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**Strategic Roadmap for CTOS**  
Analyst & Investor Conference Call

10 January 2022

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# Agenda

1

**3-year Strategic Vision**

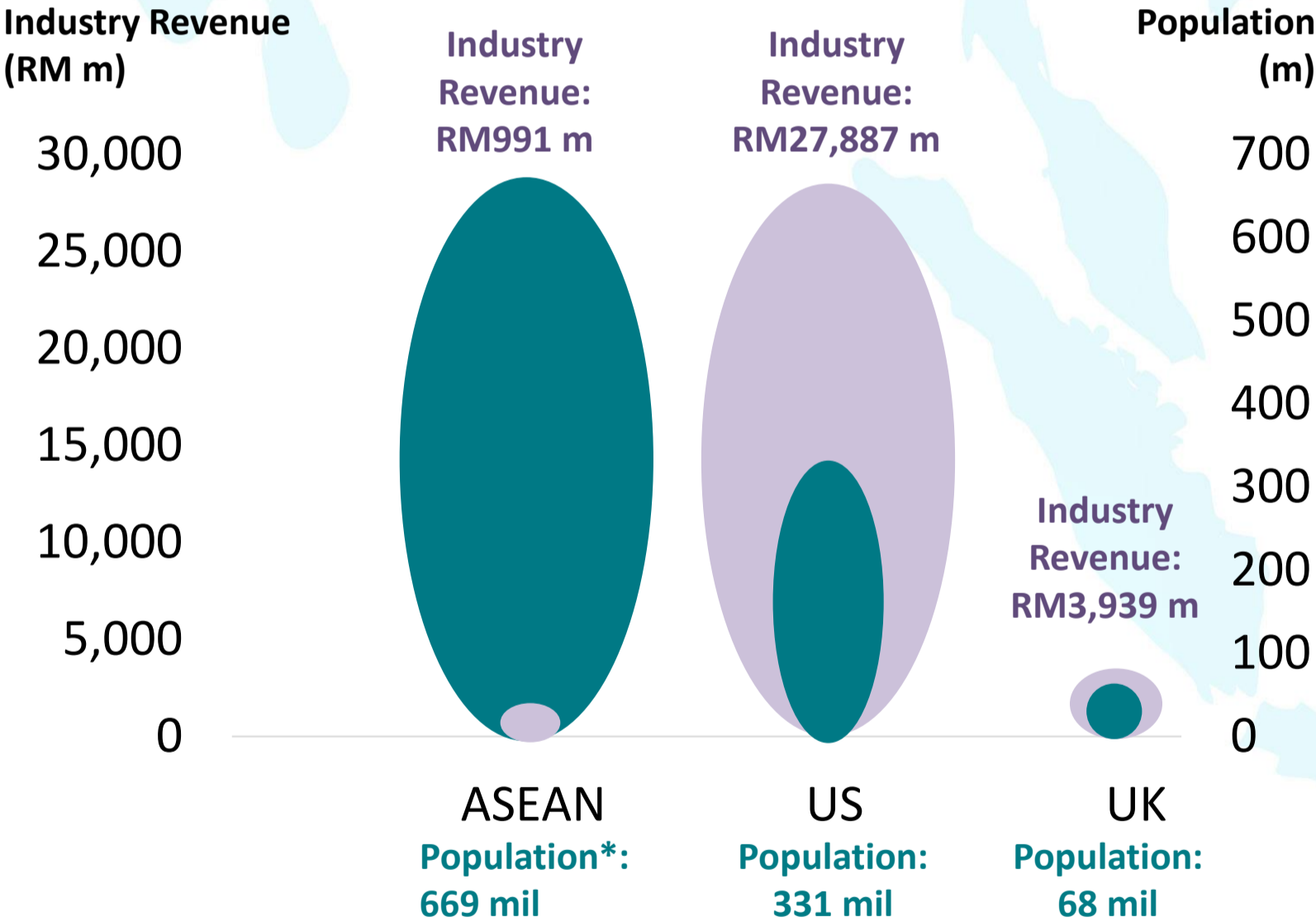
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**Acquisition of Juris Technologies Group**

# Underserviced ASEAN Credit Reporting Industry

Despite having a large population, the ASEAN credit reporting industry revenue remains a fraction of that of developed nations, indicating robust growth opportunities

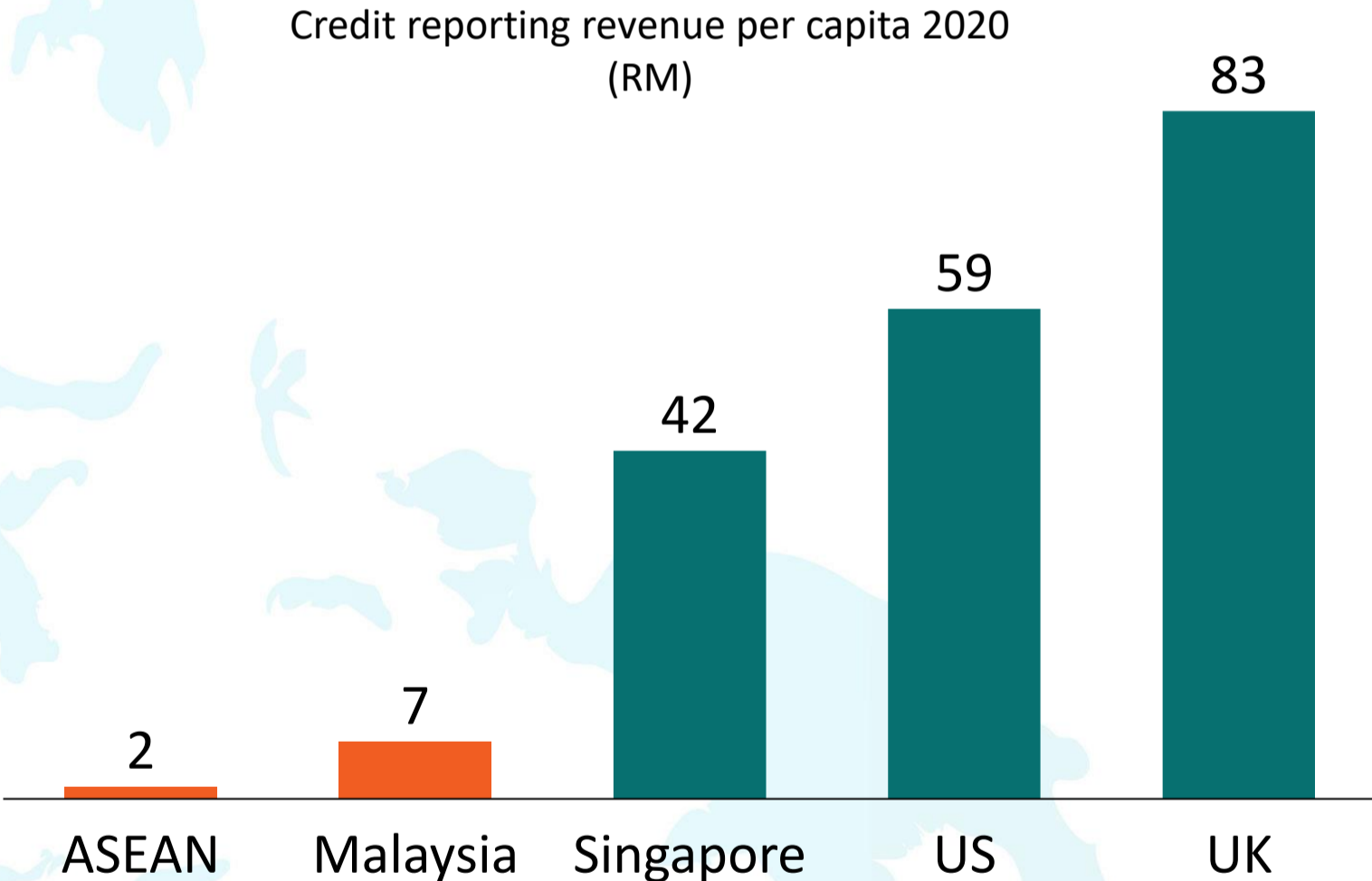
### 2020 Population vs Credit Reporting Industry Revenue



Note: \*Calculated using industry revenue divided by credit reporting revenue per capita

■ CRA Industry Revenue (LHS)   ■ Population (RHS)

