

The logo for iFAST, featuring the word "iFAST" in white, bold, sans-serif font centered within a dark teal square background.

iFAST

**iFAST Corporation Ltd.
and its Subsidiaries**

Company Registration No: 200007899C
(Incorporated in the Republic of Singapore)

**Unaudited First Quarter 2023
Financial Statements Announcement**

First Quarter 2023 Financial Statements and Dividend Announcement

1(a)(i) An income statement and a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated income statement for the first quarter ended 31 March 2023

	1Q23 \$'000	Group 1Q22 \$'000	Change %
Revenue	51,453	52,528	(2.0)
Interest revenue	2,477	398	522.4
Total revenue	53,930	52,926	1.9
Commission and fee expenses including securities brokerage expenses and handling and settlement expenses	(22,127)	(24,375)	(9.2)
Interest expenses excluding interest expense on lease liabilities	(794)	-	NM
	31,009	28,551	8.6
Other income	400	295	35.6
Depreciation of plant and equipment	(924)	(740)	24.9
Depreciation of right-of-use assets	(1,856)	(1,835)	1.1
Amortisation of intangible assets	(2,577)	(2,381)	8.2
Staff costs excluding equity-settled share-based payment transactions	(11,752)	(9,720)	20.9
Equity-settled share-based payment to staff and advisers	(2,828)	(2,075)	36.3
Other operating expenses	(7,437)	(4,370)	70.2
	(27,374)	(21,121)	29.6
Results from operating activities	4,035	7,725	(47.8)
Interest expense on lease liabilities	(95)	(127)	(25.2)
Share of results of associates, net of tax	226	(266)	NM
Profit before tax	4,166	7,332	(43.2)
Tax expense	(1,454)	(1,658)	(12.3)
Profit for the period	2,712	5,674	(52.2)
Profit attributable to:			
Owners of the Company	2,977	5,736	(48.1)
Non-controlling interests	(265)	(62)	327.4
Profit for the period	2,712	5,674	(52.2)

NM denotes not meaningful.

FVOCI denotes fair value through other comprehensive income.

FVTPL denotes fair value through profit or loss.

1(a)(i) An income statement and a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year. (Cont'd)

Consolidated statement of comprehensive income for the first quarter ended 31 March 2023

	1Q23 \$'000	Group 1Q22 \$'000	Change %
Profit for the period	2,712	5,674	(52.2)
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss:			
Net change in fair value of financial assets-debt investments at FVOCI	(28)	118	NM
Net change in fair value of financial assets-debt investments at FVOCI reclassified to profit or loss	9	(189)	NM
Foreign currency translation differences for foreign operations	513	(1,332)	NM
Share of other comprehensive income of associates	(5)	(23)	(78.3)
	<u>489</u>	<u>(1,426)</u>	<u>NM</u>
Items that will not be reclassified subsequently to profit or loss:			
Net change in fair value of financial assets-equity investments at FVOCI	(2)	(738)	(99.7)
	<u>(2)</u>	<u>(738)</u>	<u>(99.7)</u>
Other comprehensive income for the period, net of tax	<u>487</u>	<u>(2,164)</u>	<u>NM</u>
Total comprehensive income for the period	<u>3,199</u>	<u>3,510</u>	<u>(8.9)</u>
Attributable to:			
Owners of the Company	3,298	3,719	(11.3)
Non-controlling interests	(99)	(209)	(52.6)
Total comprehensive income for the period	<u>3,199</u>	<u>3,510</u>	<u>(8.9)</u>

1(a)(ii) Breakdown and explanatory notes to income statement.

