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# **2Q 2025**

## **Results Briefing**

25 July 2025



# AGENDA

- 1 Key Highlights
  - 2 Performance by Business Segments
  - 3 Financial Review
  - 4 Associate Companies
  - 5 Targets & Take-aways
-

# KEY HIGHLIGHTS



- 1H 2025 revenue grew by 5% YoY to reach RM155.1 million
- Direct-to-Consumer & International segments led the growth, improving 48% and 10% YoY for 1H 2025

## REVENUE GROWTH



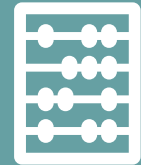
- 1H 2025 associates' contribution increased by 43% YoY to RM11.7 million
- JurisTech' sustained its performance, recording more than twofold increase with net profit in 1H 2025 vs 1H 2024

## ASSOCIATES' CONTRIBUTION



- RAM's asset disposal transaction was completed in June 2025
- Dividends amounting to RM32 million was received by CTOS on 25 July 2025

## RAM'S ASSET DISPOSAL

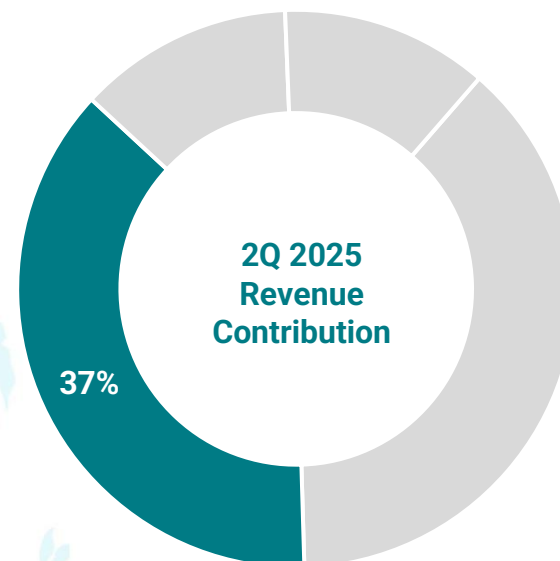
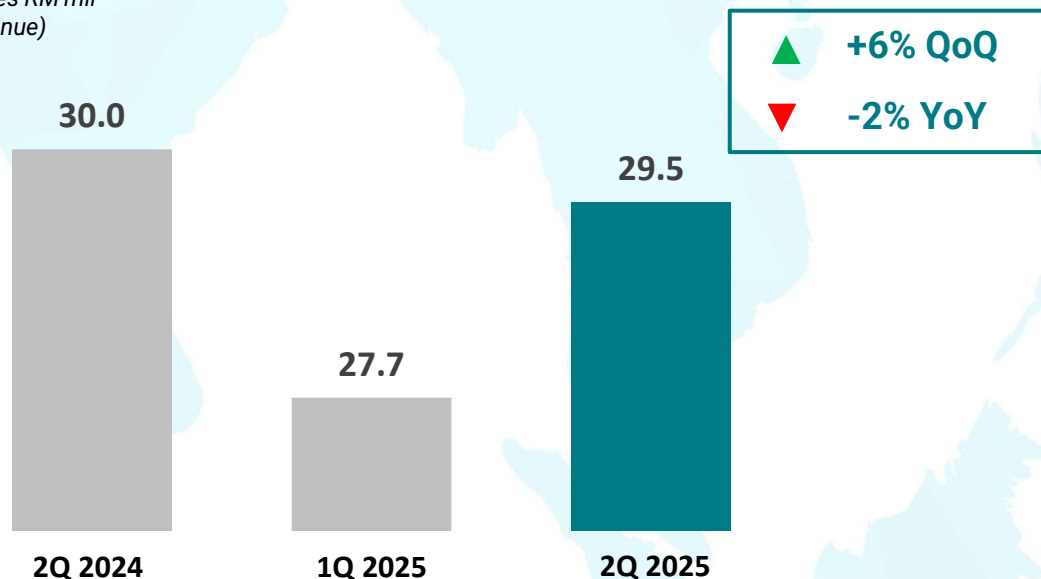


- Right sizing exercise completed in 2Q 2025, with one-off cost of RM0.8 million
- Identified reduction in run rate costs of ~RM10 million p.a., partially realized in 1H 2025, to be fully realized by 4Q 2025

## COST OPTIMISATION

# KEY ACCOUNTS

Figures RM'mil  
(Revenue)