### Low Credit Reporting Revenue Per Capita in ASEAN & Malaysia



■ Region / Countries which CTOS Digital has exposure to

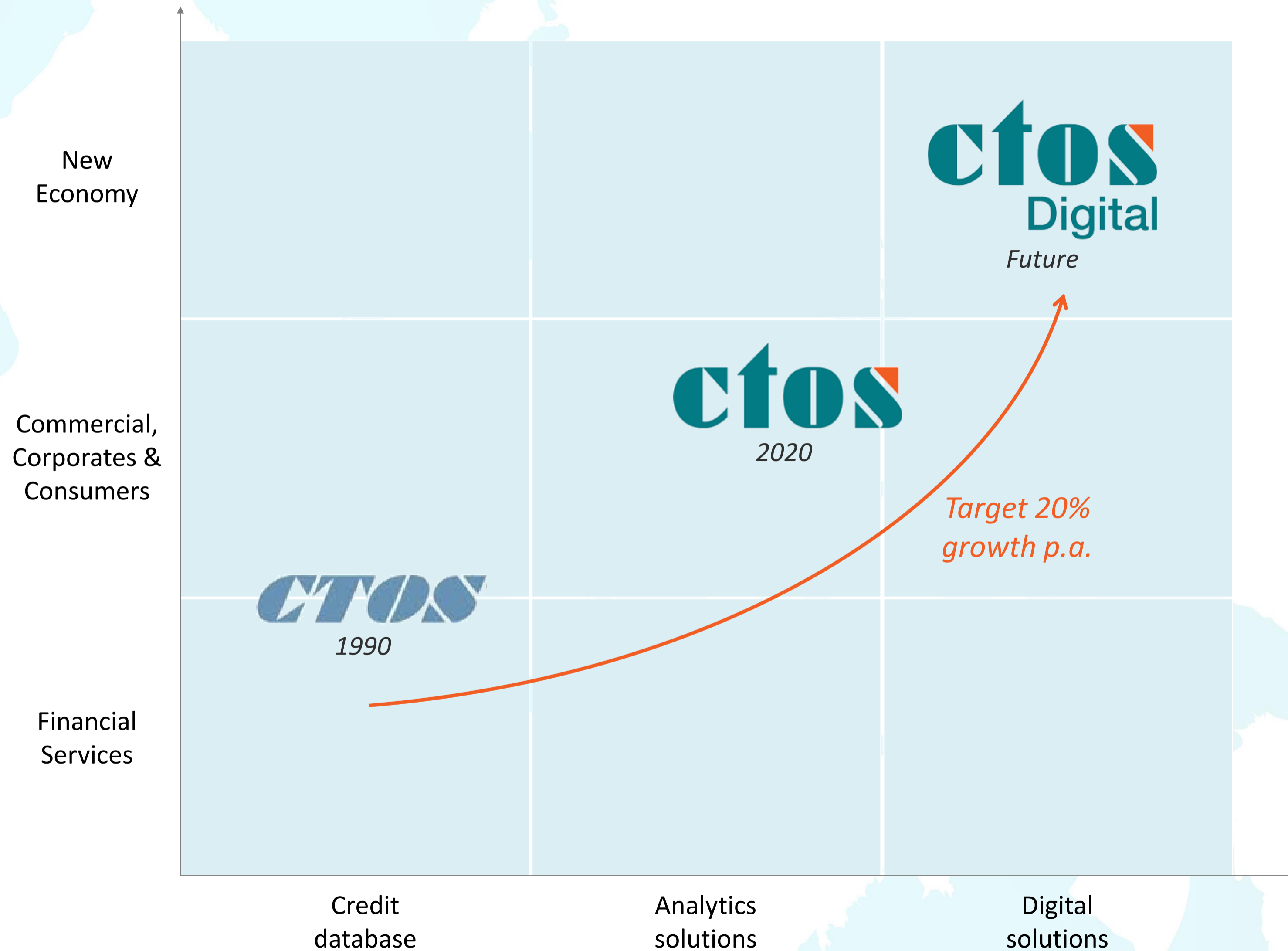


# ctos Digital

## 3-Year Strategic Vision

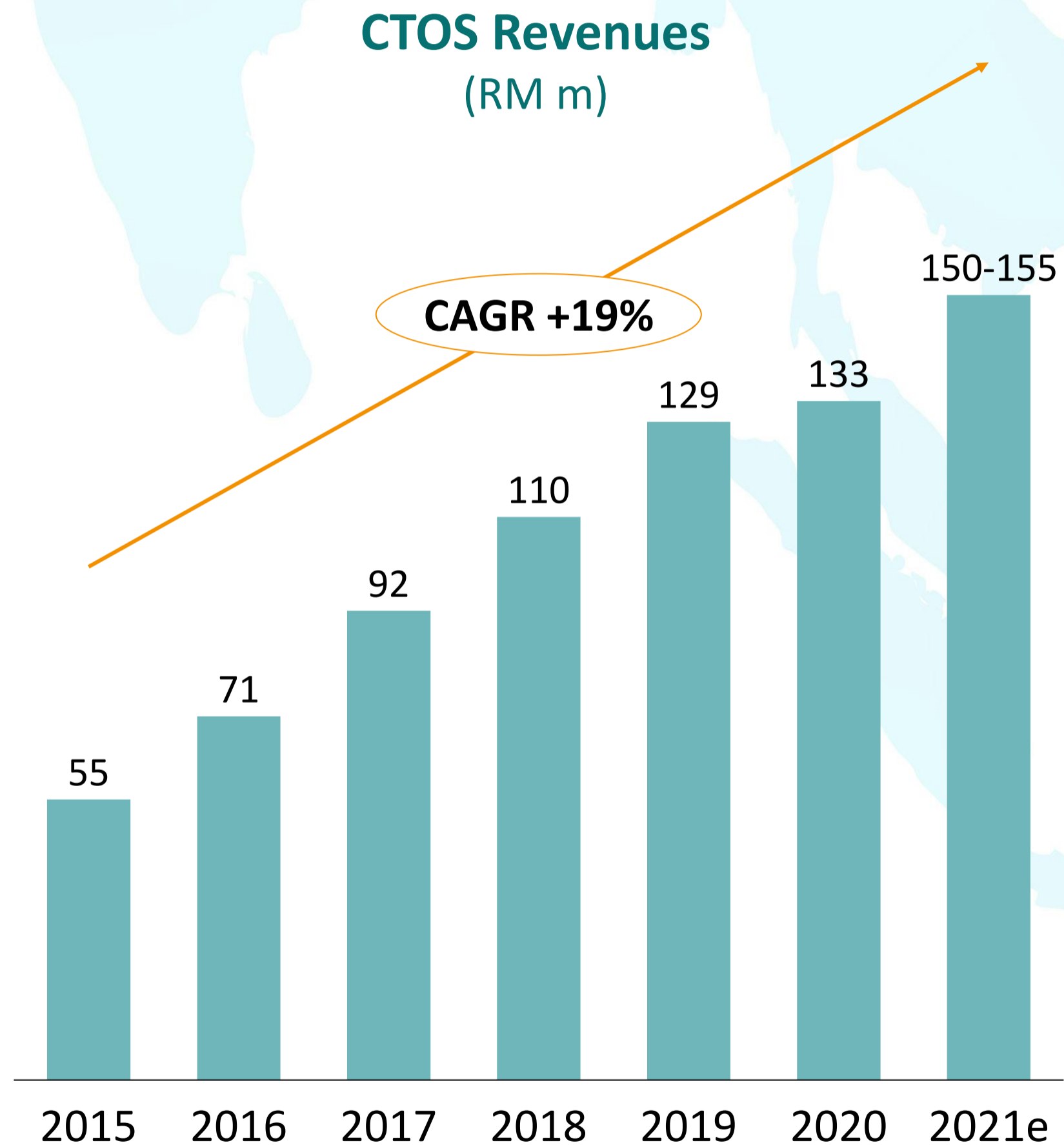
# Evolution path for CTOS

From data to analytics, towards digital platform solutions in future for broader economy



# Solid growth track record in the past

A result of 3 strategic growth pillars



## 1 Bringing new solutions to Key Accounts segment

*From*

- Commodity reports
- Credit data sales



*To*

- Value added & analytics products
- Digital solutions

## 2 Growing expansive Commercial subscriber base

*From*

- Localized sales coverage
- Adhoc sales mgmt.



*To*

- Nationwide coverage
- Sales excellence & standardisation

## 3 Launching new direct to Consumer vertical

*From*

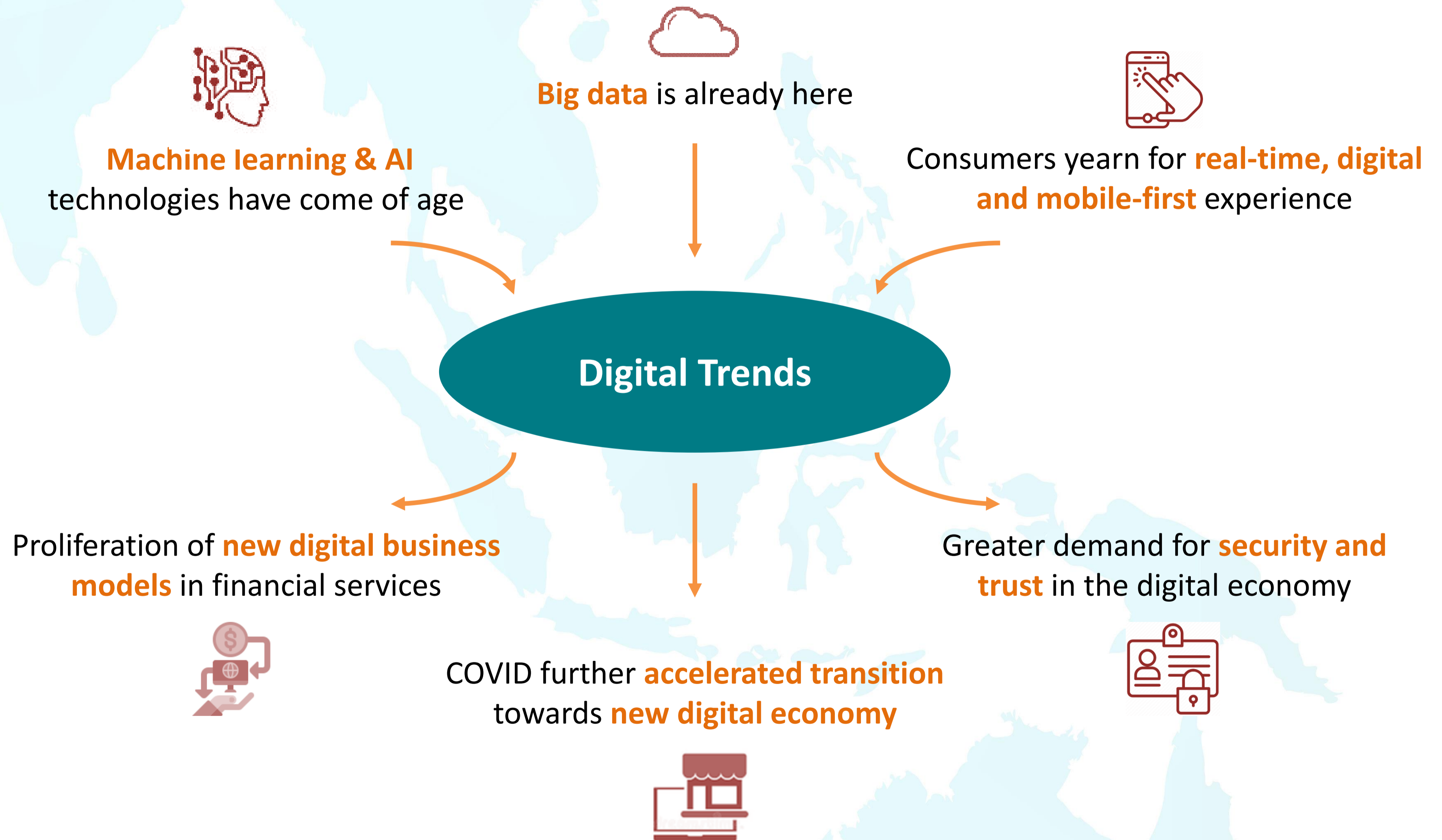
- Limited awareness
- Fulfil regulatory compliance



*To*

- Raised credit awareness
- Full suite of reports and subscription options

# But the FUTURE is DIGITAL



# Locally in Malaysia, we see a proliferation of new digital economy

## Government push towards digital economy

### 2022 budget provisions with many digital related initiatives

- National Digital Network (Jendela) initiative
- SME Digitisation Grant Scheme increased
- 5G network rollout to 36% of high density areas
- Malaysia Digital Nomad program

