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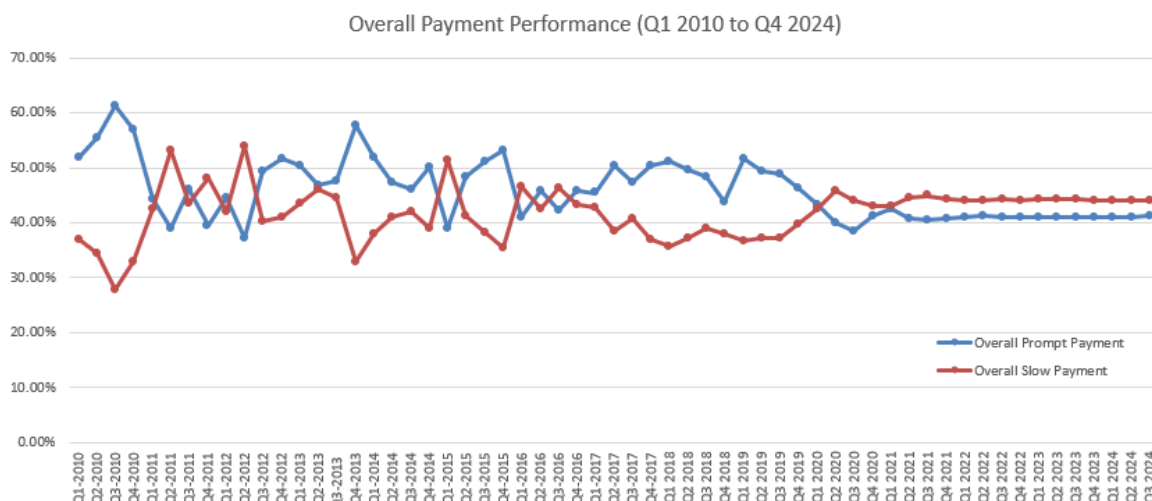
Slow payments deteriorate slightly in Q4 2024
Services sector saw the largest increase
in q-o-q slow payments
Annual payment delays improve year-on year in 2024
- Singapore Commercial Credit Bureau

Singapore, 07 January 2025 – Slow payments have deteriorated slightly in Q4 2024. According to Singapore Commercial Credit Bureau - a subsidiary under Credit Bureau Asia (CBA) Limited, a credit and risk information solutions provider in Southeast Asia, slow payments rose for the first time in six quarters since Q2 2023. Both prompt and slow payments accounted for slightly more than two-fifths of total payment transactions.

On a quarter-on-quarter (q-o-q) basis, prompt payments deteriorated slightly, down by 0.05 percentage points from 41.20 per cent in Q3 2024 to 41.15 per cent in Q4 2024. Year-on-year (y-o-y), prompt payments rose by 0.10 percentage points from 41.05 per cent in Q4 2023 to 41.15 per cent in Q4 2024.