## 2Q 2025 Updates

- Healthy growth in Digital Reports & Digital Solutions both YoY and QoQ from new clients and existing client ramp-ups
- YoY segment revenue declined marginally due to a one-off SCRUBS\* fee in 2Q 2024; excluding this, segment revenue would have recorded an 11% YoY growth
- Digital bank volumes accelerated with one digital bank tripling volume YoY
- Secured new Digital Solutions contracts with a telco and a DFI & signed a recurring SCRUBS deal with a top bank

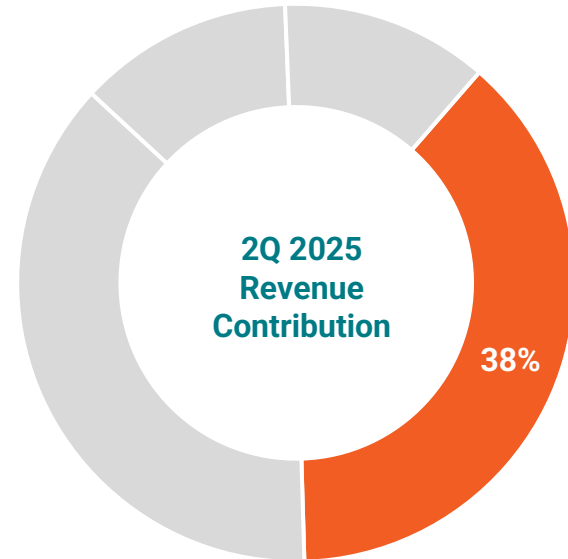
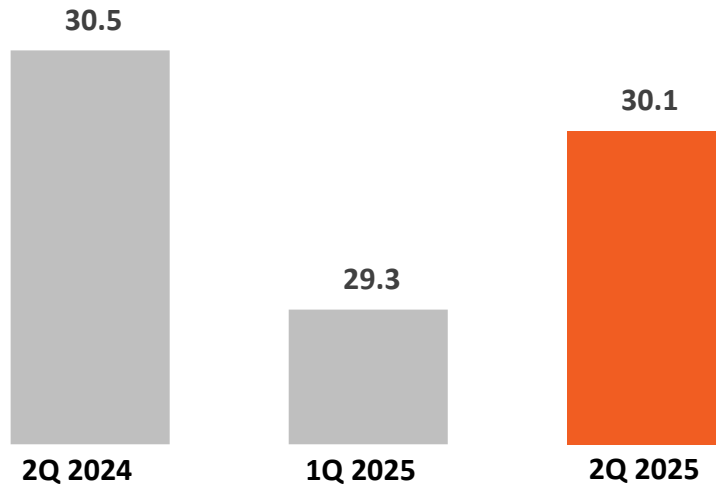
## 2H 2025 Prospects

- Three new products have been launched with one product already in a tender stage with a bank
- Proof-of-concept (POC) for new products are underway with multiple key clients; sales cycle typically range from 6-9 months
- These new offerings are projected to deliver healthy margins and growth

\* SCRUBS refer to Comprehensive Portfolio Review & Analytics

# COMMERCIAL

Figures RM'mil  
(Revenue)



