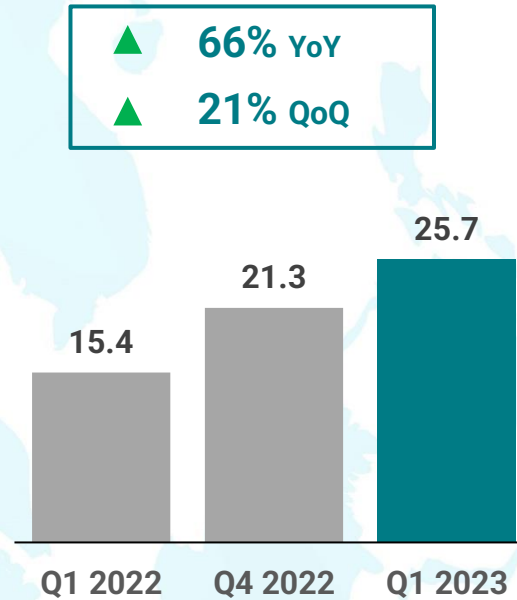
COMM. INTERNATIONAL

- Comprehensive commercial credit reports and bulk commercial data sales to international customers
- Global credit reports and analytic services

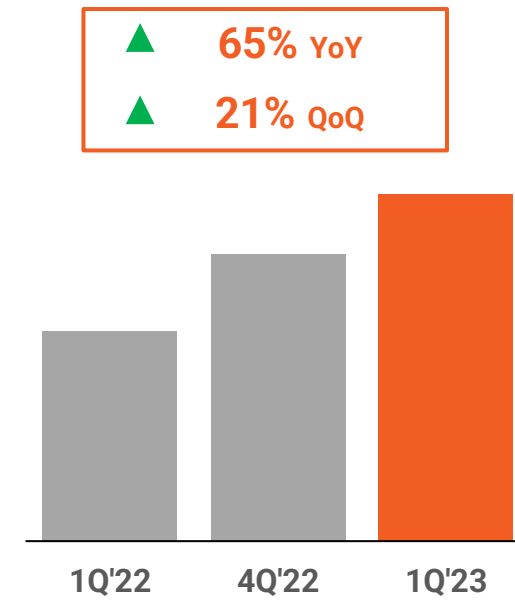
KEY ACCOUNTS



REVENUE (RM' mil)



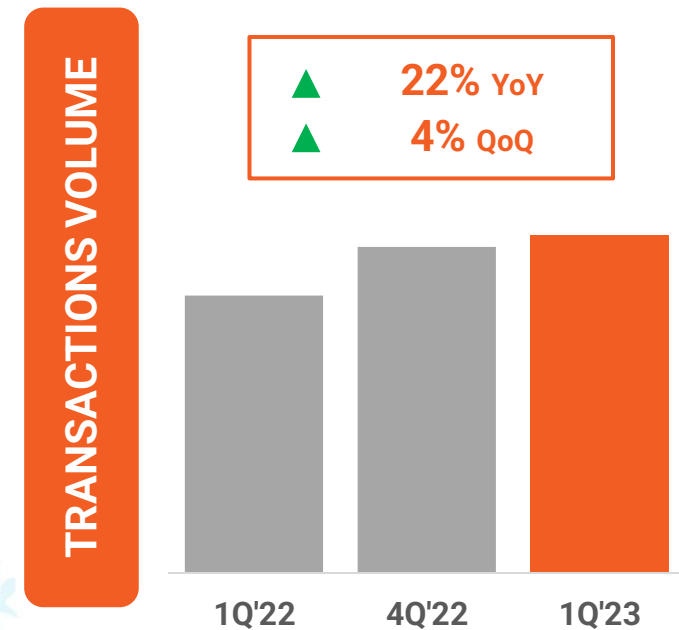
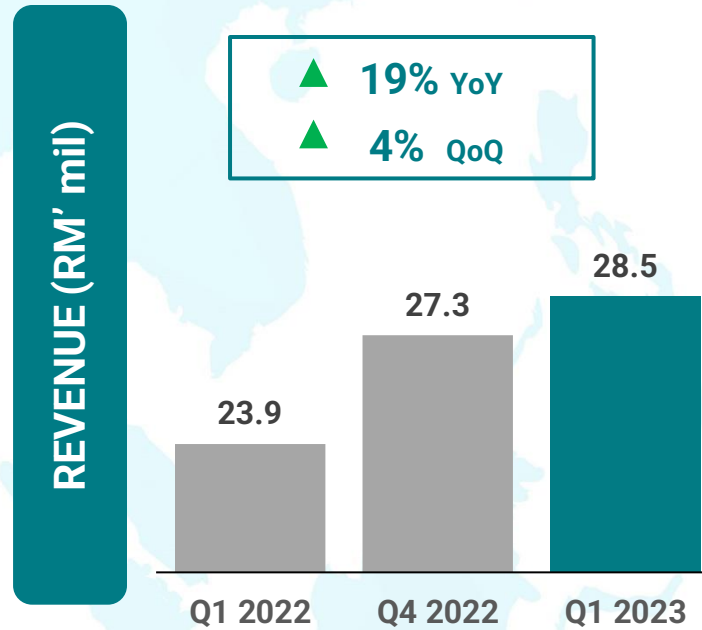
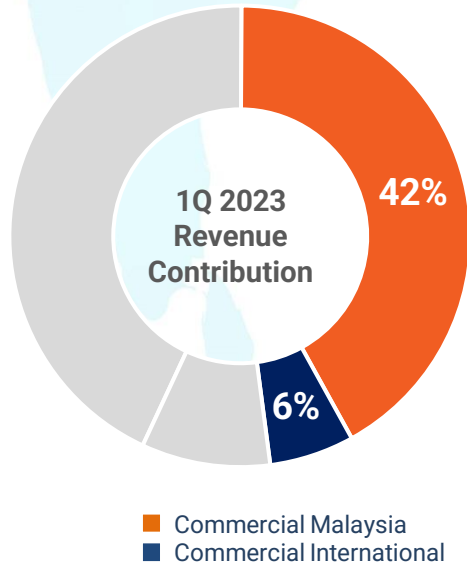
TRANSACTIONS VOLUME