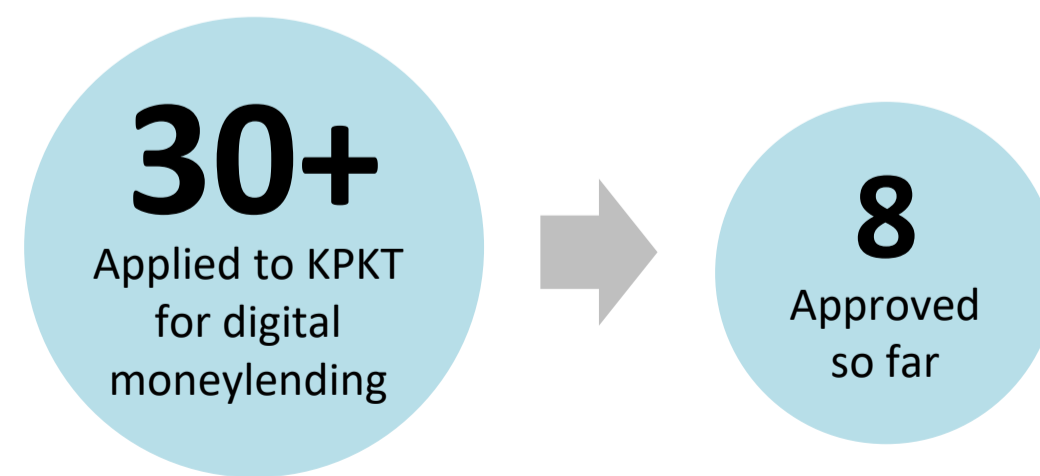
## Significant interest in Digital Banking



## Community lending also embracing move to digital

### KPKT issued new guidelines for digital moneylending in Nov 2020

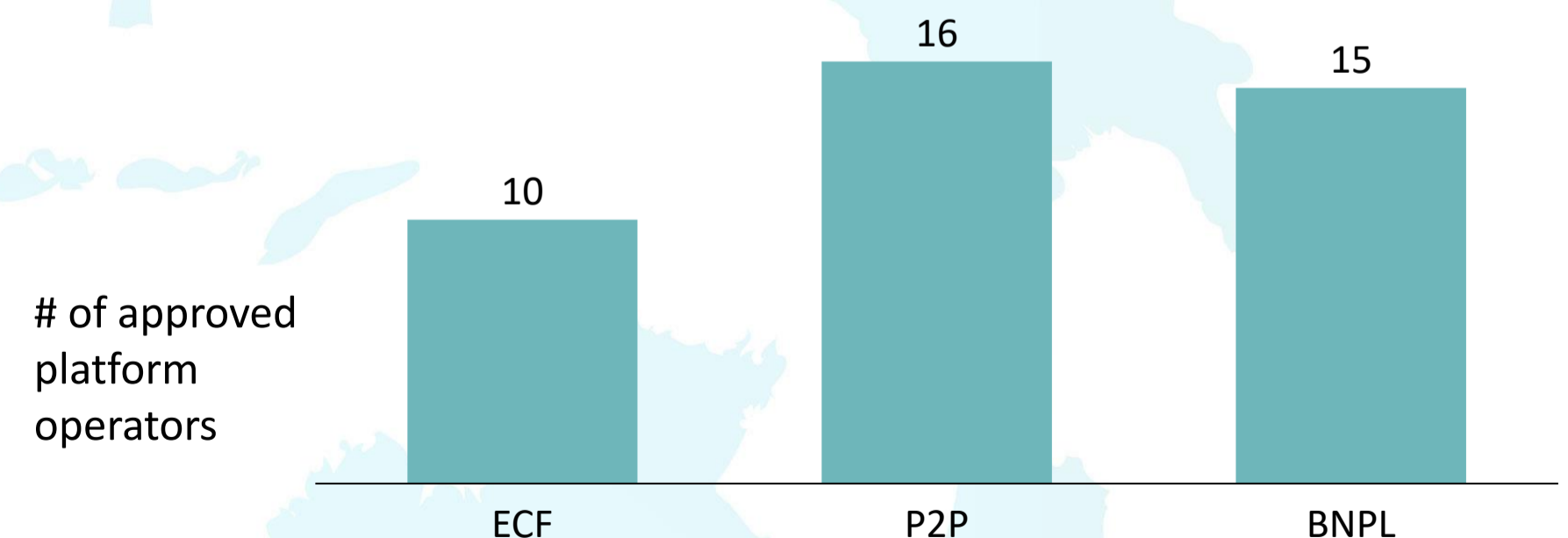
- Licensed moneylenders can fully digitalize their process
- Digitally profile customers, onboard and sign agreements



## Alternative financing platforms well accepted

### Crowdfunding platforms are now commonplace

- 450% increase in ECF, 20% increase in P2P financing for 2021
- Proliferation of micro retail credit with BNPL model



# The challenge: Requirements for DIGITAL economy is very different

## What is required in digital customer journeys

### Acquisition & onboarding



- Efficient large scale online targeting
- Digital campaign automation
- Seamless UI/UX for optimal conversions
- Remote verification of identity & profile

### Evaluation & decisioning



- Ability to leverage alternative data, e.g., digital footprint
- Real-time decisioning & tailored offers
- Digital signing, OCR and robotics automation for document processing

### Customer management



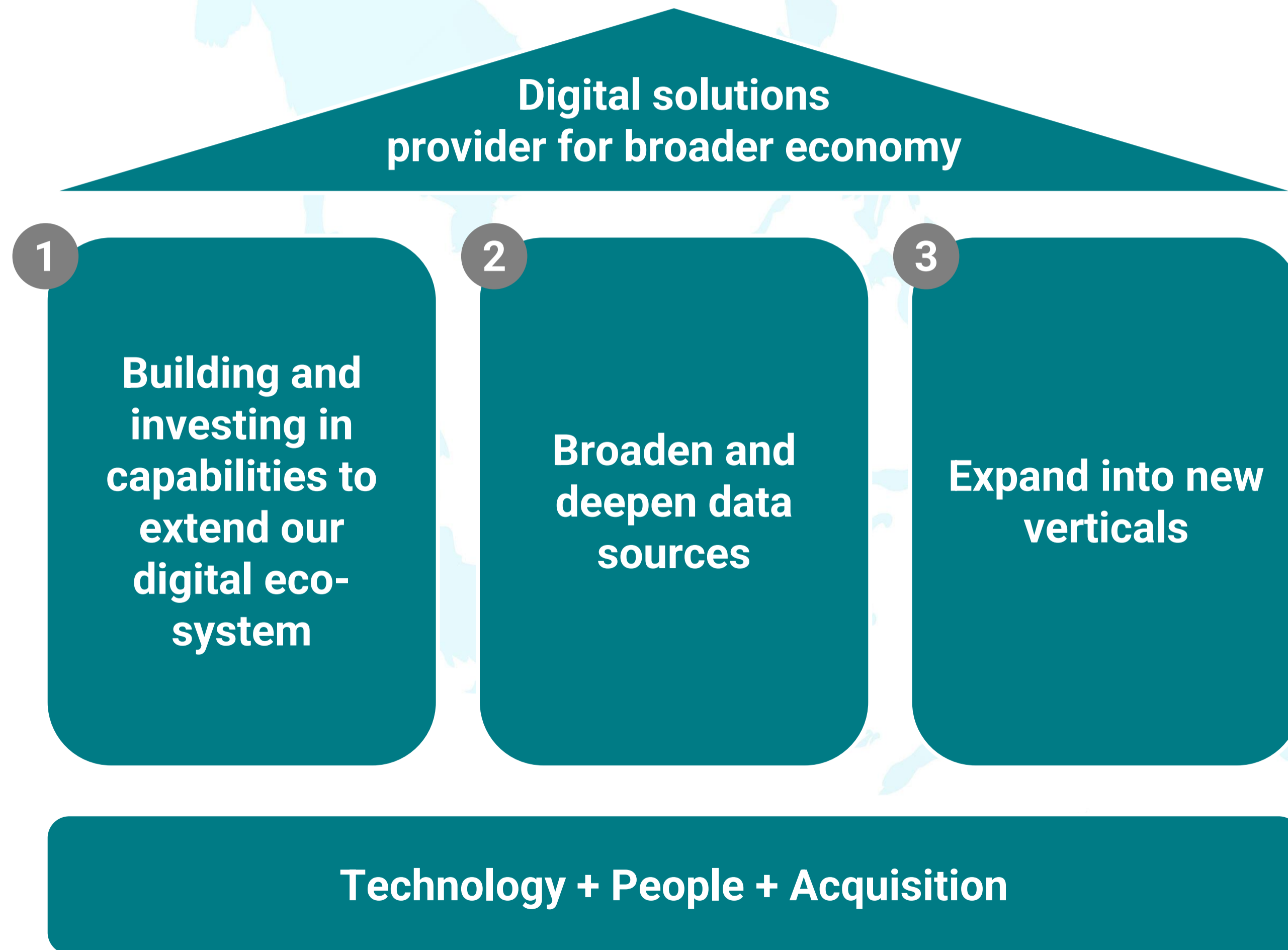
- Deep customer insights with behavioural models utilizing both online and offline activities
- Micro-segmentation of customer portfolio
- Automation of upsell & x-sell campaigns

### Collections & recovery



- Workflow automation
- Deep segmentation and application of tailored strategies
- Feedback loop to refine acquisition and evaluation models

# Summary: CTOS' growth strategies for the digital economy



# CTOS to build specific capabilities across three areas

## Data Analytics Capabilities

**a**

- Deliver advanced analytics and value added products
- Strengthen our Data leadership
- Grow through Innovation

## Fraud & ID Capabilities

**b**

- Consumer identity and fraud database
- Sophisticated matching capabilities using AI / ML
- Expansion of digital use cases beyond financial services

## Platform Capabilities

**c**

- End-to-end digital lending platform
- Enterprise-grade applications
- Regional bureau and data platform

*Enabled through:*  
**Technology + People + Strategic Acquisitions**

# Extended capabilities will further solidify our leadership position

Ability to localize for our markets is key differentiator vs global competitors

## Acquisition & onboarding



## Evaluation & decisioning



## Customer management



## Collections & recovery



## Benefits to clients

### Ability to offer

- ✓ Event and needs-based marketing
- ✓ Frictionless onboarding with minimal upfront documentation
- ✓ Immediate approval decisions
- ✓ Customized product offering
- ✓ Consistent and seamless experience across online & offline channels

### Ability to optimize

- ✓ Cost-effective digital spend
- ✓ Expand pool of eligible customers
- ✓ Maximise conversion ratios
- ✓ Reduce manual processing
- ✓ Eliminate redundant process steps