## 2Q 2025 Updates

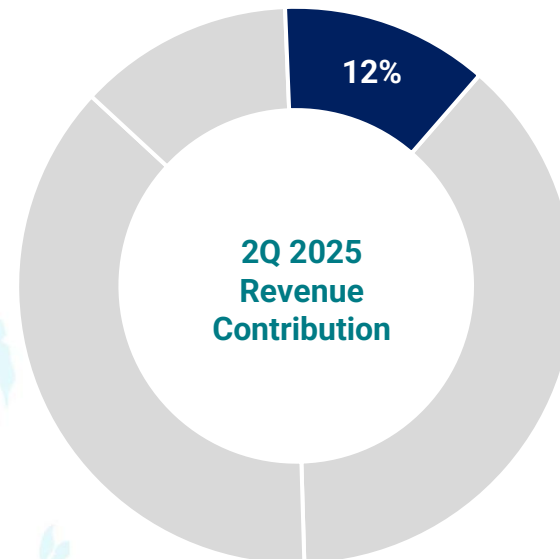
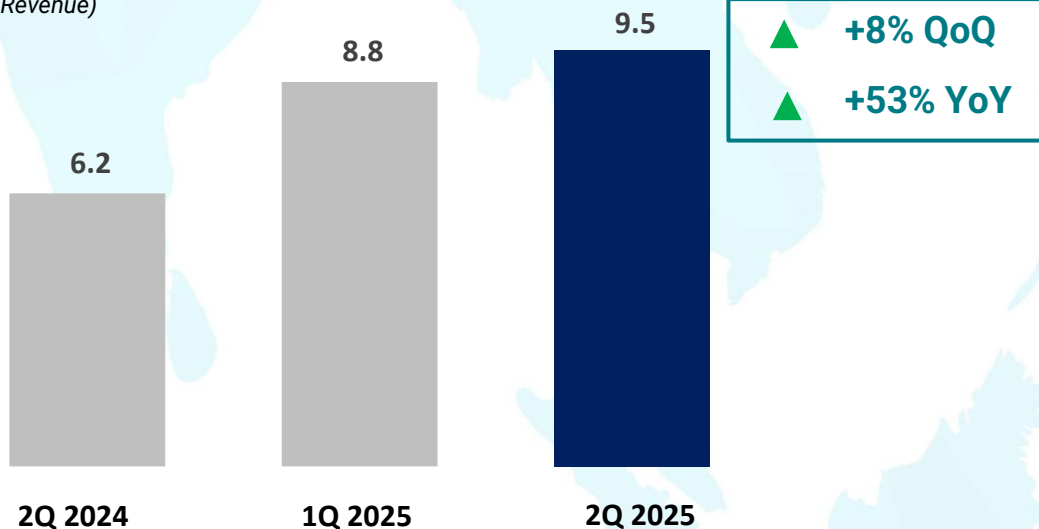
- Customer acquisitions continue to improve with churn rates remaining within the low single-digit range
- Growth in local commercial clients was offset by declines from international commercial clients
- Declines in international clients driven by shift from quarterly to annual purchases and a reduction in volumes
- Onboarded 14 large corporate accounts in 2Q 2025, bring to cumulative ~ 50 accounts

## 2H 2025 Prospects

- Programmes in place to maintain momentum in both SME and large corporate customer acquisitions
- For large corporates, volumes continue to build
- Continued reviews on past investments made are expected to yield further reductions in costs
- Two new products to be launched, which is expected to enhance CTOS' value proposition

# DIRECT-TO-CONSUMER

Figures RM'mil  
(Revenue)



## 2Q 2025 Updates

- Continued double-digit growth YoY, remains one of the fastest growing business segment
- Growth driven by an additional 165K new users (total base of 4.6 million) and launch of new products
- Credit monitoring free trial launched in May to embed financial literacy into our user journey
- Business reports launched in June, showing good take-up rates despite minimal marketing

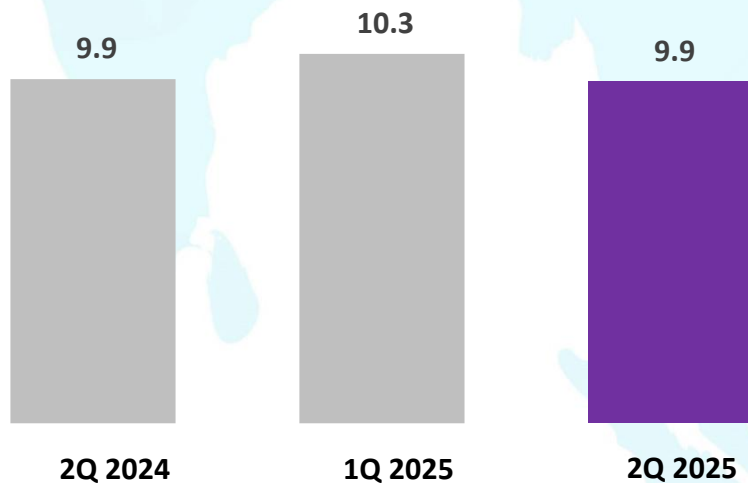
## 2H 2025 Prospects

- Two major partnerships are in the pipeline and with an aim to go live within the next two quarters
- Mobile app revamp is on track and expected to go live by 4Q 2025
- Multiple tech enhancements in progress, focusing on features such as personalization, improved credit finder and predictive credit alerts

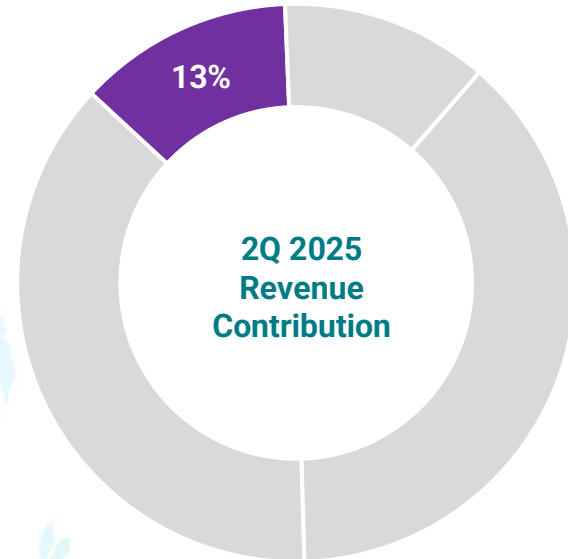


# INTERNATIONAL

Figures RM' mil  
(Revenue)