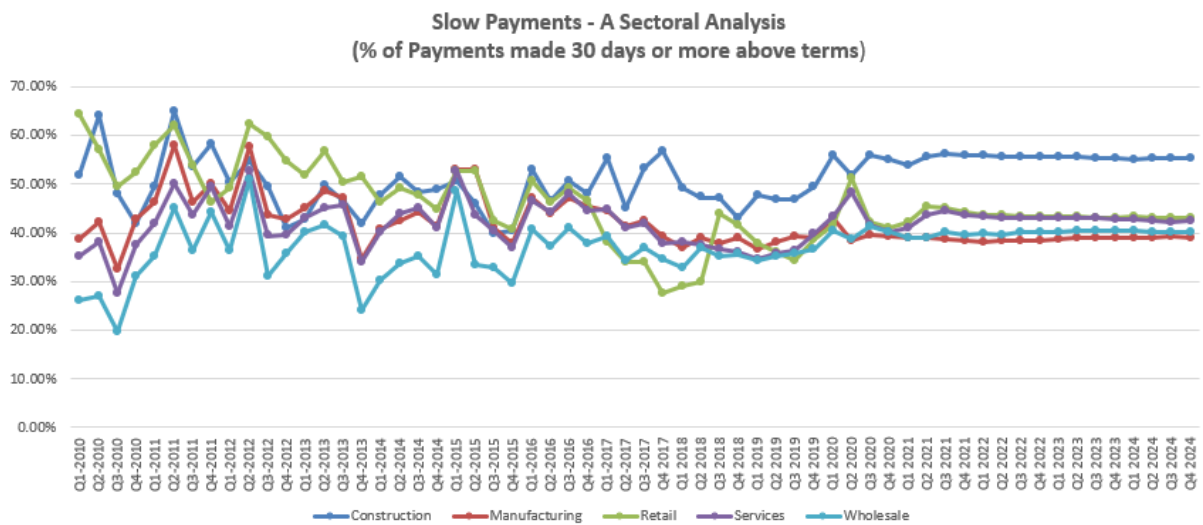
Slow payments inched up by 0.05 percentage points from 44.0 per cent in Q3 2024 to 44.05 per cent in Q4 2024. Y-o-y, slow payments fell by 0.10 percentage points from 44.15 per cent in Q4 2023 to 44.05 per cent in Q4 2024.

Meanwhile, partial payments remained unchanged at 14.80 per cent in Q4 2024. Y-o-y, partial payments also remain unchanged at 14.80 per cent in Q4 2024.



From a sectoral perspective, q-o-q slow payments have risen in 4 of five industries in Q4 2024. On a y-o-y basis, only 1 of five industries have experienced an increase in slow payments.

Sector	% of Slow Payments			Percentage-Point Change	
	Q4 2024	Q3 2024	Q4 2023	Q-o-q	Y-o-y
Construction	55.30	55.26	55.32	+0.04	-0.02
Manufacturing	39.12	39.15	39.02	-0.03	+0.10
Retail	43.15	43.12	43.18	+0.03	-0.03
Services	42.55	42.35	42.90	+0.20	-0.35
Wholesale	40.15	40.10	40.35	+0.05	-0.20



Construction

Slow payments within the construction sector have increased for the third consecutive quarter in Q4 2024.

- ❖ Q-o-q slow payments rose marginally by 0.04 percentage points from 55.26 per cent in Q3 2024 to 55.30 per cent in Q4 2024.
- ❖ The special trade contractors registered the highest increase in payment delays, up by 0.12 percentage points from 55.28 per cent in Q3 2024 to 55.40 per cent in Q4 2024. Slow payments by the building construction increased by 0.06 percentage points from 55.79 per cent in Q3 2024 to 55.85 per cent in Q4 2024. Payment delays by the heavy construction fell by 0.05 percentage points from 54.70 per cent in Q3 2024 to 54.65 per cent in Q4 2024.
- ❖ On a y-o-y basis, slow payments decreased by 0.02 percentage points from 55.32 per cent in Q4 2023 to 55.30 per cent in Q4 2024.

Manufacturing

Slow payments among manufacturers have improved after two consecutive quarters of increase in Q4 2024 due to a fall in payment delays by manufactures of electronics, instruments and chemicals.

- ❖ Slow payments fell by 0.03 percentage points from 39.15 per cent in Q3 2024 to 39.12 per cent in Q4 2024.
- ❖ Manufacturers of electronics saw the largest decrease, down by 1.60 per centage points from 46.15 per cent in Q3 2024 to 44.55 per cent in Q4 2024. This is followed by manufacturers of instruments, down by 1.57 percentage points from 46.52 per cent in Q3 2024 to 44.95 per cent in Q4 2024. Manufacturers of chemical products saw the third largest decrease, down by 1.47 percentage points from 46.92 per cent in Q3 2024 to 45.45 per cent in Q4 2024.
- ❖ On a y-o-y basis, slow payments rose by 0.10 percentage points from 39.02 per cent in Q4 2023 to 39.12per cent in Q4 2024.

Retail

Payment delays in the retail sector rose in Q4 2024. This is largely due to an increase in slow payments by retailers of general merchandise, fashion apparel as well as food and beverages.