1Q 2023 UPDATES & PROSPECTS

- Strong growth driven by both Digital Reports and Scrubs
- Increased adoption of Digital Solutions (eKYC, CAD and IDGuard)
- Secured another key credit transformation project for an FI
- Officially appointed by 2 out of 5 digital bank licensees to implement e-onboarding system
- Onboarded more clients in 1Q2023 for CAD for money lenders platform which was launched in 4Q 2022 in collaboration with JurisTech

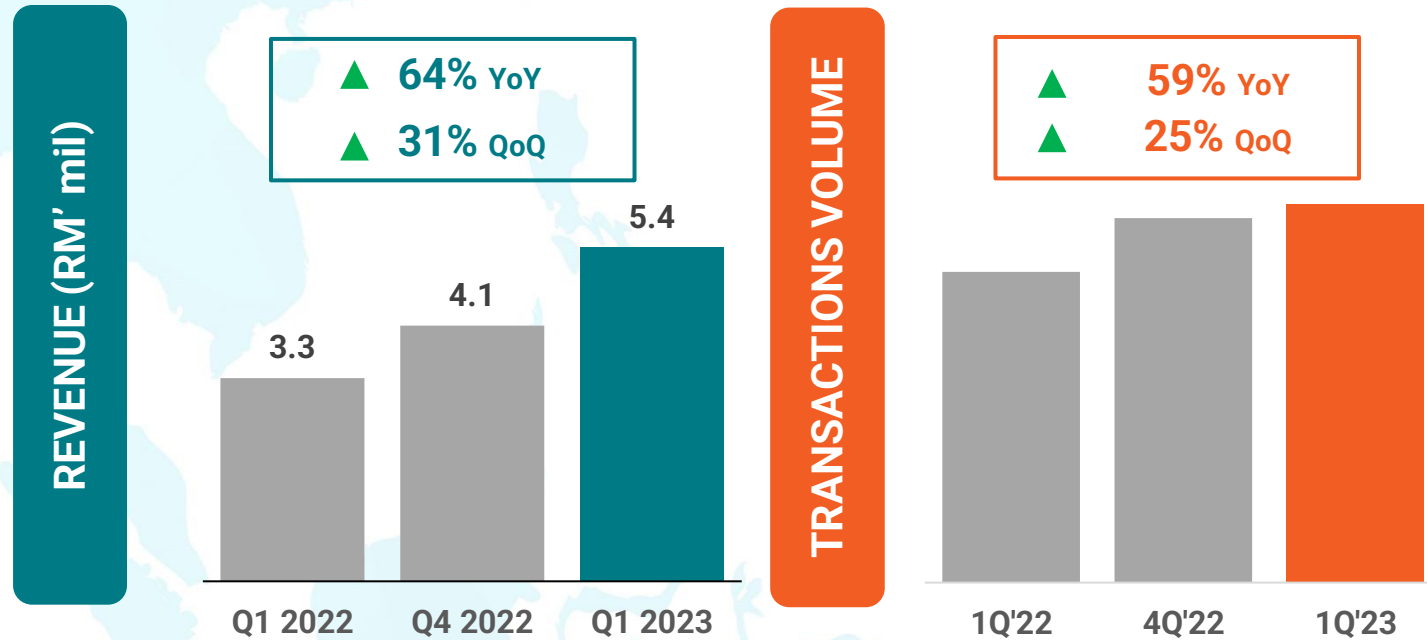
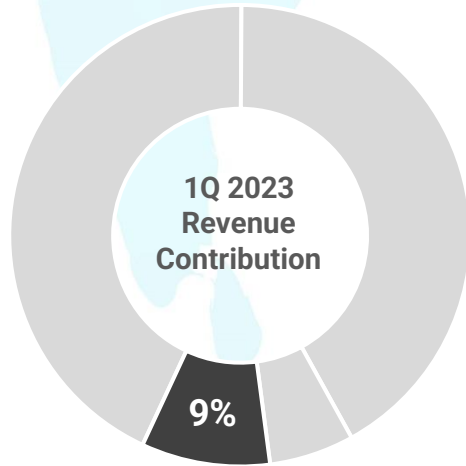
COMMERCIAL



