

NEWS RELEASE

Credit Bureau Asia FY2020 net profit (excluding IPO expenses) grows 11.1% to S\$8.2 million

- FY2020 revenue grew 6.8% to S\$43.4 million.
- Net profit after tax and minority interest (“PATMI”) excluding IPO expenses grew 11.1% to S\$8.2 million. After including IPO expenses, PATMI was S\$6.8 million
- Well positioned for growth with strong net cash position of S\$52.8 million in FY2020 from S\$34.6 million in FY2019
- Growth outlook expected to remain resilient for CBA’s FI Data and Non-FI Data business

Singapore, 24 February 2021 – Credit Bureau Asia Limited (“**CBA**”, “亚洲征信有限公司”) and together with its subsidiaries, the “**Group**”), a leading player in the credit and risk information solutions market in Southeast Asia, is pleased to announce that for the full year ended 31 December 2020 (“**FY2020**”) it has achieved a net profit after tax of S\$17.6 million and net profit after tax and minority interest (“**PATMI**”) of S\$6.8 million. Excluding the one-off IPO expenses of S\$1.4 million, CBA would have registered a PATMI of S\$8.2 million for FY2020, or 11.1% increase compared to the same period the year earlier.

Commenting on the results, **Mr Kevin Koo** (“**顾强**”), **founder and Executive Chairman of CBA**, remarked: “*We achieved a creditable performance for FY2020 as our PATMI grew by 11.1% to S\$8.2 million excluding one-off IPO expenses. Going forward, we will continue to grow our business in Singapore. We also expect to grow our regional footprint to new countries and identify new areas of opportunity for the Group.*”

Financial Highlights

S\$'000	H2 2020	H2 2019	% Change	FY2020	FY2019	% Change
Revenue	22,857	20,973	9.0	43,378	40,620	6.8
PBT	9,853	10,215	-3.5	20,751	19,026	9.1
PATMI	3,120	3,710	-15.9	6,837	7,020	-2.6
PATMI excluding IPO expense	4,210	4,070	3.5	8,202	7,382	11.1

The Group's revenue earnings increased by 6.8% to S\$43.4 million in FY2020 from S\$40.6 million in the financial year ended 31 December 2019 ("**FY2019**"), on the back of strong performance for both its financial institution data business ("**FI Data Business**") and non-financial institution data business ("**Non-FI Data Business**").

The Group's FI Data Business revenue grew year-on-year by 4.7% to S\$17.7 million in FY2020 as compared to S\$16.9 million in FY2019. This was mainly due to the increase in quantity of bulk review reports sold to bureau members as a result of financial institutions increasing the frequency of their periodic review during a period of heightened credit risk, which increased revenue by S\$1.3 million. The increase was partially offset by the decrease in revenue of S\$0.6 million due to a decrease in quantity of new credit application reports sold to bureau members as consumer credit activity declined during the period.

The revenue for the Group's Non-FI Data Business grew by 8.3% to S\$25.7 million in FY2020 as compared to S\$23.7 million in FY2019. The revenue from global credit risk management solutions' revenue increased by 11.9% to S\$14.3 million in FY2020, driven mainly by demand from increased compliance and risk management requirements both local and global customers. Revenue from the sale of reports under the Singapore Commercial Credit Bureau and other bureaus increased by 7.3% to S\$7.3 million in FY2020 mainly as a result of new customer acquisitions and more reports sold, whereas revenue from other auxiliary services remains relatively stable at S\$4.1 million in FY2020. The revenue from receivables management services increased by S\$0.3 million, and this was offset by a S\$0.3 million revenue decrease from business education services and customised projects.

Other operating income increased by S\$1.9 million to S\$2.7 million in FY2020 (FY2019: S\$0.8 million) mainly as a result of the gain in disposal of Credit Bureau Malaysia Sdn Bhd (“**CBM**”) of S\$1.1 million and a financial grant of S\$1.2 million received from the Singapore government under the Jobs Support Scheme (“**JSS**”), in which the government provides wage support to help employers retain and pay employees in the midst of COVID-19 pandemic.