## CTOS extended capability set

**a**

### Data Analytics Capabilities

**b**

### Fraud & ID Capabilities

Keep fraudsters at bay, protecting the digital ecosystem

Enable deeper level of actionable insights across entire customer lifecycle

**c**

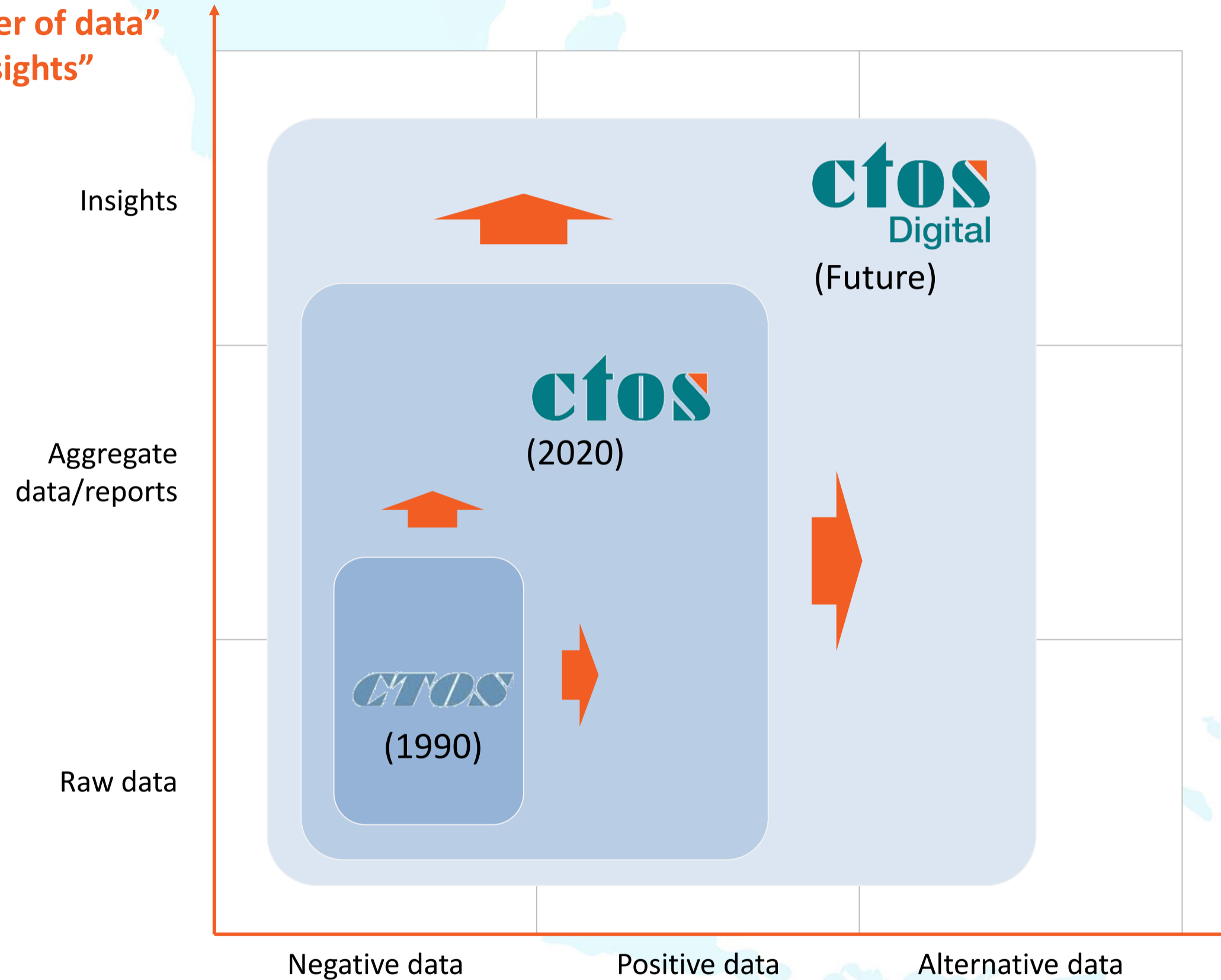
### Platform Capabilities

Enable end-to-end integrated and seamless workflow, automating insight driven actions

# Broaden and deepen our data assets

## Moving up the value chain from DATA → INSIGHTS

Move from “provider of data”  
to a “partner for insights”



- Deep insights through enhanced analytics
- Automation of insights

- Improved quality of reports
- Reports for adjacent sectors
- E.g., automotive, tenancy

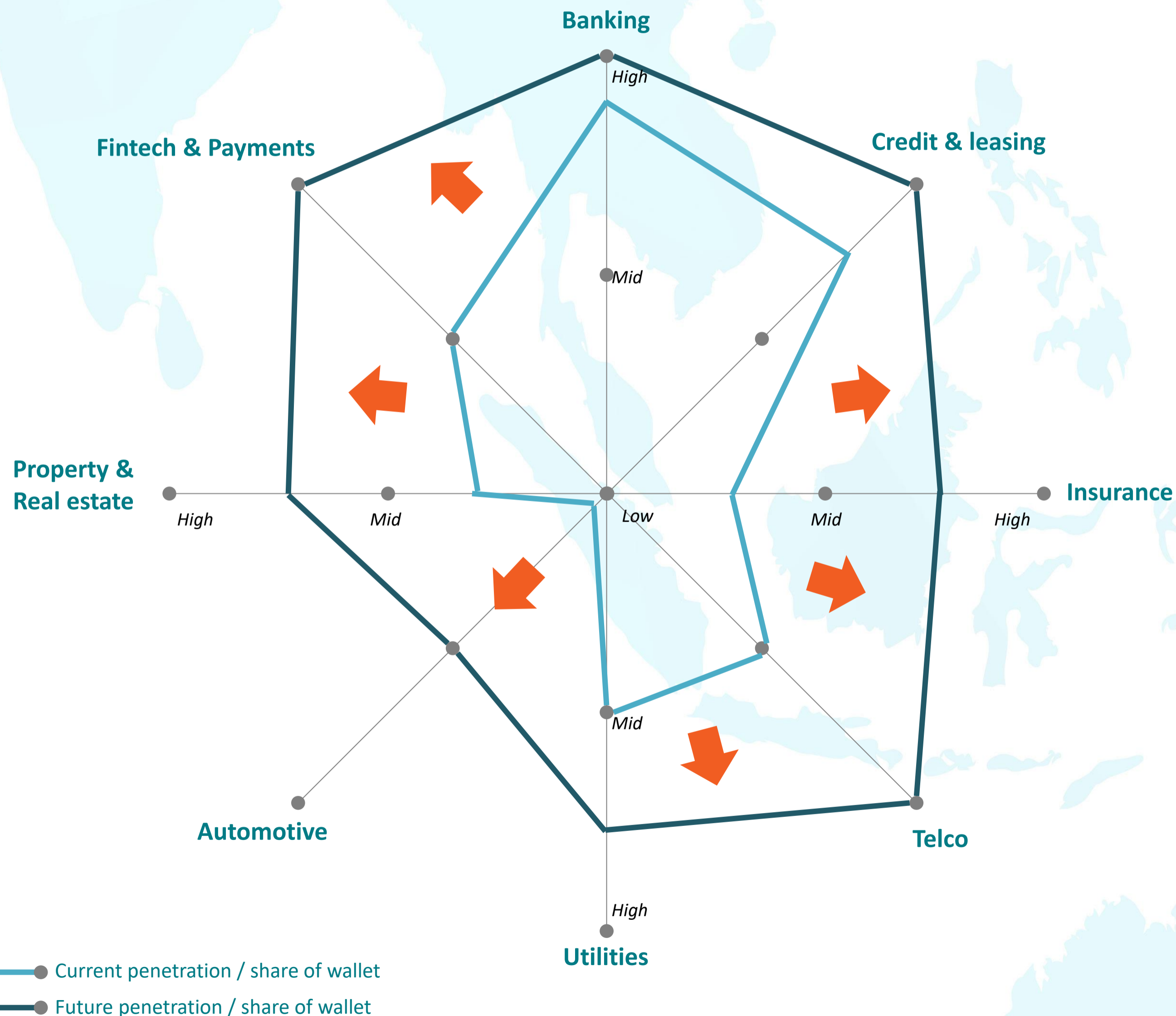
- Expand data partners – build multi-faceted datasets
- Enhance coverage of proprietary databases

**Broaden and deepen range of proprietary data assets**

**Consolidate data assets in single big-data platform to accelerate innovation and improve synergies across the business**

# Expanding into new verticals

Vast opportunity to provide enhanced suite of solutions to existing & emerging verticals



## Industries with entrenched position

- Further solidify market leadership position via deepening share of wallet
- Data provider to insights and success enabler

## Industries adapting to new economy

- Enabling transformation to digital
- Cost-effective and ready-to-deploy platform solutions

## New and emerging digital-based verticals

- Establish CTOS as preferred end-to-end solutions provider in high-growth and fragmented sectors

## Conventional sectors

- Industry-wide transformative change
- Data consolidation & sharing, workflow automation, data driven analytics & insights

# Growth strategies enabled via Technology + People + Acquisition



## Technology

Continue to invest further in:

### Scalable Infrastructure

- Enable consolidation across data assets
- Improve operating leverage
- Reduced maintenance complexity

### IT & Data Security

- Compliance to latest security standards
- Business continuity assurance

### Automation & Tools

- Eliminate manual intervention, maximise efficiency, reduce errors and TaT
- Service level assurance



## People

Continue to strengthen the organisation:

### Data Analytics

- Data acquisition and partnerships
- Analytics & data modelling

### Solutions Sales and Delivery

- Delivery and Project management
- Solutions specialists

### Technology Resources

- Developers
- Cybersecurity



## Acquisition

Accelerate growth via selective acquisition:

### Product Synergies

- ID and fraud solutions
- Credit management & workflow solutions

### Capability Extension

- Analytics capabilities
- Delivery and tech capabilities

### Regional Expansion

- Increasing stake & presence in established markets
- New entry in other SEA markets