1Q 2023 UPDATES & PROSPECTS

- The overall RAM-CTOS Business Confidence Index (BCI) for 1Q 2023 **rose to 51.4** from 46.2 in the previous quarter and SME customers increased their transaction volume by 22%
- Activation continued to improve by 2% 1Q 2023 YoY
- Higher ARPU +7.3% 1Q 2023 YoY from upselling campaign on Digital Reports and Digital Solutions
- The growth is consistent with our Internal Management Target guidance number
- Commercial International revenue grew by +42% YoY, primarily contributed by Comprehensive Portfolio Review & Analytics

DIRECT-TO-CONSUMER



1Q 2023 UPDATES & PROSPECTS

- Growth momentum continued in 1Q 2023 bolstered by strategic partnership, marketing automation & tactical campaigns
- Supported by improved awareness via digital channels and various marketing activities including financial literacy programs
- Household loan grew by 5.3% YoY in February 2023 supported by higher growth in consumption related credit, which helped increase the demand for CTOS self-check
- Published "Malaysia State of Consumer Credit 2022" insight in partnership with Monash University which showed that Malaysians' consumer credit score continues to improve (+15% over the past 3 years)

UPDATES ON STRATEGIC INITIATIVES

1

BAU Growth

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



Achieved YoY double digit growth for all business segments with long runway for organic growth

2

Digital Ecosystem

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



Increased adoption of our data analytics and digital solutions which grew 68% YoY

3

Proprietary Databases

Enhance coverage of alternative proprietary databases for more comprehensive resources & improved quality of reports



Significant progress in enhancing proprietary database and will continue to ramp up efforts

4

New Verticals

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



Ramped up adoption of products relevant to new verticals (eKYC, CAD), and complementary D2C services

5

Harnessing Synergies

To digest our acquisitions to realise each company's growth potential and maximize synergies



Various initiatives in place at different stages including joint product and account planning



ctos Digital

Financial Review

FINANCIAL PERFORMANCE - 1Q 2023

(RM' Million)	1Q 2023	1Q 2022	YoY (%)													
Revenue	59.59	42.68	40%	Growth in all business segments. Malaysia and International operations continue to register revenue growth of 39% and 42% YoY, respectively												
GP	47.54	36.40	31%													
(-)																
Other income/ (expenses)	-0.25	-0.10	155%													
Selling & Marketing Expenses	-8.69	-7.58	15%	Although quantum of selling and admin expenses increased YoY, percentage to revenue has decreased as compared to 4Q2022 and 1Q2022												
Administrative Expenses	-17.25	-13.92	24%													
Finance Income	0.10	0.08	23%													
Finance Cost	-1.72	-0.68	152%	Increased due to new borrowings to fund acquisitions												
Share of Profit of Associates	2.22	2.41	-8%													
PBT	21.94	16.61	32%													
(-)Tax Expenses	-5.36	-4.13	30%													
PAT	16.58	12.48	33%	PAT growth from higher operating profit however offset by lower associate and higher interest cost and higher tax expenses												
Normalised PAT	20.77	16.26	28%	<table><tr><th>(RM' Million)</th><th>Q1 2023</th><th>Q1 2022</th></tr><tr><td>Costs related to acquisition</td><td>0.05</td><td>0.69</td></tr><tr><td>Incremental income tax expense</td><td>4.14</td><td>3.10</td></tr><tr><td>Total</td><td>4.20</td><td>3.79</td></tr></table>	(RM' Million)	Q1 2023	Q1 2022	Costs related to acquisition	0.05	0.69	Incremental income tax expense	4.14	3.10	Total	4.20	3.79
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Total	4.20	3.79														