Profit before tax (“**PBT**”) for the FI Data Business rose by 14.6% to S\$10.1 million in FY2020 as compared to S\$8.8 million in FY2019 while PBT for the Non-FI Data Business increased by 13.6% to S\$12.0 million in FY2020 as compared to S\$10.6 million in FY2019.

Resilient Financial Position

As of 31 December 2020, the Group remains well positioned with a strong balance sheet and net cash position of S\$52.8 million in FY2020, an increase of 52.4% from S\$34.6 million in FY2019. For FY2020, net asset value per share stands at 18.93 Singapore cents compared to 7.82 Singapore cents in FY2019.

Dividend Policy

The Board of directors of CBA will not be recommending a dividend at the upcoming annual general meeting. This is in line with the Company’s statement in its prospectus dated 26 November 2020 of recommending at least 90.0% of net profit after tax attributable to its shareholders for the financial years ending 31 December 2021 and 31 December 2022 (respectively, “**FY2021**” and “**FY2022**”)¹. We expect to declare our first interim dividend as a listed company around third quarter of 2021 after our half-year FY2021 results announcement.

Business Outlook and Strategies

COVID-19 is a significant disruptor of businesses worldwide. Few industries are spared from the impact of COVID-19. The only difference is the extent. Fortunately, the CBA business is generally more resilient to business and economic cycles.

For FY 2021, with the COVID-19 vaccines now being distributed globally, the outlook is more hopeful but remains uncertain. However, the prospect for the world economy returning to

¹ This is the present intention of the board of directors and shall not constitute legally binding obligations on the Company and should not be treated as an indication of the Company’s future dividend policy. In addition, the Company does not have a fixed dividend policy.

normalcy and to pre-COVID days is enhanced with this development. Therefore, we are cautiously optimistic that the growing demand and growth for our products and services will continue. Hence, we expect business as usual for our operating subsidiaries in Singapore, Malaysia and Cambodia. As mentioned in the Prospectus, Myanmar Credit Bureau (“MMCB”) only commenced operations on 30 December 2020, we do not anticipate MNCB to have any material impact on the Group for the financial year ending 31 December 2021. In respect of the developing situation in Myanmar, we are closely monitoring it. Going forward, the Group will continue to evaluate opportunities both in Singapore and the region to complement our business.

- End -

Note: This media release is to be read in conjunction with the announcement issued on SGXNET on the same date.

About Credit Bureau Asia (www.creditbureauasia.com)

CBA is a leading player in the credit and risk information solutions market in Southeast Asia, providing credit and risk information solutions to an extensive client base of banks, financial institutions, multinational corporations, telecommunication companies, government bodies and public agencies, local enterprises and individuals across Singapore, Malaysia, Cambodia and Myanmar. CBA’s business has two core segments, the FI Data Business and the Non-FI Data Business, covering both consumer and commercial credit risk information.

The Group, together with its joint ventures, is currently the dominant market leader in Singapore’s FI Data Business and the sole market player in Cambodia’s and Myanmar’s FI Data Business. Depending on the territory involved, these credit bureaus operate to provide their subscribing members, mainly banks and financial institutions, with access to credit information on consumers or business entities, all of which are generated from up-to-date credit information contributed by subscribing members. As at 31 December 2020, the Group has more than 200 financial institution members across Singapore, Cambodia and Myanmar which include banks, microfinance institutions, leasing companies and rural credit operators.

For its Non-FI Data Business, the Group has more than 6,000 customers (including multinational corporations and small and medium-sized enterprises) and access to a database

covering more than 330 million business records globally as at 31 December 2020. CBA's Non-FI Data Business operates in Singapore and Malaysia, where customers can access a wide range of business information and risk management services, sales and marketing solutions, commercial insights and other services, using data sourced from a variety of publicly accessible registries and Dun & Bradstreet's extensive international network as well as information contributed by businesses which subscribe to CBA's payment bureau services.

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Issued on behalf of the Company by Cogent Communications Pte Ltd.

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