	1Q23 \$'000	Group 1Q22 \$'000	Change %
<u>Profit for the period is arrived at after charging / (crediting) the following:</u>			
Interest revenue			
- Interest income from banking operation			
on cash and cash equivalents	(598)	-	NM
on investment in financial assets	(712)	-	NM
- Interest income from non-banking operations			
on cash and cash equivalents	(316)	(178)	77.5
on clients trade settlement bank accounts	(582)	(99)	487.9
on investment in financial assets	(251)	(98)	156.1
on receivables	(18)	(23)	(21.7)
	(2,477)	(398)	522.4
Interest expenses excluding interest expense on lease liabilities			
- Interest expense from banking operation			
on deposits and balances of customers	660	-	NM
- Interest expense from non-banking operation			
on bank loans	134	-	NM
	794	-	NM
Other income			
- Net investment (income) / loss	(292)	74	NM
- Government grant	(93)	(353)	(73.7)
- Miscellaneous income	(15)	(16)	(6)
	(400)	(295)	35.6
Tax expense			
- Current tax expense	1,528	1,675	(8.8)
- Deferred tax credit	(74)	(17)	335.3
	1,454	1,658	(12.3)
Lease expense	169	11	NM
Impairment loss on investment in financial assets at amortised cost, included in other operating expenses	157	-	NM
Foreign exchange gain, net	(179)	(44)	306.8
Equity-settled share-based payment transactions, included in staff costs	2,448	1,866	31.2
Equity-settled share-based payment transactions, included in other operating expenses	380	209	81.8
Loss / (gain) on redemption of investment in financial assets at FVOCI, included in investment income	9	(189)	NM
Dividend income on investment in financial assets at FVOCI, included in investment income	-	(90)	NM
Net (gain) / loss on investment in financial assets at FVTPL, included in investment income	(292)	362	NM
Dividend income on investment in associates	(9)	(9)	-

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	As at 31-Mar-23 \$'000	As at 31-Dec-22 \$'000	As at 31-Mar-23 \$'000	As at 31-Dec-22 \$'000
Assets				
Plant and equipment	5,180	5,962	578	917
Right-of-use assets	8,280	10,391	290	1,121
Intangible assets and goodwill	73,934	73,993	27,351	28,837
Subsidiaries	-	-	165,188	163,528
Associates	3,701	3,479	767	767
Other investments	28,449	23,034	2,535	2,535
Deferred tax assets	2,253	2,380	-	-
Contract costs	12,596	10,117	-	-
Prepayments and others	705	1,055	11	11
Total non-current assets	135,098	130,411	196,720	197,716
Current tax receivable	349	323	-	-
Other investments	54,812	41,711	8,971	9,626
Contract costs	19	48	-	-
Prepayments and others	5,727	5,031	328	391
Trade and other receivables	86,244	78,601	37,270	33,557
Uncompleted contracts - buyers	102,307	51,281	-	-
Money market funds	12,711	14,165	9,585	9,540
Cash at bank and in hand	103,980	136,965	4,298	4,028
Total current assets	366,149	328,125	60,452	57,142
Total assets	501,247	458,536	257,172	254,858
Equity				
Share capital	171,075	171,059	171,075	171,059
Reserves	57,294	51,429	38,993	28,636
Equity attributable to owners of the Company	228,369	222,488	210,068	199,695
Non-controlling interests	7,982	8,229	-	-
Total equity	236,351	230,717	210,068	199,695
Liabilities				
Deferred tax liabilities	2,709	2,867	1,886	2,064
Lease liabilities	3,895	5,280	137	147
Total non-current liabilities	6,604	8,147	2,023	2,211
Current tax payables	3,877	2,859	-	-
Lease liabilities	5,259	5,919	163	883
Bank loans	12,242	12,210	12,242	12,210
Deposits and balances of customers	86,565	96,545	-	-
Trade and other payables	48,108	51,863	32,676	39,859
Uncompleted contracts - sellers	102,241	50,276	-	-
Total current liabilities	258,292	219,672	45,081	52,952
Total liabilities	264,896	227,819	47,104	55,163
Total equity and liabilities	501,247	458,536	257,172	254,858

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

	Group			
	As at 31-Mar-23 \$'000		As at 31-Dec-22 \$'000	
	Secured	Unsecured	Secured	Unsecured
Bank loans	-	12,242	-	12,210
	<u>-</u>	<u>12,242</u>	<u>-</u>	<u>12,210</u>

The Group uses its revolving bank loan facilities to facilitate its working capital management from time to time. The revolving bank loans bore interest at rates ranging from 3.90% to 4.69% (2022: 3.90% to 4.69%) per annum in the period and are repayable within the next 12 months from the reporting date.