PROFITABILITY TREND

GP (RM' MIL) & MARGIN (%)

85%

83%

80%

Figures RM'mill

36.4

43.9

47.5

1Q 2022

4Q 2022

1Q 2023

- ◆ Lower GPM due to reinstatement of CCRIS fees in revenue and cost which yields no margin for CTOS.

EBITDA (RM' MIL) & MARGIN (%)

45%

42%

44%

Figures RM'mill

19.2

22.4

25.9

1Q 2022

4Q 2022

1Q 2023

- ◆ QoQ EBITDA margin in 1Q '23 improved mainly due to better GP contribution and lower operating expenses and finance cost. However margin was impacted by lower associates contribution due to cyclical.

NORM. PAT (RM' MIL) & MARGIN (%)

38%

39%

35%

Figures RM'mill

16.3

20.6

20.8

1Q 2022

4Q 2022

1Q 2023

- ◆ QoQ normalised PAT margin in 1Q 2023 is lower due to the reinstatement of CCRIS fees.

LEVERAGE & PEER COMPARABLE

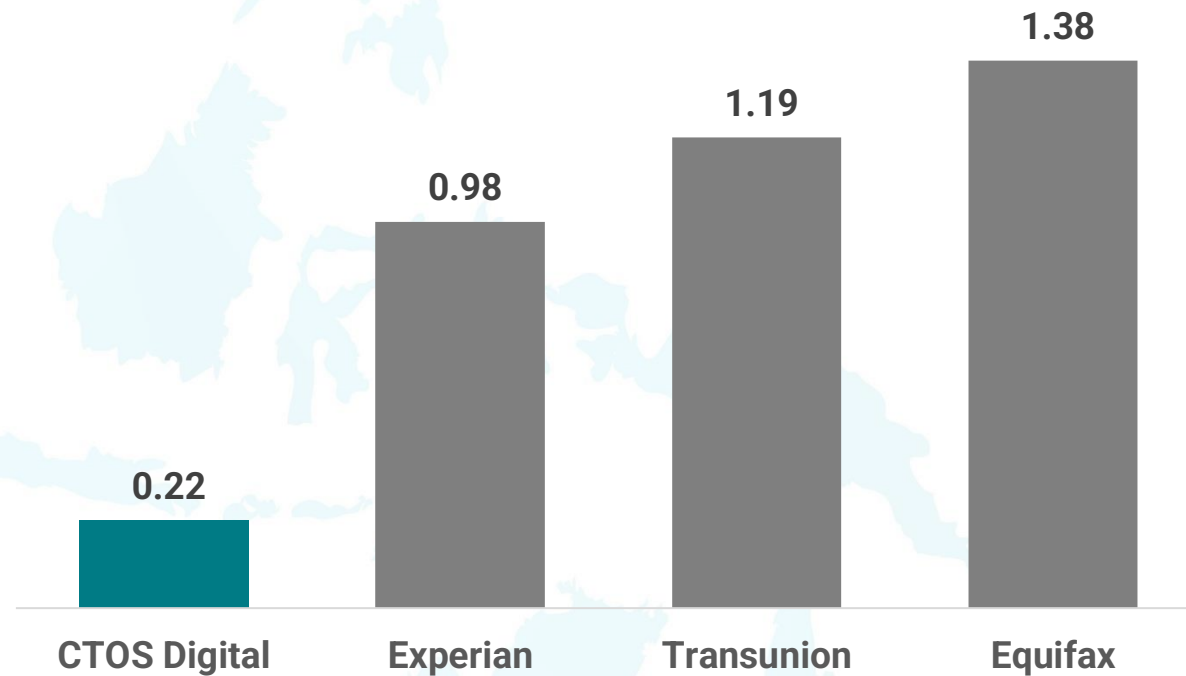
1Q 2023 FINANCIAL POSITION

NET BORROWINGS
RM116 million

TOTAL EQUITY
RM520 million

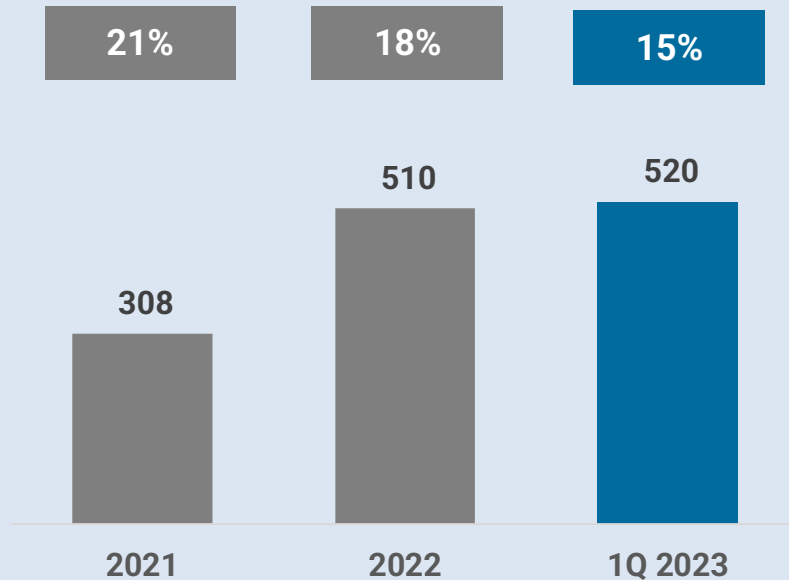
NET GEARING
0.22x

PEERS' NET GEARING COMPARISON (x)



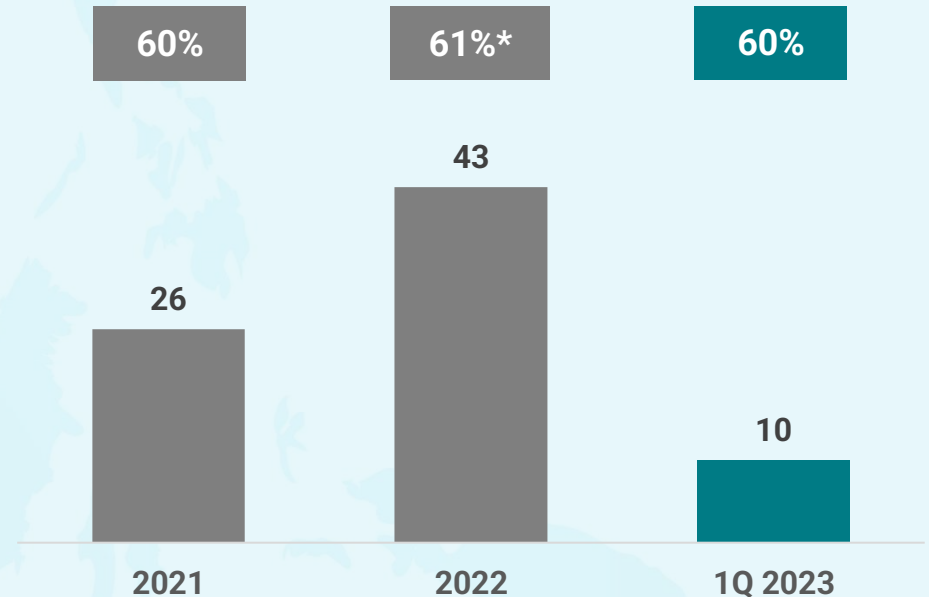
SHAREHOLDERS' RETURNS

TOTAL EQUITY (RM'MIL) & ROE (%)



- ◆ Total equity increased on the back of higher retained earnings in line with higher profit
- ◆ ROE decreased despite higher profitability due to increasing equity base primarily from the private placement exercise in March 2022


DIVIDEND PAYOUT (RM'MIL) & PAYOUT RATIO (%)



- ◆ Annual dividend pay-out policy with at least 60% of PATAMI
- ◆ 1st interim dividend: 0.433 sen / share payable on 30 May 2023

