

NEWS RELEASE

Credit Bureau Asia launches IPO of 30 million shares at S\$0.93 per share to list on SGX-ST Main Board

- Of the 30 million Offering Shares, 1.5 million Offering Shares will be by way of public offer and 28.5 million Offering Shares will be by way of placement
- CBA's board intends to recommend dividends of at least 90 per cent of net profit after tax attributable to shareholders for FY2021 and FY2022
- In addition to the IPO, CBA has received strong institutional investor support from Cornerstone Investors, namely Aberdeen Standard Investments (Asia) Limited, Affin Hwang Asset Management Berhad, Eastspring Investments (Singapore) Limited and Tokyo Shoko Research, Ltd

Singapore, 26 November 2020 – 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 Asia¹, has registered its prospectus with the Monetary Authority of Singapore² for an initial public offering (“IPO” or “Offering”) of 30,000,000 ordinary shares (the “Offering Shares”) at S\$0.93 per Offering Share (the “Offering Price”) in conjunction with its listing on the Main Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”).

Commenting on CBA's IPO, Mr Kevin Koo (“顾强”), Executive Chairman and CEO of CBA said: “We hope investors will appreciate our unique, robust and highly cash generative business model in good and unprecedented times. We are a home-grown Singapore company, and our IPO will help to strengthen our position in the region and beyond.”

CIMB Bank Berhad, Singapore Branch is the issue manager for the IPO and CGS-CIMB Securities (Singapore) Pte. Ltd. is the underwriter and placement agent.

¹ Source: Independent Market Research Report on the Credit and Risk Information Solutions Market (Singapore, Malaysia, Cambodia, Myanmar) by Frost and Sullivan dated July 2020

² On the Monetary Authority of Singapore's Offers and Prospectuses Electronic Repository and Access (“OPERA”) system

Details of Offering

The Offering in respect of 30,000,000 Offering Shares at S\$0.93 each will comprise:

- a) 1,500,000 Offering Shares by way of public offer; and
- b) 28,500,000 Offering Shares by way of placement

each conditional upon the completion of the other.

Of the 30,000,000 Offering Shares, 1,000,000 are new shares to be issued by CBA and 29,000,000 shares are vendor shares which are being sold by CBA's Executive Chairman and CEO, Mr. Kevin Koo and Executive Director, Mr. William Lim. The Offering Shares in aggregate will represent approximately 13.0% of the total number of 230,390,000 issued shares as at the date of listing.

At the same time but separate from the Offering, Aberdeen Standard Investments (Asia) Limited, Affin Hwang Asset Management Berhad, Eastspring Investments (Singapore) Limited and Tokyo Shoko Research, Ltd. (collectively, the "**Cornerstone Investors**"), have signed agreements to subscribe for an aggregate of 28,000,000 new shares (the "**Cornerstone Shares**") at the Offering Price. The Cornerstone Shares will in aggregate constitute approximately 12.2% of the total number of 230,390,000 issued shares as at the date of listing.

Based on the Offering Price, the estimated post-IPO market capitalisation of CBA is expected to be approximately S\$214.3 million. The Offering will close at 12.00 noon on 1 December 2020 and the listing and trading of CBA's shares is expected to commence at 9.00 a.m. on 3 December 2020.

Dividend Policy

The board of CBA intends to recommend dividends of at least 90.0% of net profit after tax attributable to its shareholders for the financial years ended 31 December 2021 and 31 December 2022 (respectively, "**FY2021**" and "**FY2022**")³.

Business Strategies and Future Plans

³ 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

CBA, through its subsidiary Credit Bureau (Singapore) Pte Ltd ("**CBS**"), has a 99.9% market share in Singapore's financial institution data business ("**FI Data Business**")⁴ while its associated companies are the sole licensed FI Data Business providers in Cambodia and Myanmar. As at June 2020, it has 196 Credit Bureau Members in Singapore and Cambodia, and more than 6,000 customers in its non-financial institution data business ("**Non-FI Data Business**") having access to more than 330 million business records.⁵ In addition to its strong financial performance in the last three financial years, the Group in the half year ended 30 June 2020, had a net operating cash flow of S\$10.8 million, and a cash conversion ratio of 83.3%, making it a highly cash generative business.