▼ -5% QoQ  
Flat YoY



## 2Q 2025 Updates

- #1 alternative data coverage with 100% telco data coverage in The Philippines and Indonesia
- Onboarded 6 new clients in 2Q 2025 bringing to a total of 105 customers
- Take up from new products especially in Philippines has been positive, with improved trajectory forecasted for 2H 2025
- Indonesia projected to be profitable by 4Q 2025

## 2H 2025 Prospects

- Client acquisition pipeline remain healthy for both countries
- New products with higher margins are showing good traction
- Large clients recently onboarded for both countries and expected to scale over the next quarter



# ctos Digital

## Financial Review



# FINANCIAL HIGHLIGHTS

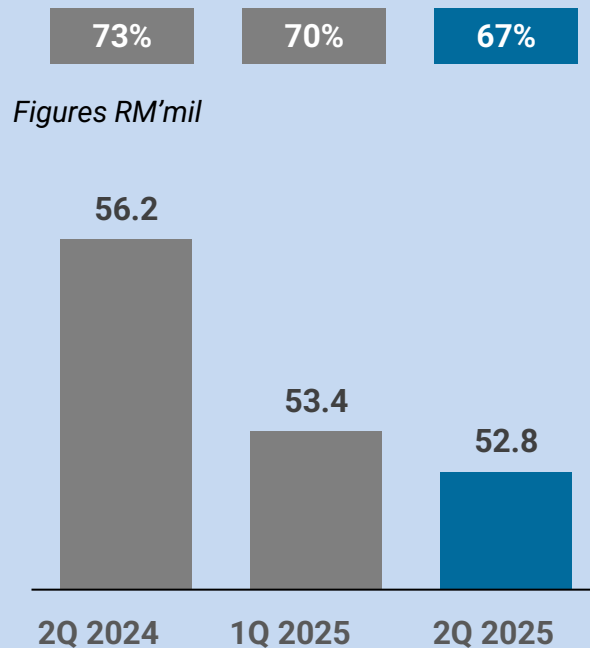
(RM' Million)	2Q 2024	1Q 2025	2Q 2025	QoQ (%)	
Revenue	76.6	76.1	79.0	+4%	QoQ revenue growth mainly due to improvement in Key Accounts, Commercial and D2C segments
GP	56.2	53.4	52.8	-1%	
(-)					
Other income/ (expenses)	0.0	0.1	0.2	148%	
Selling & Marketing Expenses	-10.1	-15.4	-13.7	-11%	QoQ improvement recorded in both Selling & Marketing Expenses and Administrative Expenses, driven by ongoing cost optimisation initiatives
Administrative Expenses	-22.7	-23.8	-22.7	-4%	
Finance Income	0.0	0.1	0.1	32%	
Finance Cost	-2.7	-2.6	-2.6	0%	
Share of Profit of Associates	6.4	2.8	8.9	+221%	QoQ growth mainly due to higher contribution from BOL, Juristech and RAM
<b>PBT</b>	27.2	14.5	22.9	58%	
(-)Tax Expenses	-1.8	-0.2	-1.9	+692%	Tax rate normalisation following lower tax expenses in 1Q 2025, primarily due to higher profit contribution from Basis
<b>PAT</b>	25.4	14.3	21.1	47%	
(-) Minority Interest	-0.1	-0.2	-0.1	-48%	
<b>PATAMI</b>	25.5	14.4	21.2	46%	
<b>NORMALISED PATAMI</b>	25.9	14.8	22.0	+49%	

(RM' Million)	2Q 2025	1Q 2025
Right sizing exercise cost	-0.8	-
Share Based Payment expenses	-	-0.4
<b>Total</b>	<b>-0.8</b>	<b>-0.4</b>