Amount repayable after one year

No amount of the Group's borrowings and debt securities is repayable after one year from the reporting date.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group	
	1Q23 \$'000	1Q22 \$'000
Cash flows from operating activities		
Profit for the period	2,712	5,674
Adjustments for:		
Depreciation of plant and equipment	924	740
Depreciation of right-of-use assets	1,856	1,835
Amortisation of intangible assets	2,577	2,381
Equity-settled share-based payment to staff and advisers	2,828	2,075
Dividend income on investment in financial assets at FVOCI	-	(90)
Loss / (gain) on redemption of investment in financial assets at FVOCI	9	(189)
Net (gain) / loss on investment in financial assets at FVTPL	(292)	362
Share of results of associates, net of tax	(226)	266
Dividend income on investment in associates	(9)	(9)
Foreign exchange gain, net	(179)	(44)
Impairment loss on investment in financial assets at amortised cost	157	-
Reversal of impairment losses on other financial assets	(17)	-
Premium or discount amortisation on debt securities	(425)	(42)
Interest expense on lease liabilities	95	127
Tax expense	1,454	1,658
	11,464	14,744
Changes in:		
Contract costs	(2,139)	(1,000)
Prepayments	(553)	(77)
Trade and other receivables	(5,941)	(1,347)
Uncompleted contracts - buyers	(51,290)	(54,558)
Uncompleted contracts - sellers	52,270	54,483
Deposits and balances of customers in banking operation	(11,427)	-
Trade and other payables	(321)	(3,105)
Cash (used in) / generated from operations	(7,937)	9,140
Tax paid	(534)	(635)
Interest paid on lease liabilities	(95)	(127)
Net cash (used in) / from operating activities	(8,566)	8,378
Cash flows from investing activities		
Purchase of plant and equipment	(298)	(714)
Purchase of intangible assets	(6,721)	(6,292)
Dividend from associates	18	18
Net cash inflow from acquisition of subsidiaries	-	49,534
Purchase of investment in financial assets	(95,113)	(37,184)
Proceeds from redemption of investment in financial assets	77,225	28,924
Dividends received from investment in financial assets at FVOCI	-	1
Net cash (used in) / from investing activities	(24,889)	34,287
Cash flows from financing activities		
Proceeds from issue of ordinary shares related to share placement, net of share issuance expenses	-	103,334
Proceeds from exercise of share options	16	73
Drawdown of bank loans	32	-
Principal element of lease payments	(1,976)	(1,843)
Dividends paid to owners of the Company	-	-
Net cash (used in) / from financing activities	(1,928)	101,564
Net (decrease) / increase in cash and cash equivalents	(35,383)	144,229
Cash and cash equivalents at beginning of the period	151,130	44,097
Effect of exchange rate fluctuations on cash held	944	(1,831)
Cash and cash equivalents at end of the period	116,691	186,495