Continuing to drive organic growth within its existing markets

The commencement of the Credit Bureau Act in Singapore will result in the issuance of a commercial credit bureau licence. The Group plans to expand its credit bureau membership base to include insurance companies, utilities, moneylenders and leasing companies as well as upcoming digital banking businesses. In October 2020, one of CBA's subsidiaries, Credit Bureau (Singapore) Pte Ltd, was awarded a tender by the Ministry of Law of Singapore to develop, establish and operate the Moneylenders Credit Bureau.

Furthermore, for its Non-FI Data Business, the Group intends to expand and increase the market penetration of its risk diligence solutions products and services offerings in its Singapore Commercial Credit Bureau platform while also exploring data collection from other sectors, in addition to its Telco Credit Bureau platform.

In Cambodia, the Group plans to diversify and introduce additional product and service offerings in tandem with the growth of Cambodia's gross domestic product along with its credit industry and rate of credit penetration, so as to meet evolving customer and industry needs. The Group only recently commenced operations in Myanmar in the fourth quarter of 2020 and intends to introduce credit reports and monitoring services to licensed financial institutions in its first year of operations, and widen membership and expand its product and service offerings to include scores and data analytics reports over the subsequent two years.

⁴ In 2018

⁵ D&B Commercial Database

Expanding in the ASEAN region

The Group is also continuously exploring opportunities to expand to other territories in the ASEAN region whether organically, or through acquisitions, joint ventures or partnerships and may use some proceeds from the Offering and the issuance of the Cornerstone Shares to fund such expansions.

Advancing technological capabilities

In the second half of 2021, the Group plans to introduce a “Generation 3” credit score in its credit reports in Singapore that uses additional data elements for enhanced robustness and predictiveness. Similarly, a new score for its Singapore Commercial Credit Bureau platform is being developed for introduction by the end of 2021, which leverages on either a Financial Stress Score⁶, or utilises artificial intelligence to generate the equivalent score based on available information.

The Group will also be developing a proprietary multi-industry and full-service “integrated credit bureau platform” software that has the full functionality of a standard credit bureau software and supports the cross-industry information uploads to better serve the needs of users. It also plans to commence the development of technology that will facilitate the integration and sharing of data, and eventually create full-service, multi-industry credit bureau platforms which are customisable in accordance with the permitted regulatory environment, by the end of 2020.

Use of Net Proceeds

To support its business strategies and future plans, the Group intends to use the net proceeds of approximately S\$23.6 million from the Offering and the issuance of the Cornerstone Shares primarily for the following purposes:

- Approximately S\$7.1 million for organic growth initiatives (including, among others, (i) product development and credit score enhancements, (ii) software and platform development, (iii) investments in infrastructure to increase the scope of membership and (iv) investments in relation to the development of its corporate credit reporting business in Singapore);

⁶ An overall statistical assessment on the future prospects of an active business facing a situation of default over the next 12 months developed for the Group's Non-FI Data Business

- Approximately S\$11.8 million for strategic investments, regional expansion and acquisitions (which may include, among others, in existing markets and new markets); and
- Approximately S\$4.7 million for general corporate and working capital purposes.

Copies of the final prospectus and the application forms may be obtained on request, subject to availability during office hours, from CIMB Securities (Singapore) Pte. Ltd., CIMB Investment Centre, 50 Raffles Place, #01-01, Singapore Land Tower, Singapore 048623.

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Note: This media release is to be read in conjunction with the prospectus of the Company lodged on the Monetary Authority of Singapore's OPERA system 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.⁷ 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 30 June 2020, the Group has close to 200 financial institution members across Singapore and Cambodia 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 6 November 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.

⁷ Source: Independent Market Research Report on the Credit and Risk Information Solutions Market (Singapore, Malaysia, Cambodia, Myanmar) by Frost and Sullivan dated July 2020

For the financial year ended 31 December 2019, CBA recorded S\$40.6 million in revenue, an EBITDA of S\$23.3 million, and PATMI of S\$7.0 million⁸. CBA's EBITDA grew 19.8% to S\$13.0 million and its PATMI grew 12.2% to S\$3.7 million respectively for the six-month period ended 30 June 2020 as compared to the same period last year.

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

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⁸ EBITDA refers to earnings inclusive of share of results from joint ventures but before interest, tax, depreciation and amortization and PATMI refers to profit after tax and minority interests