

CTOS DIGITAL IPO retail tranche oversubscribed by 27.6 times

RM1.38 billion for public portion the largest retail demand since 2013

Malaysia's largest 2021 IPO to list on the Main Market of Bursa Malaysia on 19 July 2021

Kuala Lumpur, Malaysia – CTOS Digital Berhad¹ (CTOS Digital or the Group) received tremendous response for its Initial Public Offering (IPO) with its retail tranche oversubscribed by 27.6 times, paving the way for its listing on the Main Market of Bursa Malaysia Securities Berhad (Bursa Malaysia) on 19 July 2021.

- The Bumiputera portion was 14.37 times oversubscribed, with a total of 14,192 applications for 338.1 million issue shares received.
- The public portion was oversubscribed by 40.77 times, with a total of 37,302 applications for 918.9 million issue shares received.

CTOS Digital garnered 51,494 applications for 1.26 billion shares with a total value of RM1.38 billion, out of the 44 million shares made available for application by the Malaysian public. The RM1.38 billion received for the public tranche is the largest retail demand for an IPO since 2013.

The institutional offering of 936 million IPO shares, comprising 900 million offer shares and 36 million issue shares offered to Malaysian and foreign institutional and selected investors, have been fully subscribed. A total of 23 cornerstone investors subscribed to 54.4% of the institutional offering and the remaining shares available for bookbuilding saw an overwhelming demand of over RM6.5 billion. Participants include renowned names such as Employees Provident Fund Board, Permodalan Nasional Berhad, Aberdeen Standard Investment, AIA, Eastspring Investments, FIL Investment Management and JP Morgan Asset Management.

Group Chief Executive Officer of CTOS Digital Dennis Martin said: “The strong oversubscription in both the retail and institutional offerings showcases the investing community’s confidence in both our track record and strong growth trajectory.

“The credit reporting industry in Malaysia and ASEAN are at relatively early stages compared to developed countries such as the United States (US) and the United Kingdom (UK). As the leading player, we are well positioned to capitalize on the potential for growth across existing and new segments and verticals.

“Our ambition is to build a comprehensive credit reporting ecosystem in the region; the response from the investing public – both institutional and retail – reflects their confidence in our ability to realise these ambitions.”

¹ Formerly known as CTOS Holdings Sdn Bhd

According to independent market research conducted by IDC Malaysia in 2020, the credit reporting revenue per capita in Malaysia (RM6.86) and ASEAN (RM1.48) were much lower compared to UK (RM59.38) and US (RM83.39). Similarly, countries within the ASEAN region also recorded a lower percentage of adults covered by credit bureau services (46%) versus the percentage of adults covered in the UK and US (100%).

CTOS Digital is slated to list on the Main Market of Bursa Malaysia on 19 July 2021 at an IPO price of RM1.10 per share with a market capitalization of RM2.4 billion. It is set to be the largest IPO listing on Bursa Malaysia in 2021.

The IPO exercise entails the public issue of 200 million new shares and an offer-for-sale allocation of 900 million existing shares.

Out of the RM220.0 million new IPO proceeds, RM155.2 million will be used for the repayment of all bank borrowings to free up debt headroom, while RM59.0 million will be earmarked for investment and acquisition of target companies. The remaining RM6.1 million will be utilised to defray listing fees and expenses.

On the distribution of the 200 million new shares, 44 million were made available for application by the Malaysian public via balloting; 120 million were made available for application by the Group's eligible directors, employees and persons who have contributed to the success of the Group, while the remaining 36 million were offered to Malaysian and foreign institutional investors.

Meanwhile, the 900 million offer-for-sale allocations were made available to Malaysian and foreign institutional investors via a private placement exercise.

Maybank Investment Bank (Maybank IB) and RHB Investment Bank (RHB IB) are joint principal advisers of the IPO exercise, as well as joint bookrunners, joint managing underwriters and joint underwriters with AmInvestment Bank. On top of that, Maybank IB and RHB IB are joint global coordinators and joint bookrunners with Credit Suisse Securities (Malaysia) Sdn Bhd and Credit Suisse (Singapore) Limited.

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About CTOS Digital Berhad (www.ctosdigital.com)

(Formerly known as CTOS Holdings Sdn Bhd)

CTOS Digital Berhad is the holding company of CTOS Data Systems Sdn Bhd, the leading Credit Reporting Agency in Malaysia. It also has 20% stake in Business Online Public Company Limited (BOL), the leading credit information and risk management provider in Thailand. Founded in 1990, the Group offers a broad suite of innovative digital products and credit risk management solutions and services which gives it a solid platform to thrive not just in credit reporting, but also in digital credit decisioning across Southeast Asia.

With a broad suite of innovative products and services developed in Malaysia over the company's 30-year history, the Group's digital solutions are widely used by the country's banking and financial institutions, insurance and telecommunication companies, large corporations, SMEs, legal firms, statutory bodies as well as consumers for self-checks.

CTOS Digital Berhad's mission is to empower individuals and businesses with the confidence to make sound credit decisions through access to data and insights at greater ease and speed, leading the community to better financial health. While its vision is to make Malaysia a centre of excellence for credit reporting in ASEAN.

Issued for and on behalf of CTOS DIGITAL BERHAD by Aquilas Advisory (Malaysia) Sdn Bhd

For media enquiries, please contact:

Mr. Lucas Lim

E: lucas@aquilas.com.my

T: 03-2711 1391 / 011-1278 4109

Ms. Julia Pong

E: julia@aquilas.com.my

T: 03-2711 1391 / 012-3909 258