- ❖ Slow payments climbed by 0.03 percentage points from 43.12 per cent in Q3 2024 to 43.15 per cent in Q4 2024.
- ❖ Slow payments by retailers of general merchandise saw the largest increase, up by 1.83 percentage points from 26.75 per cent in Q3 2024 to 28.58 per cent in Q4 2024. This is followed by retailers of fashion apparel, up by 1.60 percentage points from 46.25 per cent in Q3 2024 to 47.85 per cent in 4 2024. Retailers of food and beverages saw the third largest increase in slow payments, up by 1.27 percentage points from 43.05 per cent in Q3 2024 to 44.32 per cent in Q4 2024.
- ❖ On a y-o-y basis, slow payments fell by 0.35 percentage points from 42.90 per cent in Q3 2024 to 42.55 per cent in Q4 2024.

Services

Slow payments within the services sector deteriorated slightly after six consecutive quarters of improvement in Q4 2024 due to an increase in payment delays by the consumer services, educational and recreation sub-sectors.

- ❖ Q-o-q slow payments rose by 0.20 percentage points from 42.35 per cent in Q3 2024 to 42.55 per cent in Q4 2024.
- ❖ Payment delays by consumer services saw the largest increase, up by 2.25 percentage points from 41.20 per cent in Q3 2024 to 43.45 per cent in Q4 2024. This is followed by educational services, up by 1.85 percentage points from 35.50 per cent in Q3 2024 to 37.35 per cent in Q4 2024. Recreation services saw the third largest increase, up by 1.62 percentage points from 46.50 per cent in Q3 2024 to 48.12 per cent in Q4 2024.
- ❖ On a y-o-y basis, slow payments fell marginally by 0.35 percentage points from 42.90 per cent in Q4 2023 to 42.55 per cent in Q4 2024.

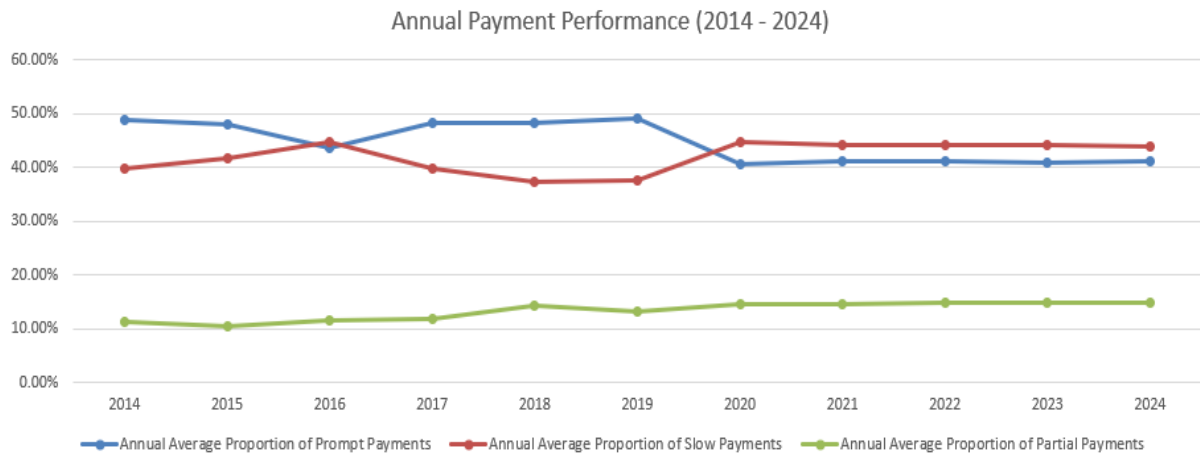
Wholesale Trade

Payment delays within the wholesale trade has risen marginally in Q4 2024 due to an increase in both slow payments by wholesalers of both durable and non-durable goods.