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group										
	Attributable to owners of the Company										Total equity \$'000
	Share capital	Fair value reserve	Foreign currency translation reserve	Share option reserve	Performance share reserve	Equity reserve	Reserve for own shares	Accumulated profits	Total	Non-controlling interests	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		
At 1 January 2023	171,059	(3,146)	(10,603)	3,165	22,101	(1,535)	(1,025)	42,472	222,488	8,229	230,717
Total comprehensive income for the period											
Profit / (Loss) for the period	-	-	-	-	-	-	-	2,977	2,977	(265)	2,712
Other comprehensive income											
Net change in fair value of financial assets at FVOCI	-	(30)	-	-	-	-	-	-	(30)	-	(30)
Net change in fair value of financial assets at FVOCI reclassified to profit or loss	-	9	-	-	-	-	-	-	9	-	9
Net change in fair value on disposal of financial assets at FVOCI transferred between reserves	-	(1)	-	-	-	-	-	(1)	-	-	-
Foreign currency translation differences for foreign operations	-	-	347	-	-	-	-	-	347	166	513
Share of other comprehensive income of associates	-	-	(5)	-	-	-	-	-	(5)	-	(5)
Total other comprehensive income	-	(21)	342	-	-	-	-	-	321	166	487
Total comprehensive income for the period	-	(21)	342	-	-	-	-	2,977	3,298	(99)	3,199
Transactions with owners, recorded directly in equity											
Contributions by and distributions to owners											
Share options exercised	16	-	-	-	-	-	-	-	16	-	16
Equity-settled share-based payment transactions	-	-	-	44	2,579	-	-	-	2,623	-	2,623
Total contributions by and distribution to owners	16	-	-	44	2,579	-	-	-	2,639	-	2,639
Changes in ownership interests in subsidiaries											
Measurement period adjustments to acquisition of subsidiary with non-controlling interests	-	-	-	-	-	(56)	-	-	(56)	(148)	(204)
Total changes in ownership interests in subsidiaries	-	-	-	-	-	(56)	-	-	(56)	(148)	(204)
Total transactions with owners	16	-	-	44	2,579	(56)	-	-	2,583	(148)	2,435
At 31 March 2023	171,075	(3,167)	(10,261)	3,209	24,680	(1,591)	(1,025)	45,449	228,369	7,982	236,351

(1) Amount less than \$1,000

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (Cont'd)

	Group										
	Attributable to owners of the Company										Total equity
	Share capital	Fair value reserve	Foreign currency translation reserve	Share option reserve	Performance share reserve	Equity reserve	Reserve for own shares	Accumulated profits	Total	Non-controlling interests	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
At 1 January 2022	67,577	(4,019)	(1,542)	3,012	12,316	(2,010)	(160)	53,479	128,653	(1,018)	127,635
Total comprehensive income for the period											
Profit / (Loss) for the period	-	-	-	-	-	-	-	5,736	5,736	(62)	5,674
Other comprehensive income											
Net change in fair value of financial assets at FVOCI	-	(620)	-	-	-	-	-	-	(620)	-	(620)
Net change in fair value of financial assets at FVOCI reclassified to profit or loss	-	(189)	-	-	-	-	-	-	(189)	-	(189)
Net change in fair value on disposal of financial assets at FVOCI transferred between reserves	-	-	-	-	-	-	-	-	-	-	-
Foreign currency translation differences for foreign operations	-	-	(1,185)	-	-	-	-	-	(1,185)	(147)	(1,332)
Share of other comprehensive income of associates	-	(1)	(23)	-	-	-	-	-	(23)	(1)	(23)
Total other comprehensive income	-	(809)	(1,208)	-	-	-	-	-	(2,017)	(147)	(2,164)
Total comprehensive income for the period	-	(809)	(1,208)	-	-	-	-	5,736	3,719	(209)	3,510
Transactions with owners, recorded directly in equity											
Contributions by and distributions to owners											
Share options exercised	73	-	-	-	-	-	-	-	73	-	73
Issue of ordinary shares related to share placement	105,000	-	-	-	-	-	-	-	105,000	-	105,000
Share issuance expenses	(1,666)	-	-	-	-	-	-	-	(1,666)	-	(1,666)
Equity-settled share-based payment transactions	-	-	-	49	1,921	-	-	-	1,970	-	1,970
Total contributions by and distribution to owners	103,407	-	-	49	1,921	-	-	-	105,377	-	105,377
Changes in ownership interests in subsidiaries											
Acquisition of subsidiary with non-controlling interests	-	-	-	-	-	-	-	-	-	10,155	10,155
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	-	10,155	10,155
Total transactions with owners	103,407	-	-	49	1,921	-	-	-	105,377	10,155	115,532
At 31 March 2022	170,984	(4,828)	(2,750)	3,061	14,237	(2,010)	(160)	59,215	237,749	8,928	246,677

(1) Amount less than \$1,000

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (Cont'd)