* Unaudited


ASSOCIATE COMPANIES


24.825%

Market leader in business information in Thailand

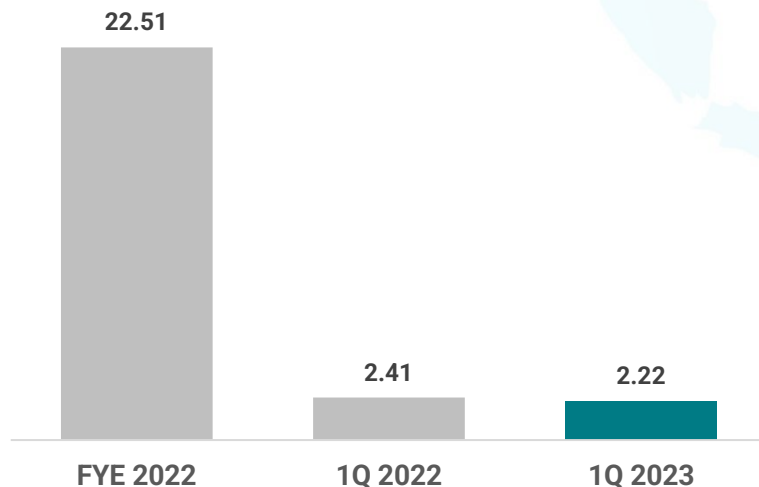

49%

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


57.675%

Market leader in bond credit ratings in Malaysia

SHARE OF ASSOCIATES (RM' MIL)



ONGOING INITIATIVES

JURISTECH

- Launched digital lending platform for moneylenders
- Integrated core offering on JurisTech's platform
- Jointly secured financial transformation project with a major bank

RAM

- Launched RAM-CTOS BCI Index – a monthly publication
- To launch Digital Issuer Platform, a JV between RAM and Bursa Malaysia
- Working on ESG Ratings & SME Credit Ratings
- Product expansion (corporates and SMEs)

FINANCIAL TARGETS FOR THE NEXT 3 YEARS

		Internal Management Target		
	FY2022	FY2023	FY2024	FY2025
Revenue (YoY Growth)	RM195m (27%)	RM250-270m (28-39%)	RM300-320m (15-23%)	RM360-380m (16-23%)
EBITDA (YoY Growth)	RM97m (46%)	RM120-130m (23-33%)	RM140-150m (12-20%)	RM170-180m (17-24%)
Normalized PATAMI (YoY Growth)	RM85m (56%)	RM100-105m (18-24%)	RM125-130m (22-27%)	RM145-150m (14-18%)

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

SUSTAINABILITY

Our ESG Achievements

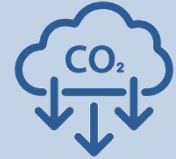


PROTECTING THE ENVIRONMENT

Scope 1 & 2 tracking & monitoring commenced in 2022



2022 Scope 2 tCO₂ emissions reduced by 2% below pre-MCO levels in 2019



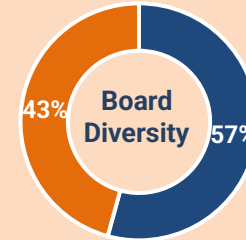
EMPOWERMENT & DIVERSITY

> 450

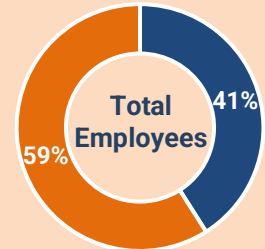
Financial education roadshows & webinars conducted nationwide

+15 points

Improvement in average credit score of Malaysians (2020: 663, 2022: 678)



Female
Male



ESTABLISHING TRUST IN DATA

ZERO

Breaches



Devised a **three year Cyber Security Strategy** to become an ISO 27001 certified organisation by 2025



COMPLIANCE AND RISK MANAGEMENT

ZERO

Non-Compliances

ZERO

Human Rights Breaches

ZERO

Bribery

ZERO

Corruption

ZERO

Unethical Issues

CTOS DIGITAL'S PROSPECTS



LONG RUNWAY FOR ORGANIC BUSINESS GROWTH

- Highly scalable business proliferates coverage expansion
- Continues to make advancement into new verticals



BUSINESS RESILIENCY SUBSTANTIATED BY ADVANCING DIGITAL ECONOMY GROWTH

- High customer retention and steady customer acquisition provide solid fundamentals
- Large recurring revenue from Key Accounts and Commercial segments which makes up 90% of revenue base
- Potential to increase wallet share with new services penetration and heightened activities



STRATEGIC ACQUISITIONS & PARTNERSHIPS TO STRENGTHEN MARKET PRESENCE

- To harness synergies derived from associates and strategic partners to capture new opportunities
- To provide more comprehensive end-to-end services



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THANK YOU