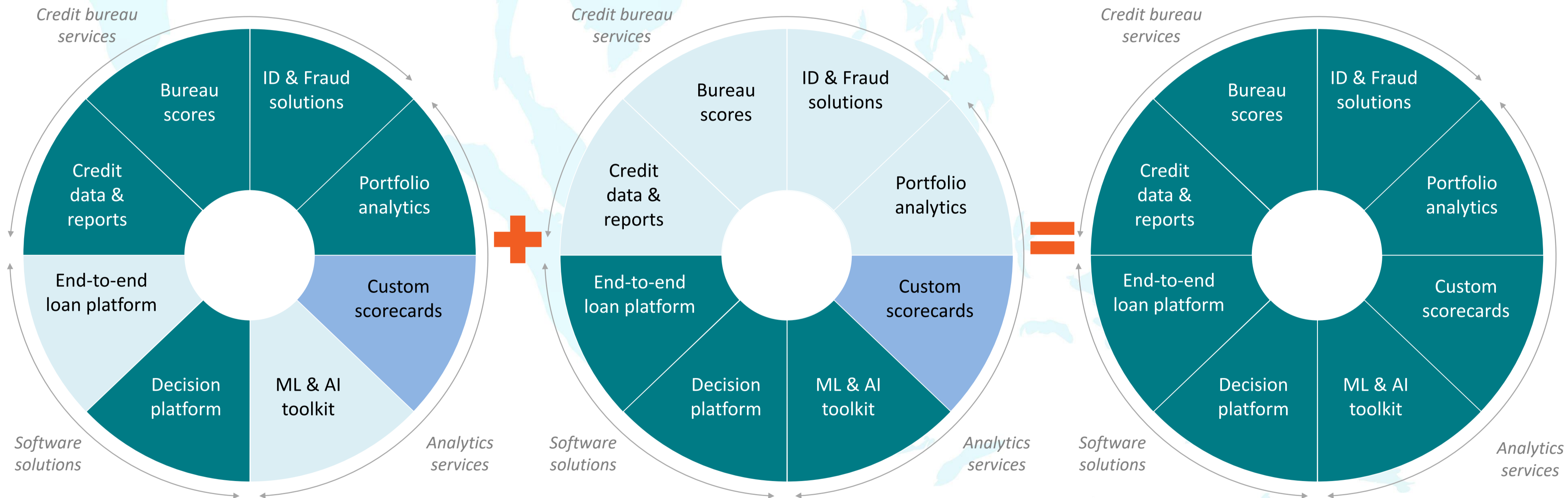
# Selective acquisition to accelerate capability build up

JurisTech acquisition: Perfect complement to our vision

**ctos**

**Juristech**

**ctos**  
Digital



Current capabilities:



Primary focus



Secondary focus



Limited

# Acquisition track record

Strategic acquisition to further expand CTOS ecosystem and regional growth

## Recent acquisitions



### Leading business information provider in Thailand

- Acquired 20.00% stake in Oct 2019
- Acquired 2.65% stake in Aug 2021
- Potential to acquire up to 2.25% in 2022

Target shareholding of 24.90%

## Thesis/synergies

- Market leader in business information in Thailand
- Geographical expansion in Thailand
- Cross fertilization of products

## Acquisition multiple (P/E)

26x<sup>(1)</sup>



### Leading provider of credit ratings, risk analysis, ESG analytics, bond pricing and valuation data

- Acquired 4.63% stake in July 2021
- Acquired 3.50% stake in Dec 2021
- Existing plans to increase stake further

- Market leader in bond credit ratings in Malaysia
- Product expansion (corporates and SMEs)
- Cross selling of existing products

26x<sup>(2)</sup>

### Leading provider of credit enterprise software in Msia with a strong position with banks and FIs

- Announced acquisition of 49% stake in Dec 2021
- Target completion Q1 2022

- Cross selling of existing products
- CTOS product suite strengthened for enterprise and SMEs

23x<sup>(3)</sup>



1. Based on the blended entry LTM multiple for the respective acquisitions

2. Based on FY20 audited financials

3. Based on the expected FY21 proforma earnings expectation

# Our growth strategy will position us well to continue achieving 15~20% CAGR growth trajectory

	Internal Mgmt. Target FY2021	Potential trajectory moving forward FY2022	FY2023
Revenue (YoY Growth)	RM150-155m (5-10%)	RM185-195m (20-25%)	RM220-230m (15-20%)
EBITDA (YoY Growth)	RM60-65m (25-35%)	RM85-92m (30-40%)	RM103-108m (10-15%)
Normalized PATAMI (YoY Growth)	RM55-60m (40-55%)	RM75-80m (25-30%)	RM90-94m (15-20%)

Note: Figures are for simulation purposes only and mgmt. internal targets; Indicated YoY growth % assumes average of previous year figures



## Acquisition of Juris Technologies Group

# Strategic acquisition of 49% stake in Juris Tech to build a world class end-to-end digital lending solution

**ctos Digital**

**juristech**

## Software solutions

Enterprise grade software that is scalable and secure for loan origination, management, credit decision, collections & workflow automation



## Analytics services

Provision of external analytics support services to complement in-house analytics, bringing deep domain expertise to generate insights through data



## Credit Data

Ready access to comprehensive credit, identity and fraud as well as corporate registry and trade database to support critical lending decisions

### Unique position in the market to realize end-to-end proposition

**juristech**

Juris Origination  
Juris Access  
Juris Legal  
Juris OneCore  
Juris Collect  
Juris Agency

**ctos**

E-Onboarding  
IDGuard  
ConneX

**juristech**

Juris Mindcraft

**ctos**

Portfolio insights  
Credit Xformation  
Custom model dev.

**ctos**

CTOS report  
CCRIS data  
External reports  
Trade bureau  
Bureau score

# Highlights and Investment Rationale

## Acquisition of a 49% stake in Juris Technologies Group



### Company Overview

- **Leading Malaysian-based fintech player** specialising in software solutions for financial institutions
- **Strong entrenched market position in Malaysia** and overseas presence in 4 countries, namely, Singapore, Australia, Brunei and UAE
- **Established in-house capabilities**

### Value Accretive Acquisition

- **Immediate contribution to CTOS' profits.** Expected to contribute ~13% of CTOS FY22E net profit
- **Strong financial track record and recurring revenue streams (~65%)**
- **Highly cash generative**, minimal CAPEX and high ROEs
- **Valuation accretive** at CTOS' current valuation

### Synergistic Value Creation

- **Building a world class end-to-end digital lending solution** by combining best-in-class credit data, software solutions and analytics services
- **Developing new propositions to better address opportunities from emerging trends** in digital lending space
- **Regional expansion opportunities esp. in Thailand and Philippines**

# Transaction Highlights

## 49%

### Transaction Structure

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- Acquisition of a 49% stake in Juris Technologies Group (“JurisTech”), which includes Juris Technologies Sdn Bhd and Juris Solutions Sdn Bhd
- Non-core assets to be carved out prior to transaction (i.e. non-core properties, iMoney entities, excess cash beyond RM5m)
- Transaction expected to close in Q1 2022

## RM420m

### Equity Valuation

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- RM420m equity valuation, which implies a 23 times proforma FY21 Profit After Tax of ~RM18m
- We expect Juris’ revenue and PAT growth in FY22E to be >20%
- Valuation is in line with public comparables

## RM206m

### Total Consideration

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- Transaction to be funded by proceeds from issuance of shares and/or bank borrowings
- EGM to approve the acquisition to be held by 7 February 2022

# Comprehensive Credit Management Suite developed internally



## Juris Access

Digital onboarding platform

Enables straight- through customer on-boarding anytime, anywhere.



## Juris Origination

Loan origination solution

A truly flexible end-to-end LOS that is robust, configurable for both commercial and retail origination



## Juris OneCore

Loan management system

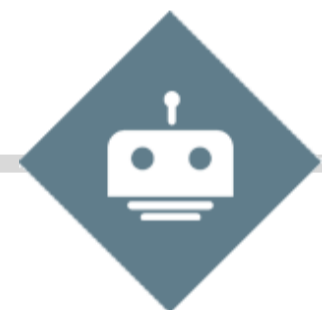
Robust end-to-end loan cycle management platform



## Juris Credit

Credit administration platform

Conveyancing platform that unifies workflows of valuers, solicitors and institutions in a single platform



## Juris Mindcraft

AI and prescriptive analytics

AI tool that enables business users to become citizen data scientists.



## Juris Collect

Enterprise debt collection system

Award-winning debt collection software that can be coupled with behavioural scoring



## Juris Legal

Legal processes management system

A legal module with complete legal workflow for late-stage recovery, connecting law firms and FIs.



## Juris Agency

Agency management system

An extraordinary solution adopting the best practices of debt collection agency management processes.

# Client Portfolio with long term relationships

>50 reputable corporations and >3,000 agencies

JurisTech services leading financial institutions, banks, development funds and multi-national corporations



## Commercial Banks

- Serving leading commercial banks in Malaysia
- Synergies due to market access of key accounts and product offerings
- Centralise go-to-market strategy



## DFIs and NBFIs

- Strong presence and adoption of Juris solutions amongst DFIs and NBFIs
- Synergies due to market access of key accounts and product offerings



## Fintechs, Telco, Corporates

- Ability for CTOS and JurisTech to better serve the needs of the growing fintech players
- Including top telco players



## Lawyers, External Agencies, Valuers

- > 3,000 lawyers, external agencies and valuers
- Opportunity to leverage on CTOS SME and lawyer ecosystem