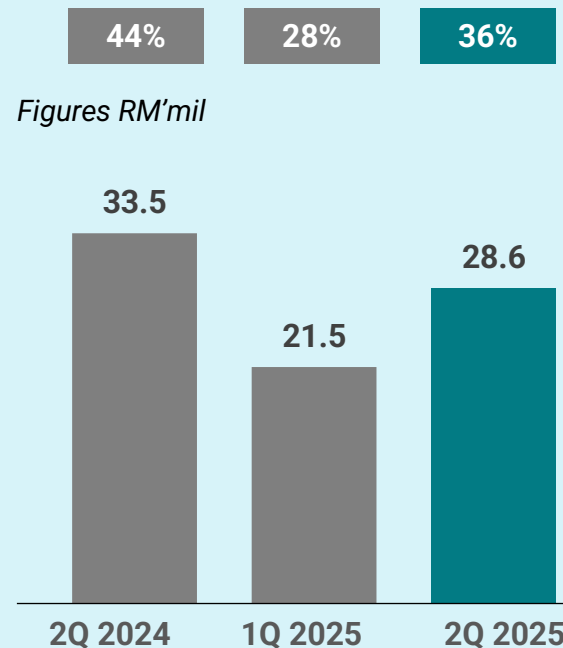
# PROFITABILITY TRENDS

## GP (RM' MIL) & MARGIN (%)



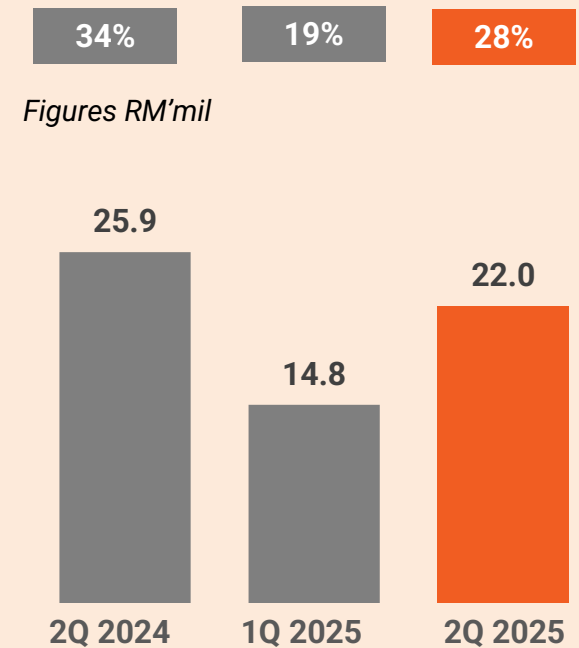
- ◆ Lower GP margin in 2Q 2025 was due to i) increasing contribution from International segment ii) higher costs from earlier product investments, which will be discontinued in FY25

## EBITDA (RM' MIL) & MARGIN (%)



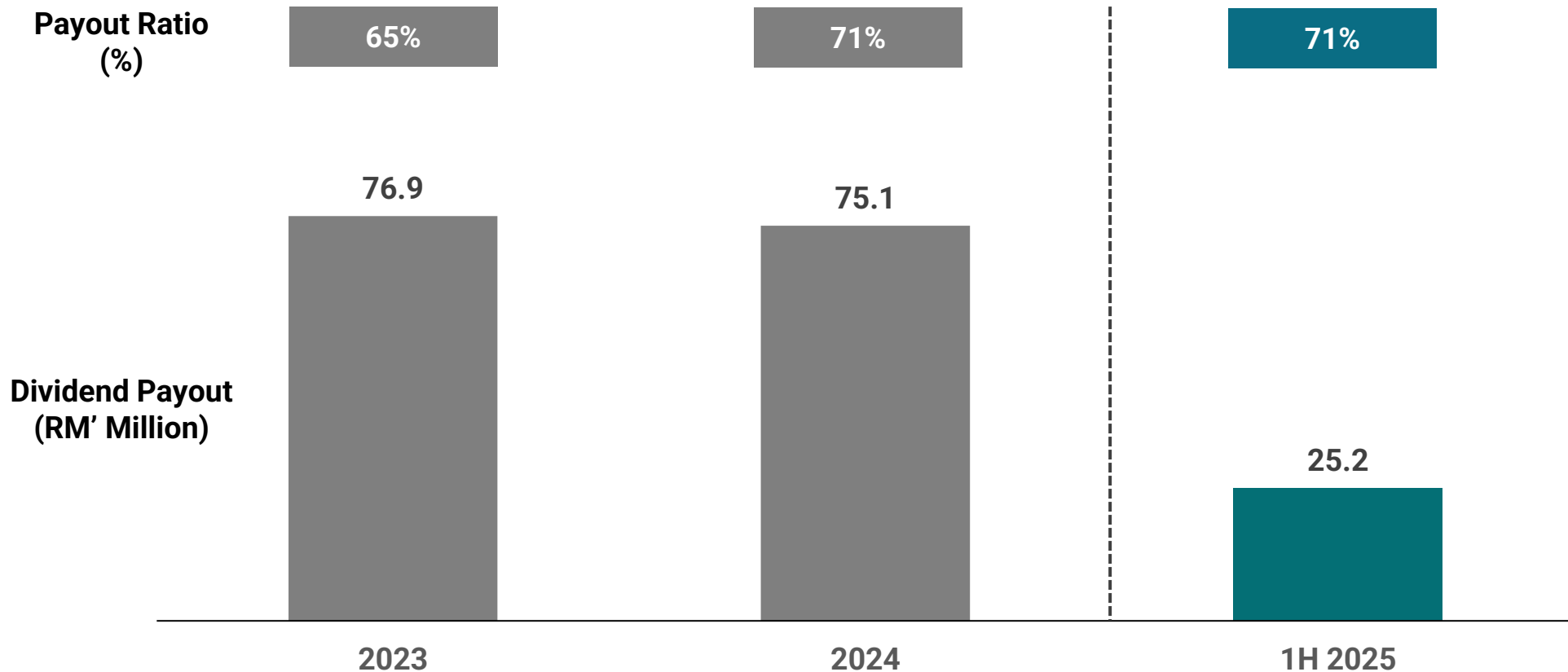
- ◆ EBITDA margin improved QoQ, primarily driven by lower selling, marketing, and administrative expenses, coupled with higher contributions from associates