	Company						
	Attributable to owners of the Company						Total equity
	Share capital	Fair value reserve	Share option reserve	Performance share reserve	Reserve for own shares	Accumulated profits	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
At 1 January 2023	171,059	742	1,974	22,101	(1,025)	4,844	199,695
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	7,756	7,756
Other comprehensive income							
Net change in fair value of financial assets at FVOCI	-	(30)	-	-	-	-	(30)
Net change in fair value of financial assets at FVOCI reclassified to profit or loss	-	9	-	-	-	-	9
Net change in fair value on disposal of financial assets at FVOCI transferred between reserves	-	(1)	-	-	-	(1)	-
Total other comprehensive income	-	(21)	-	-	-	-	(21)
Total comprehensive income for the period	-	(21)	-	-	-	7,756	7,735
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Share options exercised	16	-	-	-	-	-	16
Equity-settled share-based payment transactions	-	-	43	2,579	-	-	2,622
Total contributions by and distribution to owners	16	-	43	2,579	-	-	2,638
Total transactions with owners	16	-	43	2,579	-	-	2,638
At 31 March 2023	171,075	721	2,017	24,680	(1,025)	12,600	210,068

(1) Amount less than \$1,000

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (Cont'd)

	Company						Total equity
	<u>Attributable to owners of the Company</u>						
	Share capital	Fair value reserve	Share option reserve	Performance share reserve	Reserve for own shares	Accumulated profits	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
At 1 January 2022	67,577	(450)	1,839	12,316	(160)	13,711	94,833
Total comprehensive income for the period							
Loss for the period	-	-	-	-	-	(1,678)	(1,678)
Other comprehensive income							
Net change in fair value of financial assets at FVOCI	-	(621)	-	-	-	-	(621)
Net change in fair value of financial assets at FVOCI reclassified to profit or loss	-	(189)	-	-	-	-	(189)
Total other comprehensive income	-	(810)	-	-	-	-	(810)
Total comprehensive income for the period	-	(810)	-	-	-	(1,678)	(2,488)
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Share options exercised	73	-	-	-	-	-	73
Issue of ordinary shares related to share placement	105,000	-	-	-	-	-	105,000
Share issuance expenses	(1,666)	-	-	-	-	-	(1,666)
Equity-settled share-based payment transactions	-	-	30	1,921	-	-	1,951
Total contributions by and distribution to owners	103,407	-	30	1,921	-	-	105,358
Total transactions with owners	103,407	-	30	1,921	-	-	105,358
At 31 March 2022	170,984	(1,260)	1,869	14,237	(160)	12,033	197,703

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

The number of shares in issue in the Company as at 31 March 2023 excluding treasury shares and subsidiary holdings was 293,650,741 ordinary shares (31 December 2022: 293,045,941 ordinary shares). The movements in the Company's share capital during the first quarter ended 31 March 2023 were as follows:

	Number of ordinary shares
As at 31 December 2022	293,045,941
Exercise of share options	33,000
Vesting of performance shares	571,800
Purchase of treasury shares	-
Re-issue of treasury shares	-
As at 31 March 2023	<u><u>293,650,741</u></u>

iFAST Employee Share Option Scheme and iFAST Share Option Scheme 2013 ("iFAST ESOS")

The number of outstanding share options under the iFAST ESOS was as follows:

	Number of share options
As at 31 December 2022	3,318,178
Share options granted	-
Exercised	(33,000)
Forfeited	-
As at 31 March 2023	<u><u>3,285,178</u></u>

As at 31 March 2023, the number of outstanding share options under the iFAST ESOS was 3,285,178 (31 March 2022: 3,298,706).

iFAST Corporation Performance Share Plan ("iFAST PSP")

The number of outstanding performance shares granted but not vested under iFAST PSP was as follows:

	Number of performance shares
As at 31 December 2022	9,133,700
Performance shares granted but not vested	-
Vested	(571,800)
Forfeited	(18,400)
As at 31 March 2023	<u>8,543,500</u>

As at 31 March 2023, the number of outstanding performance shares granted but not vested under the iFAST PSP was 8,543,500 (31 March 2022: 9,724,900).