Revenue  
contribution

~40%

~40%

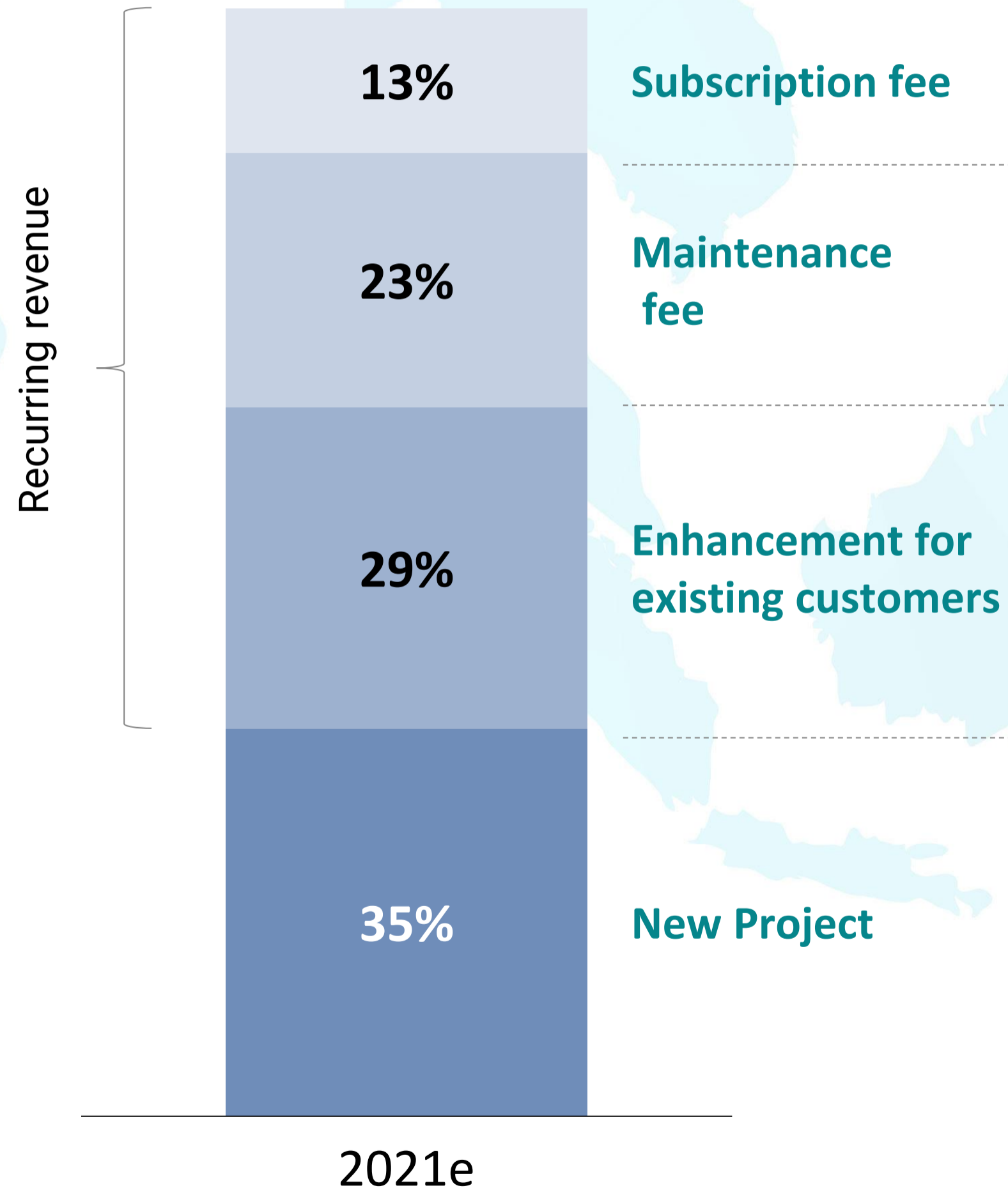
~10%

~10%

# ~65% of Juris Tech's total revenue is recurring

10% of revenues is generated outside of Malaysia<sup>(1)</sup>

## Revenue streams and contribution



## Description

- New SaaS products for collection (such as CollectXpress and NexColl) and artificial intelligence (Juris Mindcraft)
- Generates 15-20% of initial contract value for yearly maintenance
- Existing customers who require enhancements to their existing modules once every few weeks/months according to the market/business needs.
- Upselling of new modules to existing customer base
- New customers coming onboard for the first time to use Juris' solutions and modules

Note:

(1) Mainly from Australia, UAE, Brunei and Singapore

# Founders / Mgmt. team and future CTOS partners



**See Wai Hun**  
CEO & Co-founder

- Started her career in EY in consulting and implementation of enterprise systems
- Joined Sapura to develop and implement business intelligence solutions

## Awards

- 2019 EY Woman Entrepreneur of the year
- 2018 Star Outstanding Business Awards Female Entrepreneur of the Year (Outstanding Achievement)
- 2016, profiled by Focus Malaysia and Digital News Asia as one of top 50 people who would shape the digital economy



**John Lim**  
CTO & Co-founder

- Prior to founding Juris, was a software development manager in Sapura Advanced Systems
- Computer programmer at heart, has developed many software that has won awards



**Naaman Lee**  
COO

- Before joining Juris, was a mechanical engineer in Amano Malaysia and a CRM Manager in SLW Communication
- Joined Juris since 2006



**Kiarash Razaghiaval**  
CINO  
(Chief Innovation Officer)

- Joined JurisTech as an intern and grew to become the Chief Innovation Officer in 2020.
- Previously led the R&D team at JurisTech, leading the team to create new JurisTech products such as Juris Access (digital onboarding platform), Juris GO (lead management mobile app), and Juris Footsteps (employee engagement platform)

# Juris Technologies Group

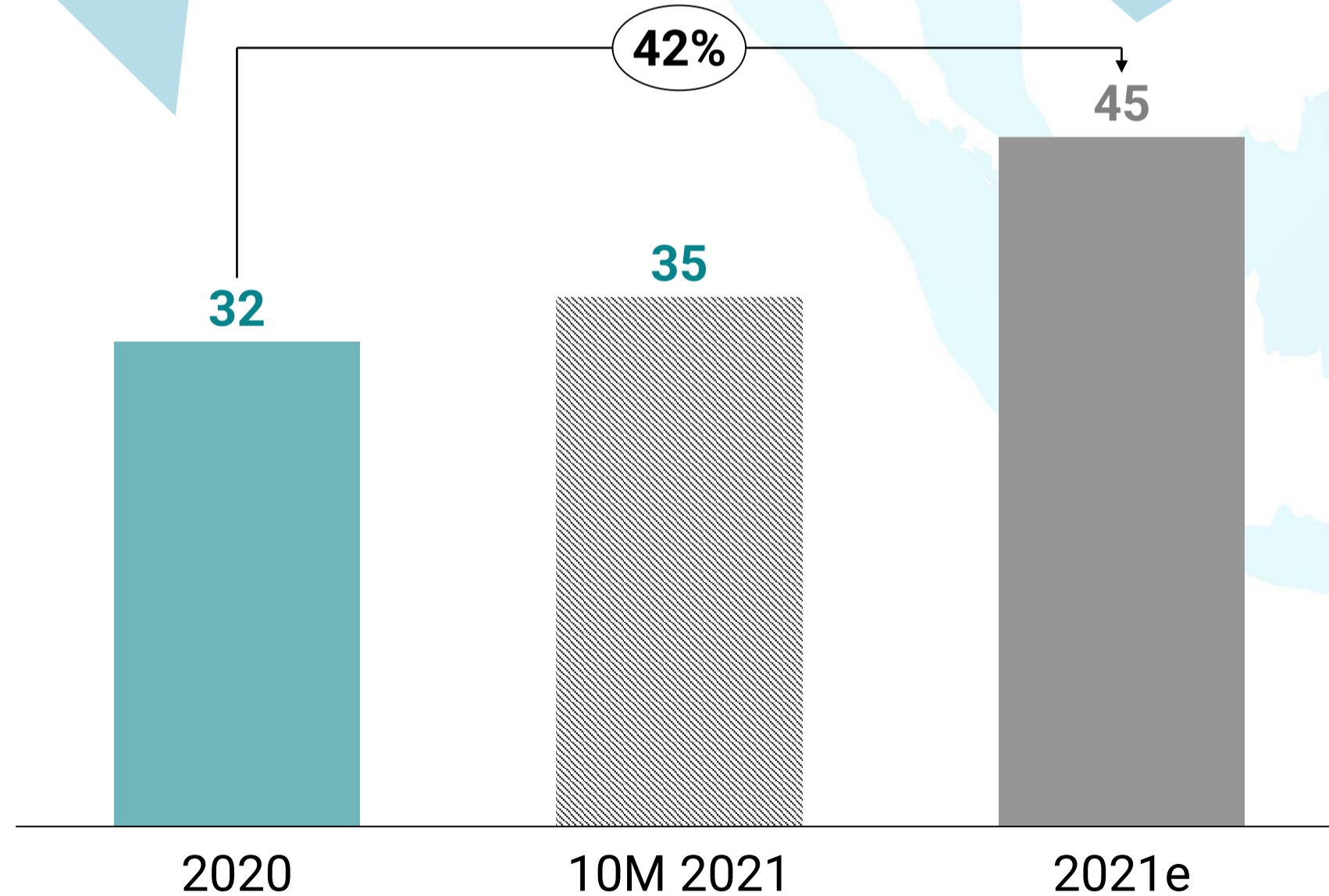
## Proforma Financial Overview (I)

JurisTech's diversified and strong pipeline of customers with highly profitable margins

### Revenue (RM m)

Impacted by slowdown in new project revenue due to delay of customer capex plans from COVID

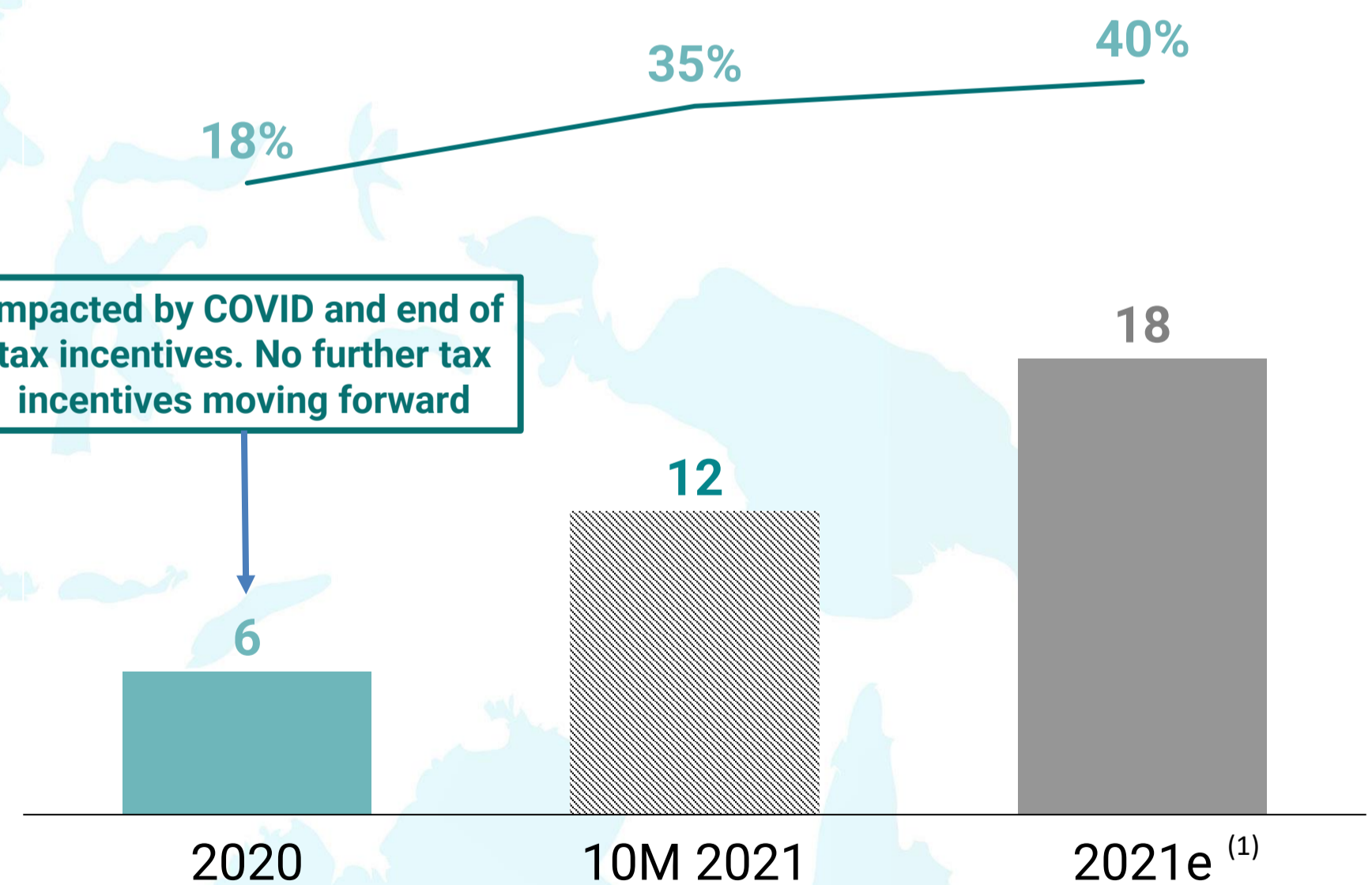
JurisTech is expecting to recognise RM10m in revenue from its year-end billing



### PAT (RM m)

Margin (%)

Impacted by COVID and end of tax incentives. No further tax incentives moving forward



Note: Proforma Group financials are based on combined financials of Juris Technologies Sdn. Bhd. and Juris Solutions Sdn. Bhd. Financials do not include revenues from contracts signed with Natsoft.