- ❖ Q-o-q payment delays rose by 0.05 percentage points from 40.10 per cent in Q3 2024 to 40.15 per cent in Q4 2024.
- ❖ Slow payments by wholesalers of durable goods rose by 0.05 percentage points, up from 40.0 per cent in Q3 2024 to 40.05 per cent in Q4 2024. Payment delays by wholesalers of non-durable goods climbed by 0.05 percentage points, down from 40.20 per cent in Q3 2024 to 40.25 per cent in Q4 2024.
- ❖ On a y-o-y basis, slow payments dropped by 0.20 percentage points from 40.35 per cent in Q4 2023 to 40.15 per cent in Q4 2024.

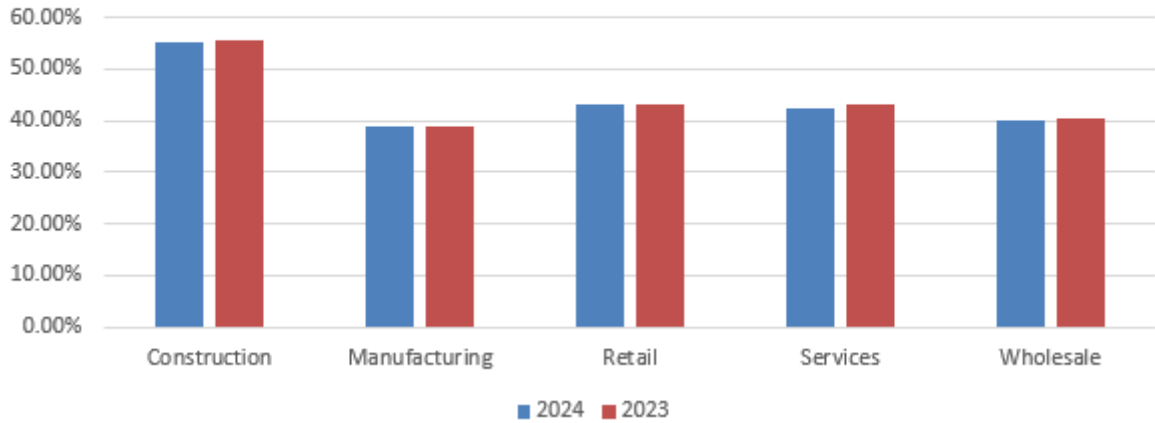
“The increase in slow payments in Q4 2024 was due primarily to a rise in payment delays by the services sector. On the overall, however, local companies are still relatively in a better state compared to a year ago. The average payment delays have decreased after two consecutive years of increase in 2024. Moving into 2025, firms should continue to exercise more prudence in cashflow management in the months ahead.” commented Ms. Audrey Chia, SCCB’s Chief Executive Officer.

According to SCCB, the annual average proportion of slow payments has fallen from 44.24 per cent in 2023 to 44.06 per cent in 2024. Prompt payments have risen from 40.99 per cent in 2023 to 41.13 per cent in 2024. Partial payments have inched up slightly from 14.78 per cent in 2023 to 14.81 per cent in 2024.



From a sectoral perspective, the construction, retail, services and wholesale sectors have seen an y-o-y decrease in average proportion of payment delays in 2024.

**Y-o-y comparison of Sectoral Slow Payments
(2023-2024)**



Commentary

Singapore Commercial Credit Bureau (SCCB) compiles the figures by monitoring more than 2.4 million payment transactions of firms. Payment data is contributed to the Bureau by local firms. Prompt payment refers to when 90% or more of total bills are paid within the agreed payment terms. Slow payment refers to when less than 50% of total bills are paid within the agreed terms. Partial payment refers to when between 50% and 90% of total bills are paid within the agreed payment terms.

About Singapore Commercial Credit Bureau

Established in 2005, Singapore Commercial Credit Bureau (SCCB) is a subsidiary of Credit Bureau Asia Limited, a credit and risk information solutions provider in Southeast Asia. SCCB operates a database of local enterprises and their credit history to provide clients with the insight needed to build trust and improve the quality of business relationships with their customers, suppliers and business partners.

About Credit Bureau Asia Limited (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 of 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.

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