



CREDIT BUREAU ASIA LIMITED
(Company Registration Number: 201909251G)
(Incorporated in the Republic of Singapore)

PROPOSED CAPITAL REDUCTION AND CASH DISTRIBUTION

1 INTRODUCTION

The Board of Directors (the “**Directors**” or the “**Board**”) of Credit Bureau Asia Limited (the “**Company**”, and together with its subsidiaries the “**Group**”) wishes to announce that the Company intends to undertake a capital reduction exercise (the “**Capital Reduction**”) to return to Shareholders surplus capital of the Company in excess of its needs by way of a cash distribution (the “**Cash Distribution**”) by the Company to Shareholders of **S\$0.09** for each Share held by the Shareholders (the “**Proposal**”).

The books of the Company will be closed at a record date (the “**Cash Distribution Record Date**”) to be determined by the Board to determine the entitlement of the Shareholders to the payment of the proposed Cash Distribution.

It is intended for the resolution relating to the Proposal to be tabled at the forthcoming annual general meeting (“**AGM**”).

2 PROPOSED CAPITAL REDUCTION AND CASH DISTRIBUTION

2.1 Details of the Capital Reduction and Cash Distribution

The Company proposes to undertake the Capital Reduction pursuant to Section 78A read with Section 78C of the Companies Act 1967 of Singapore (“**Companies Act**”).

In connection with the Capital Reduction, the Company intends to make a Cash Distribution to Shareholders of **S\$0.09** for each Share held as at the Cash Distribution Record Date.

The Capital Reduction and Cash Distribution will be effected in the following manner:

- (a) reducing the issued and paid-up share capital of the Company by **S\$20,674,395** from **S\$35,051,183** (as at the date of this announcement) to **S\$14,376,788**; and
- (b) the Cash Distribution of the sum of approximately **S\$20,674,395** (equal to **S\$0.09** per Share (excluding treasury shares) to Shareholders), based on the issued and paid-up share capital of the Company of **S\$35,051,183** comprising **229,715,500** Shares (which excludes treasury shares) as at the date of this announcement, will be paid out to the Shareholders.

The Cash Distribution amount of approximately **S\$20,674,395** comprises the issued and paid-up capital in excess of the immediate requirements of the Company.

2.2 Rationale of the Capital Reduction and Cash Distribution

The Directors are of the view that the Capital Reduction is in the best interests of the Company as the Cash Distribution comprises the issued and paid-up capital in excess of the immediate requirements of the Company. The Capital Reduction and Cash Distribution, if effected, would result in the Company having a more efficient capital structure. In determining the level of capital to be returned to the Shareholders, the Company has ensured that it retains sufficient capital for its business and operational needs.

2.3 Financial Effects

For illustrative purposes only and based on the latest audited consolidated financial statements of the Company for the financial year ended 31 December 2024 (“FY2024”), the pro forma financial effects of the Capital Reduction and Cash Distribution on the Company are set out below.

The pro forma financial effects are calculated based on the assumptions that:

- (i) the Capital Reduction and Cash Distribution were completed on 31 December 2024;
- (ii) the cash required for distribution will be generated through liquid cash resources on hand; and
- (iii) the transaction costs, if any, are not material and hence, not considered.

(a) Share Capital

The Capital Reduction and Cash Distribution will not have any impact on the number of Shares held by Shareholders after the Capital Reduction and Cash Distribution. The pro forma financial effects of the Capital Reduction and Cash Distribution on the share capital of the Company for FY2024 are as follows:

	Before the Capital Reduction	After the Capital Reduction
No. of issued Shares	230,390,000	230,390,000
No. of issued Shares (excluding treasury shares) ⁽¹⁾	229,715,500	229,715,500
Amount of share capital (S\$)	35,051,183	14,376,788

Note (1) As at the date of this announcement, **674,500** Shares are being held as treasury shares.

(b) Earnings per Share (“EPS”)

The Capital Reduction and Cash Distribution will not have any impact on the EPS of the Company.

(c) Net Asset Value (“NAV”)

The pro forma financial effects of the Capital Reduction and Cash Distribution on the NAV of the Company for FY2024 are as follows:

	Before the Capital Reduction	After the Capital Reduction
Net asset (S\$)	40,629,348	19,954,953
No. of issued Shares	230,390,000	230,390,000
NAV per Share (S\$)	0.1764	0.0866

(d) Gearing

The pro forma financial effects of the Capital Reduction and Cash Distribution on the gearing ratio of the Company for FY2024 are as follows:

	Before the Capital Reduction	After the Capital Reduction
Total borrowings (S\$)	0	0
Net asset (S\$)	40,629,348	19,954,953
Gearing (%)	0	0

(e) Return on Equity

The pro forma financial effects of the Capital Reduction and Cash Distribution on the return on equity of the Company for FY2024 are as follows:

	Before the Capital Reduction	After the Capital Reduction
Profit attributable to shareholders (S\$)	9,980,238	9,980,238
Average shareholders' equity (S\$)	40,247,029	29,909,832
Return on Equity (%)	24.8	33.4

2.4 Approvals and Conditions

The Capital Reduction and Cash Distribution is subject to, inter alia, the following:

- the Directors making the solvency statement in relation to the Capital Reduction and compliance with other relevant solvency requirements as required by the Companies Act ("**Solvency Statements**");
- Shareholders' approval by way of a special resolution of the Capital Reduction at the AGM, to be approved by a majority of not less than three-fourths of the Shareholders present and voting at the AGM, of which not less than twenty-one (21) days' notice of the AGM shall have been given;
- the Company complying with the relevant publicity requirements as prescribed in the Companies Act;

- (d) lodgement with Accounting and Corporate Regulatory Authority (“ACRA”) copies of the Solvency Statements and the Capital Reduction resolution, within fifteen (15) days beginning with the date of the Capital Reduction resolution;
- (e) no application being made for the cancellation of the Capital Reduction resolution by any creditor of the Company within the timeframe prescribed in the Companies Act, or if such application was made, the dismissal thereof by the judicial authorities; and
- (f) lodgement of the following documents with ACRA after the end of six (6) weeks (but before the end of eight (8) weeks) beginning with the date of the Capital Reduction resolution:
 - (i) a statement made by the Directors confirming that the requirements under Section 78C(1)(c) of the Companies Act have been complied with, and that no application for cancellation of the resolution has been made; and
 - (ii) a notice containing information in relation to the Capital Reduction specified under the Companies Act.

3 CIRCULAR TO SHAREHOLDERS

A circular, containing further details on the Proposal, shall be dispatched to the Shareholders in due course, to provide Shareholders with key information relating to the Proposal, and to seek Shareholders’ approval.

4 INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or the substantial shareholders of the Company or their respective associates have any interest, direct or indirect, in the Proposal other than through their respective shareholdings in the Company.

5 DIRECTORS’ RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposal, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in the announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the announcement in its proper form and context.

6 CAUTIONARY STATEMENT

Shareholders and potential investors of the Company are advised to read this announcement and any further announcements by the Company carefully. Shareholders of the Company are advised to refrain from taking any action in respect of their securities in the Company which may be prejudicial to their interests and to exercise caution when dealing in the securities of the Company.

In the event of any doubt, the shareholders of the Company should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisors.

BY ORDER OF THE BOARD

Koo Chiang
Executive Chairman and CEO
12 Nov 2025

This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.