(1) Includes adjustments that have been mutually agreed between both companies

Source: FY20 based on Juris Audited Financial Statements, 10M FY21 based on Management Accounts, FY21e values are based on CTOS analysis

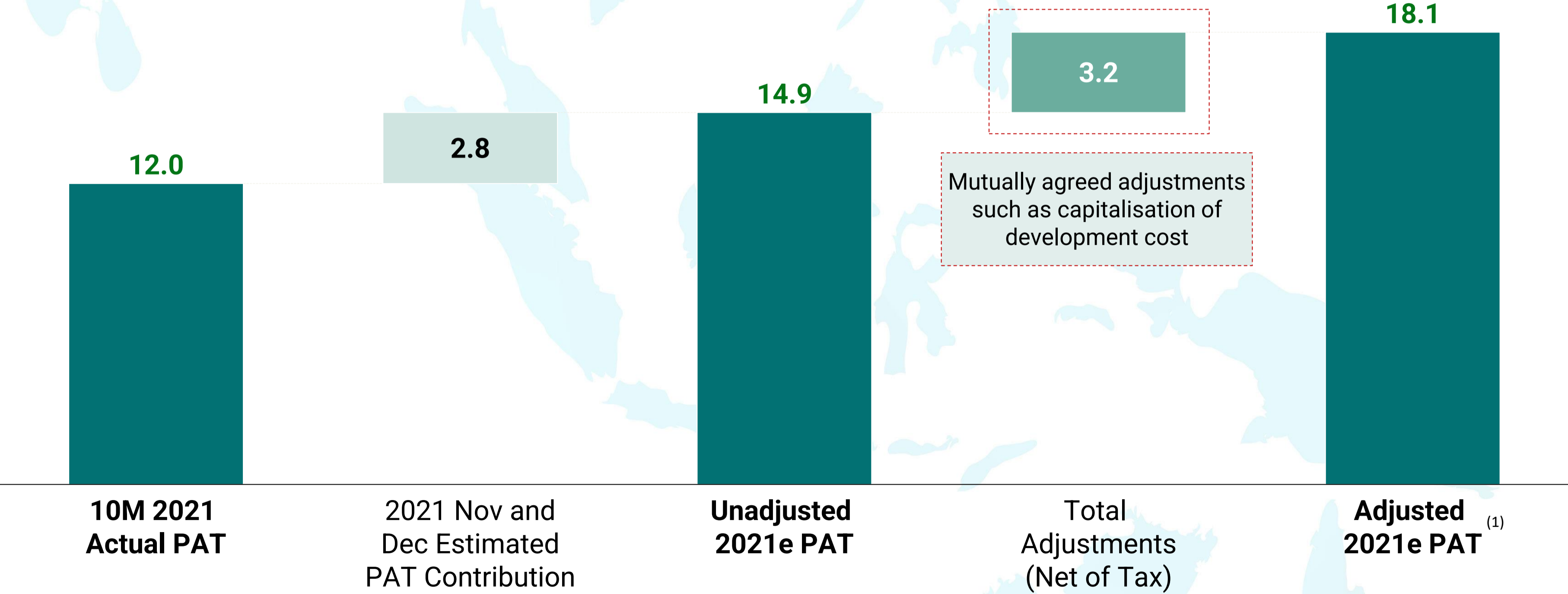
# Juris Technologies Group

## Proforma Financial Overview (II)

### Profitability Bridge

Values in RM m

Equity Value: RM420m  
Implied P/E: 23x



Note: Proforma Group financials are based on combined financials of Juris Technologies Sdn. Bhd. and Juris Solutions Sdn. Bhd.  
(1) Includes adjustments that have been mutually agreed between both companies  
Source: 10M FY21 based on Management Accounts



**Potential Synergies**

# Potential Synergies

## Digital Solutions

### What it is?

- Enabling end-to-end digital journey for lenders to acquire, onboard, process and manage customers
- Rapid deployment and cost effective whilst minimizing impact to BaU for the client

### Target segment?

- Fintech lenders
- Traditional FIs with legacy systems (Banks, Coops, Credit Cos)
- Digital moneylenders approved by KPKT (35 licenses)

## Analytics Solutions

### What it is?

- Extending analytics service beyond advisory & data provision into software tools & platform sales
- Enhanced ability to perform analytics & model development – incorporate ML/AI methods, rapid testing, etc.

### Target segment?

- Challenger banks – looking for any potential competitive edge
- Tier 1 Banks & FIs – enabling and automation tools to support their internal analytics team

## SME Collections

### What it is?

- Collection software as an add-on module to CTOS Credit Manager
- Seamlessly integrates with existing CM
- Host of receivables management functionalities enabled with a minimal incremental fee added onto CM subscription

### Target segment?

- Corporates – esp. those with large supply chain
- SMEs – esp. those with larger number of eTRs
- Past prospects – go back to them with more value add

## Lead-Gen Solutions

### What it is?

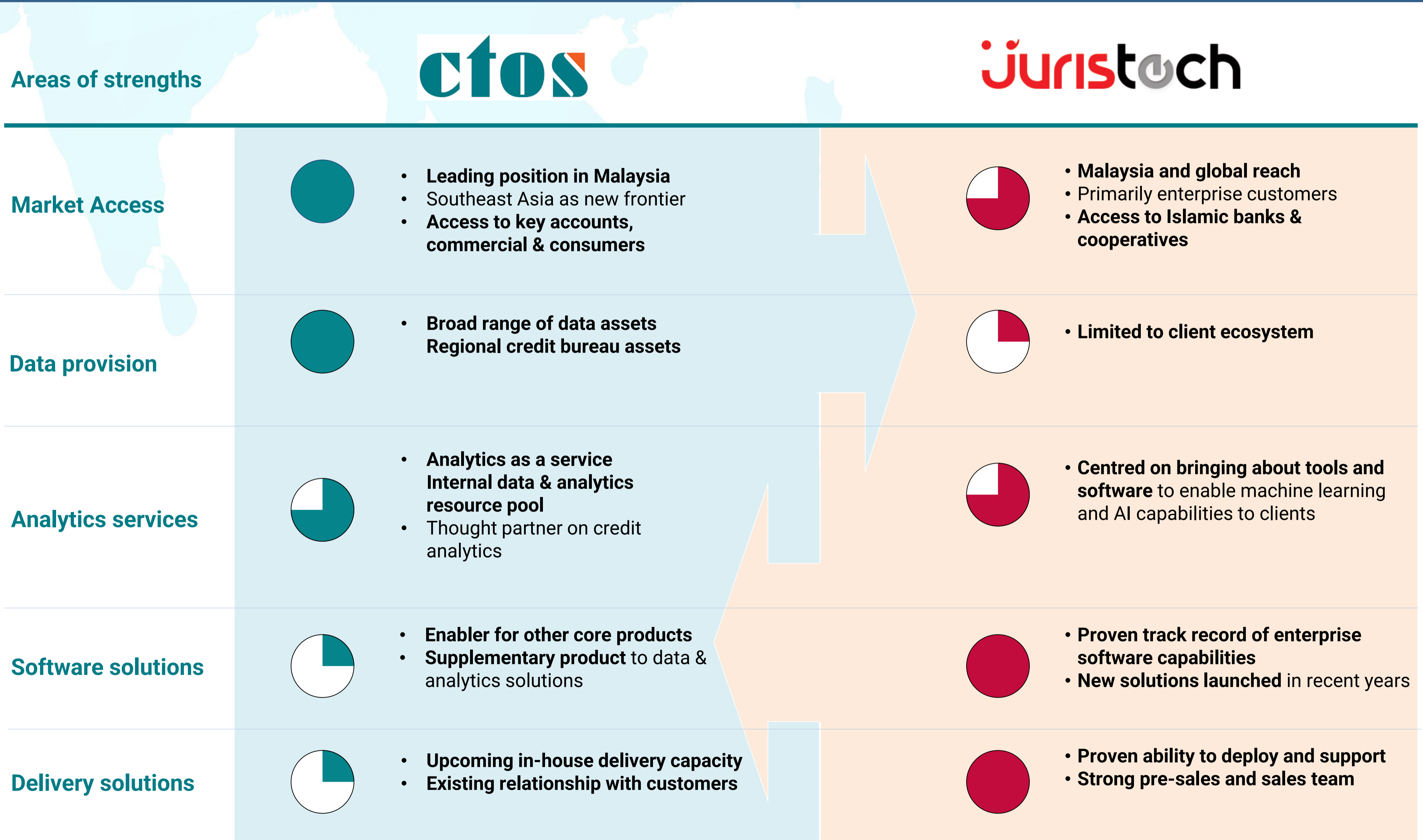
- Outsourced targeting and campaign management
- Extends credit transformation work on increasing through-the-door applicants into actual execution & implementation support
- Leveraging iMoney digital assets and customer base

### Target segment?

- Fintech lenders
- Banks & FIs
- Telco & Insurance



# Completes end-to-end digital lending proposition by leveraging on both parties strengths



# CTOS will be able to offer similar end to end solutions to other global bureaus

Juris acquisition will allow for CTOS to offer a full suite of solutions, similar to other global bureaus