Treasury shares and subsidiary holdings

The number of shares held as treasury shares was as follows:

	Number of treasury shares
As at 31 December 2022	279,700
Purchased by way of on-market acquisition	-
Purchased by way of off-market acquisition	-
Re-issued	-
As at 31 March 2023	<u>279,700</u>

As at 31 March 2023, 279,700 (31 March 2022: 195,600) treasury shares were held by the Company that may be re-issued upon the exercise of share options under the iFAST ESOS and upon the vesting of performance shares under the iFAST PSP or for other uses pursuant to the Share Buy Back Mandate of the Company renewed at the Annual General Meeting held on 25 April 2022.

The Company has no subsidiary holdings as at 31 March 2023 and 31 March 2022.

As at 31 March 2023, the treasury shares held by the Company represented 0.1% (31 March 2022: 0.1%) of the total number of issued shares excluding treasury shares and subsidiary holdings.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	As at 31-Mar-23	As at 31-Dec-22
Total number of issued shares excluding treasury shares and subsidiary holdings	<u>293,650,741</u>	<u>293,045,941</u>

1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There were no sales, transfer, cancellation and/or use of treasury shares during the first quarter ended 31 March 2023.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

There were no sales, transfer, cancellation and/or use of subsidiary holdings as at 31 March 2023.

2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the Group's external auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:—

(a) Updates on the efforts taken to resolve each outstanding audit issue.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The financial information have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)") including *SFRS(I) 1-34 Interim Financial Reporting*, and the same accounting policies and methods of computation adopted in the audited financial statements of the last financial year, except for those disclosed under paragraph 5 below.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group and the Company have adopted the new and revised SFRS(I)s, and Interpretations of SFRS(I) ("SFRS(I) INTs") that are effective for the annual period beginning on 1 January 2023. The adoption of these SFRS(I)s and SFRS(I) INTs did not have any significant effect on the financial statements of the Group and the Company.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	1Q23	1Q22
(i) Based on weighted average number of ordinary shares on issue		
- Weighted average number of ordinary shares	293,247,541	291,627,113
Basic earnings per share (cents)	1.02	1.97
(ii) On a fully diluted basis of ordinary shares		
- Adjusted weighted average number of ordinary shares	301,921,995	301,504,075
Diluted earnings per share (cents)	0.99	1.90

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuers at the end of the (a) current financial period reported on and (b) immediately preceding financial year.

	Group		Company	
	31-Mar-23	31-Dec-22	31-Mar-23	31-Dec-22
Net asset value per ordinary share (cents)	77.77	75.92	71.54	68.14

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: -

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Consolidated Income Statement

Total revenue

In the first quarter of 2023 ("1Q23"), the failure of Silicon Valley Bank followed by further financial sector disruption in Europe caused significant volatility in financial markets. The MSCI AC Asia ex Japan index dropped approximately 9% year-on-year ("YoY") as at 31 March 2023.

Despite the volatile market environment in 1Q23, the Group's net inflows of client assets recorded approximately \$329 million with a quarter-on-quarter ("QoQ") growth of 24.8% in the quarter. This benefits from the Group's continuous efforts in improving the range and depths of products and services brought to clients and business partners in recent years.

The Group's assets under administration ("AUA") dropped 2.6% YoY but rose 4.2% QoQ, to \$18.14 billion as at 31 March 2023.

The Group's total revenue increased 1.9% YoY and 4.7% QoQ to \$53.93 million in 1Q23. The Group's total revenue from non-banking operations dropped 5.7% YoY to \$49.89 million in 1Q23 while it grew 3.6% QoQ in the quarter.

The following tables show the breakdown of the Group's total revenue, total revenue excluding interest revenue and interest revenue respectively by the new banking operation and existing non-banking operations of the Group.