## NORM. PATAMI (RM' MIL) & MARGIN (%)



- ◆ Normalised PATAMI margin improved QoQ, supported by higher operating profit and increased contributions from associates

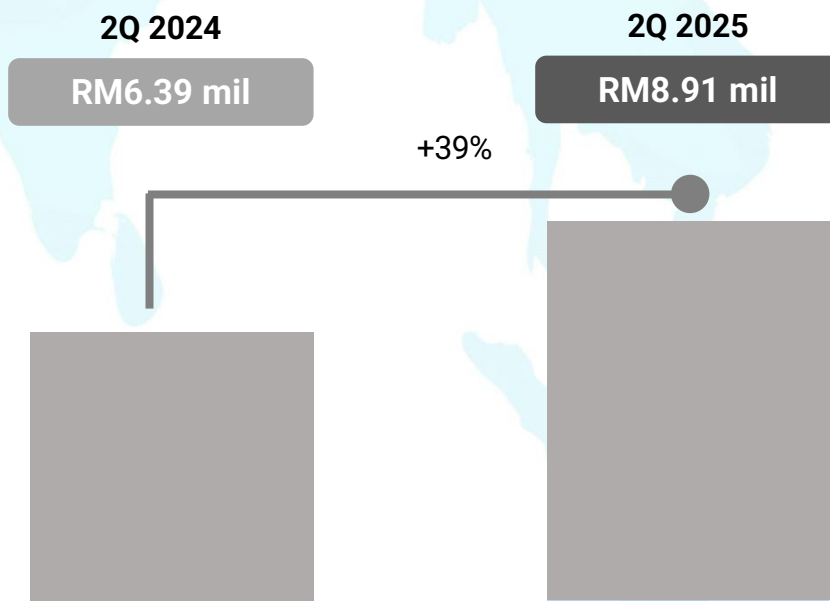
# DIVIDEND PAYOUT



- ◆ 2<sup>nd</sup> interim dividend of 0.65 sen per share, payable on 24 October 2025
- ◆ 2Q 2025 dividend payout ratio of 71%

# ASSOCIATE COMPANIES

## SHARE OF ASSOCIATES' PROFIT (RM' Mil)



### JURISTECH

- Contribution increased more than 100% YoY to RM2.8 million in 2Q 2025 driven by the conversion of projects into sales
- Secured 3 new clients in 2Q 2025 and sizable deals are expected to close in 2H 2025 both locally and regionally
- Growth momentum expected to remain strong