X





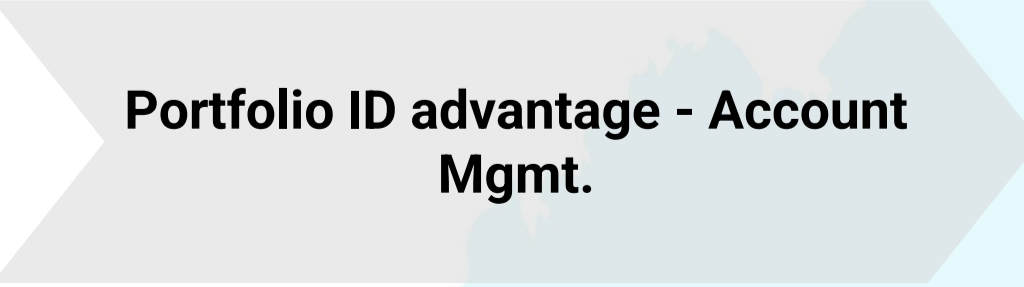
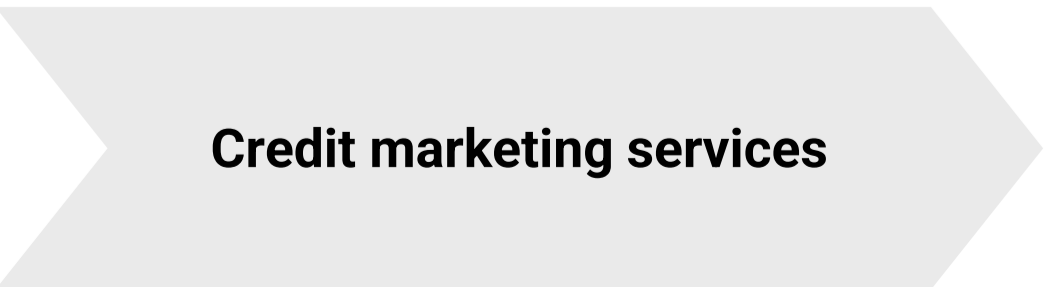
CTOS and JurisTech Combined Solutions



Offers only in  
core markets

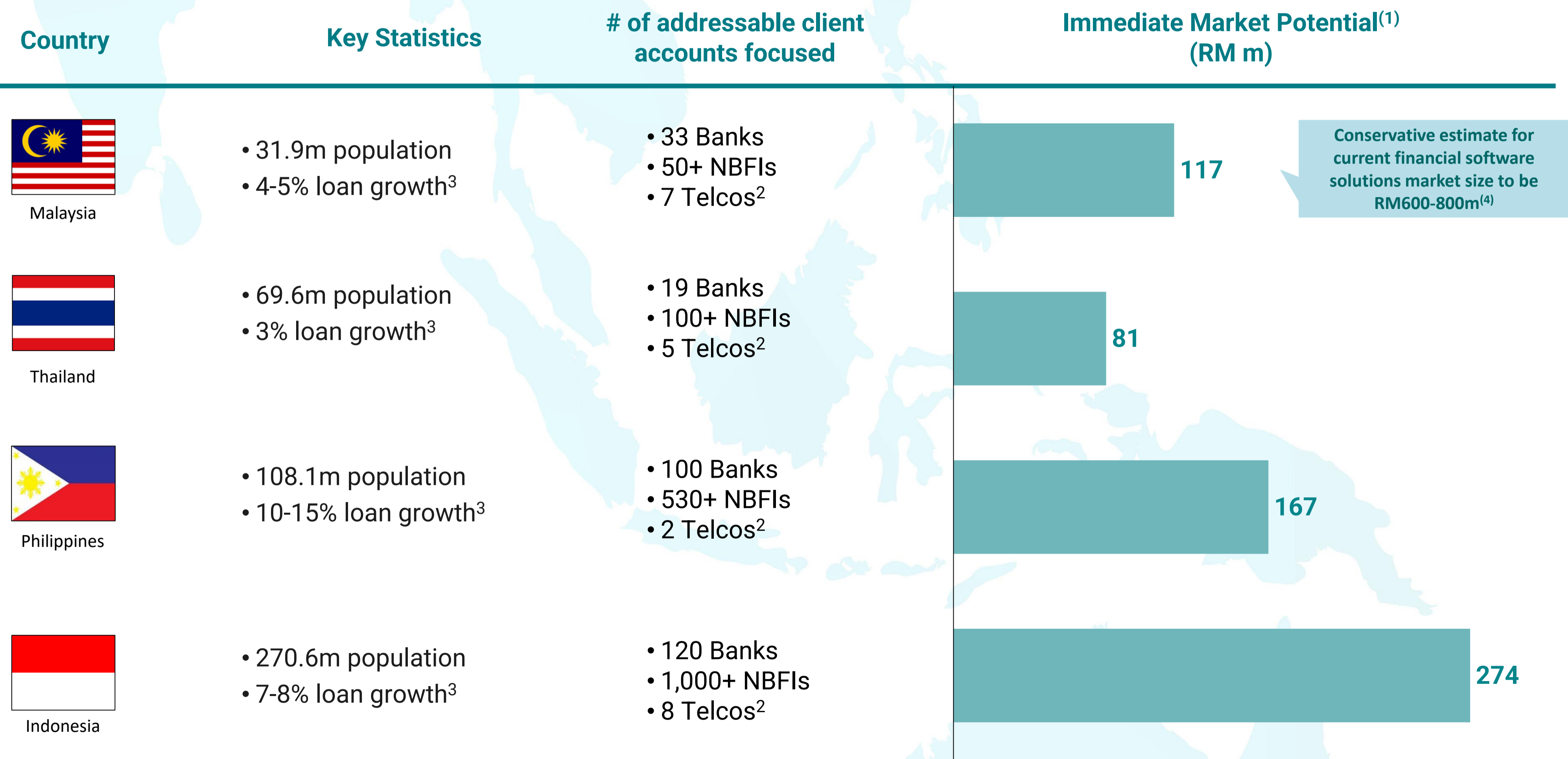


Offers only in  
core markets



# Opportunity to grow through regional expansion

Leveraging on presence of associate companies, Juris stands to benefit from potential regional growth



1. Assuming 75% penetration in MY, 50% in TH, and 20% PH and ID; average contract value of RM3m per client for Banks and RM1m for NBFIs and Telcos  
2. Excluding MVNOs 3. Expected FY2021 & post pandemic condition  
4. Based on the total/estimated revenues of peers providing financial software solutions in Malaysia  
Source: Worldbank; Various press release

# Timeline – Completion targeted for Q1 2022

Signing and  
announcement  
Date



24 Dec 2021

Analyst  
briefing



10 Jan 2022

Distribution  
of Circular



3rd Week of Jan 2022

EGM



7 Feb 2022

Completion



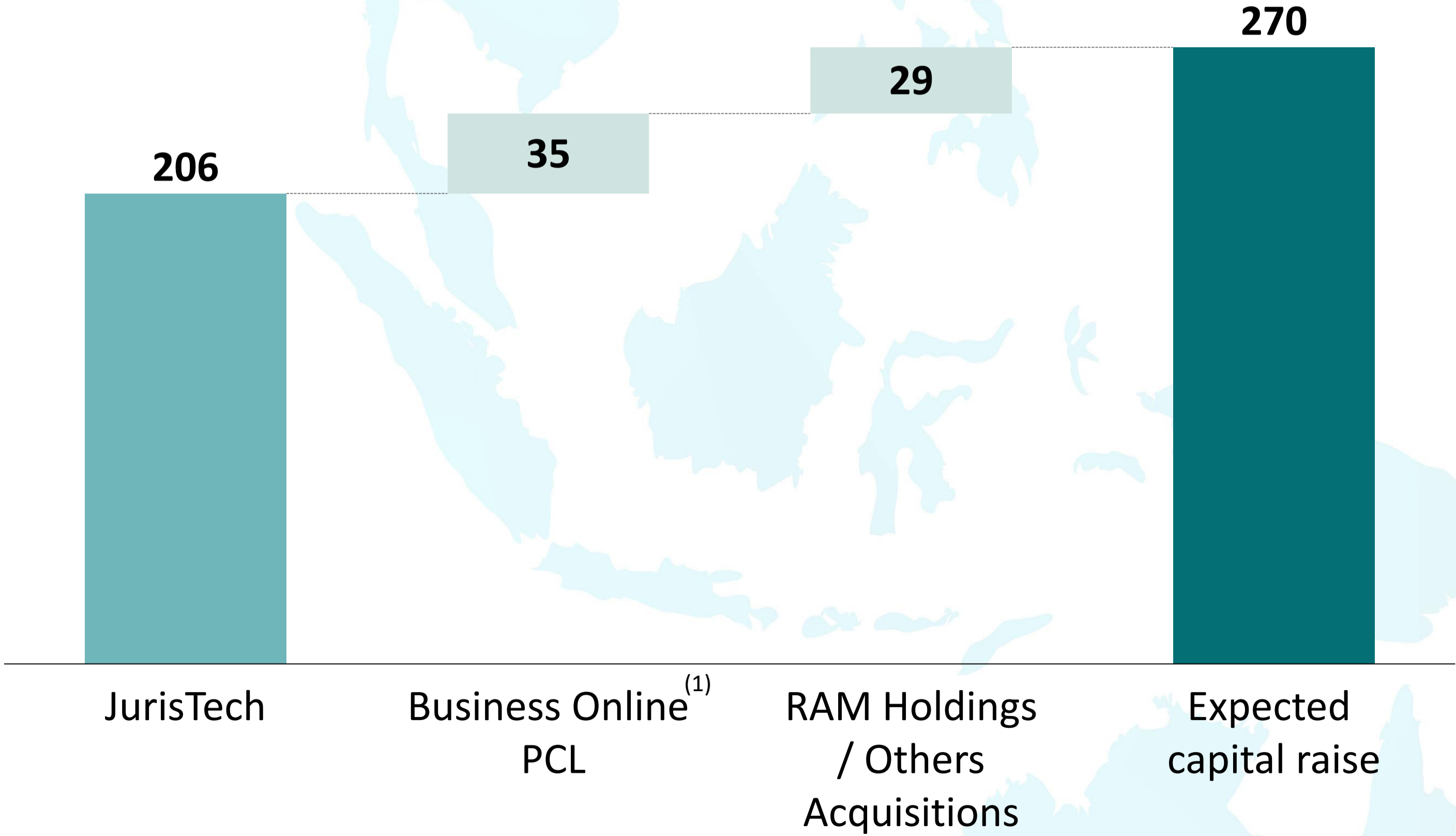
Q1 2022

# Planned capital raise of ~RM270m to fund acquisitions in the pipeline

Target to complete capital raise by Q1 2022

## Capital raise and use of proceeds

Values in RM m



Note:  
1. Based on maximum price per share to be paid as outlined in the circular



**ctos Digital**

**Thank You**