57.675%

Market leader in bond credit ratings in Malaysia

**Juristech** 49%

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



24.825%

Market leader in business information in Thailand

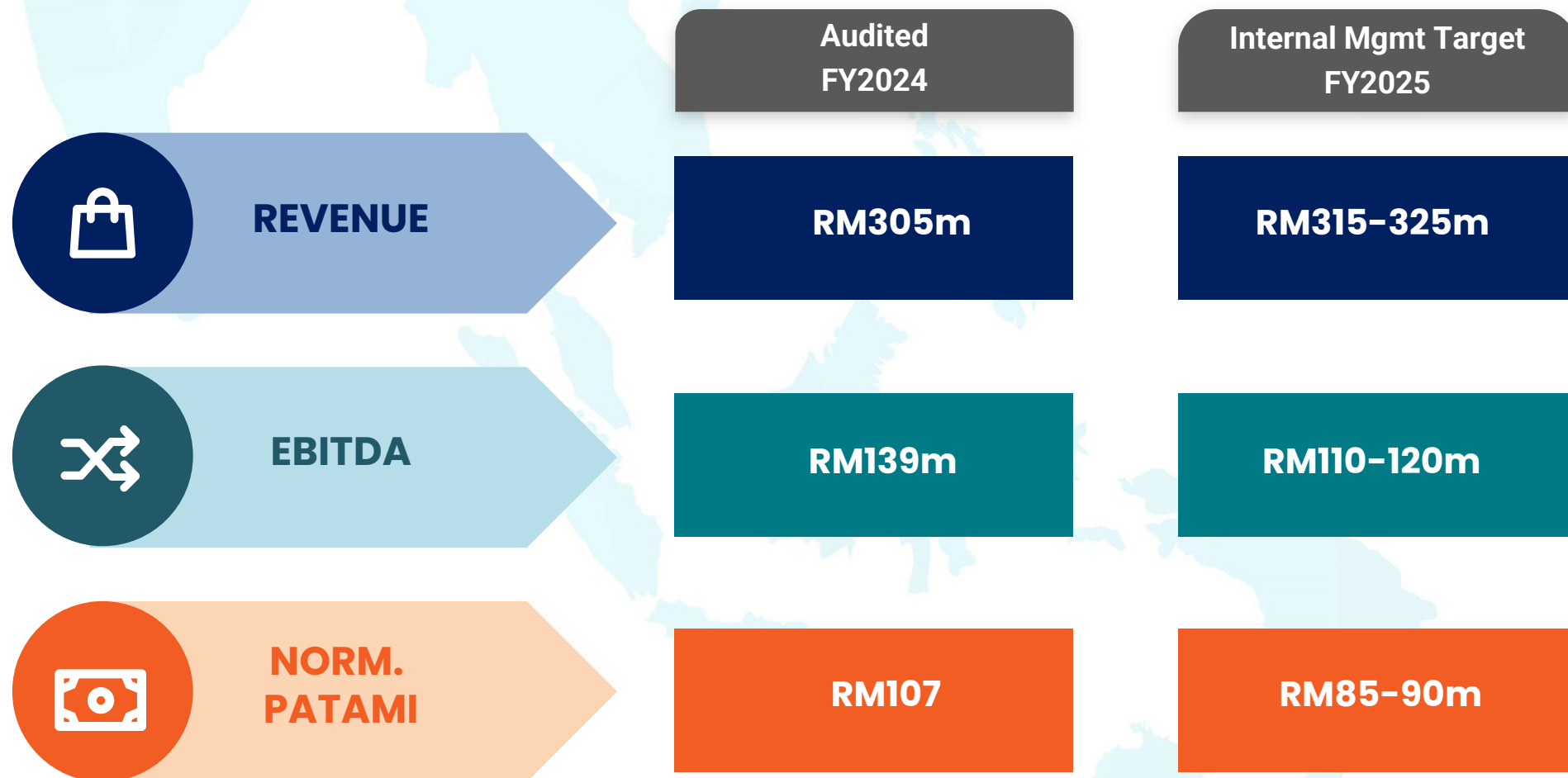
**experian** 26%

Experian Information Services (Malaysia) Sdn Bhd

### RAM

- Profit contribution increased by 53% YoY
- Based on 1H 2025 performance, on track to match or exceed FY24 results
- RAM's building disposal was completed in June 2025 with dividend amounting to RM32m received in July 2025

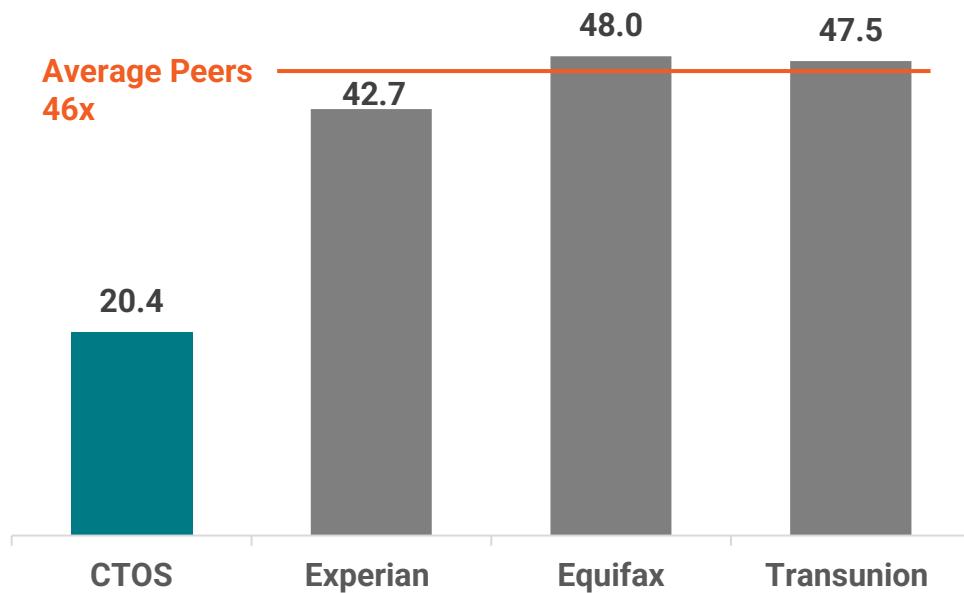
# FINANCIAL TARGETS



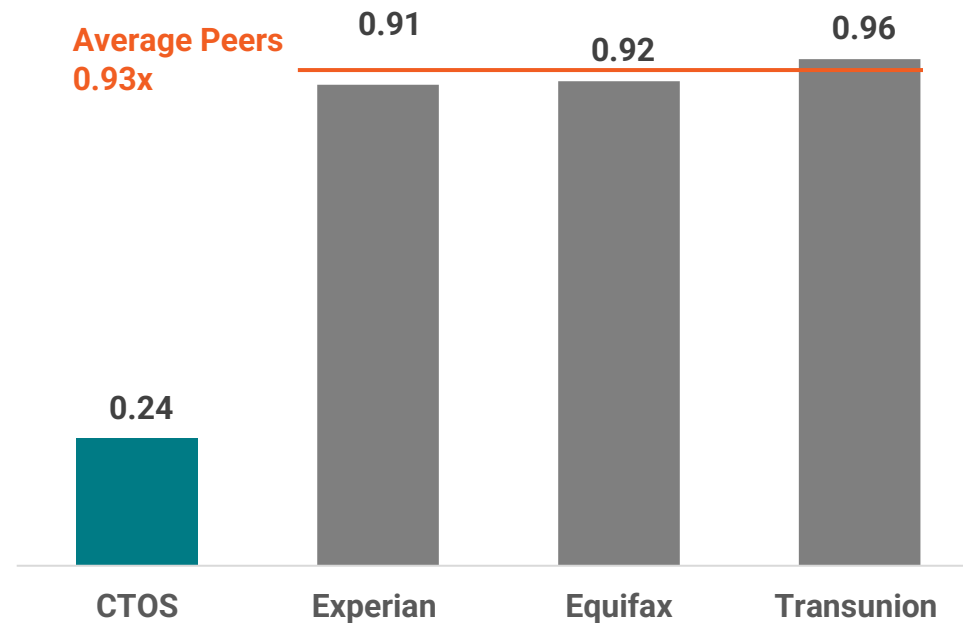
Note: Figures are for internal management targets and for simulation purposes only

# PEERS' COMPARISON

## LTM PE (x)



## NET GEARING (x)



Source: As reported on Capital IQ; Company

(1) CTOS calculation using market cap as of 25th July divided by LTM NPATMI, including 2Q25 results

(2) CTOS' gearing is computed as at 30 June 2025



# KEY TAKEAWAYS

01

**Market  
Potential**



Vast market opportunities locally and regionally, supported by the growing need for sophisticated credit analytics & solutions

02

**New  
Products**



The introduction of high-potential products is envisaged to serve as a catalyst for both growth and margin improvement

03

**Performance  
Realignment**



Key underperforming investments & cost increases were largely addressed in 1H 2025 & performance will improve going forward

04

**Associate  
Companies**



Associate companies are performing in line with expectations, underpinned by strong momentum from JurisTech

05

**Continuous  
Reinvention**



Various initiatives across strategy, product development & customer engagement underway to strengthen foundation and sustain long-term prospects

**With efforts undertaken in FY2025 to re-align the business, growth will resume in FY2026**



**Thank You**