	1Q23 \$'000	Group 1Q22 \$'000	Change %
Non-banking operations	49,893	52,926	(5.7)
Banking operation	4,037	-	NM
Total revenue	53,930	52,926	1.9

	1Q23 \$'000	Group 1Q22 \$'000	Change %
Non-banking operations	48,726	52,528	(7.2)
Banking operation	2,727	-	NM
Total revenue excluding interest revenue	51,453	52,528	(2.0)

	1Q23 \$'000	Group 1Q22 \$'000	Change %
Non-banking operations	1,167	398	193.2
Banking operation	1,310	-	NM
Interest revenue	2,477	398	522.4

Costs of revenue

Commission and fee expenses including securities brokerage expenses and handling and settlement expenses

The following table shows the breakdown of the Group's costs of revenue excluding interest expenses by the new banking operation and existing non-banking operations of the Group.

	1Q23 \$'000	Group 1Q22 \$'000	Change %
Non-banking operations	21,687	24,375	(11.0)
Banking operation	440	-	NM
Costs of revenue excluding interest expenses	22,127	24,375	(9.2)

The existing non-banking operations of the Group have two main business divisions, namely Business-to-Customer ("B2C") and Business-to-Business ("B2B"). For B2B division of the Group's non-banking operations providing the wealth management platform services, a substantial portion of front-end commission income and advisory fee from B2B customers is payable to financial advisers who assist the B2B customers. Securities brokerage expense refers to brokerage fee paid to third party brokers for execution of clients' trade in securities listed on overseas exchanges of which the Group is not a member.

The costs of revenue excluding interest expenses incurred by non-banking operations of the Group decreased by 11.0% YoY to \$21.69 million in 1Q23. These were due mainly to decreases in clients' trade volume in stocks from both B2C and B2B businesses, and commission income from unit trust ("UT") business of B2B division in the period.

The costs of revenue excluding interest expenses incurred by the new banking operation are commission and fee expenses including handling and settlement expenses charged by counterparts in the course of transactional banking service provision to customers.

Interest expenses excluding interest expense on lease liabilities

The following table shows the breakdown of the Group's interest expenses excluding interest expense on lease liabilities by the new banking operation and existing non-banking operations of the Group.

	1Q23 \$'000	Group 1Q22 \$'000	Change %
Non-banking operations	134	-	NM
Banking operation	660	-	NM
Interest expenses	794	-	NM

The interest expenses excluding interest expense on lease liabilities incurred by non-banking operations are interest expenses on amounts of revolving bank loan facilities drawn down to facilitate the Group's working capital management in the period.

The interest expenses excluding interest expense on lease liabilities incurred by the new banking operation are interest expenses on deposits and balances of customers placed with the banking operation.

Net revenue

Net revenue of the Group comprises net interest revenue and net non-interest revenue which represents corresponding revenue earned by the Group after commission and fee expenses including securities brokerage expenses and handling and settlement expenses.

The Group's net revenue grew 8.6% YoY to \$31.01 million in 1Q23, with the respective breakdown of net interest revenue and net non-interest revenue as follows.

	1Q23 \$'000	Group 1Q22 \$'000	Change %
<u>Net interest revenue</u>			
Non-banking operations	1,033	398	159.5
Banking operation	650	-	NM
Net interest revenue	1,683	398	322.9
<u>Net non-interest revenue</u>			
Non-banking operations			
- Business-to-Customer business	8,125	8,526	(4.7)
- Business-to-Business business	18,913	19,627	(3.6)
	27,038	28,153	(4.0)
Banking operation	2,288	-	NM
Net non-interest revenue	29,326	28,153	4.2
Total net revenue	31,009	28,551	8.6

For B2C division of the Group's non-banking operations, these were YoY decreases in transaction processing fees resulting from decreased investment subscription from customers in exchange-listed securities, and service fees arising from the provision of currency conversion administration services resulting from lower clients' trading volume of securities listed on foreign exchanges affected by the volatile market sentiment in the period, and decreases in recurring fees on decreased AUA of B2C division resulting from negative market impacts in recent quarters. The mentioned decreases were partially offset by the higher interest commission income arising from clients' AUA as well as cash management solution services provided to clients due to the improved interest rate environment over the period. The B2C division's average AUA dropped 6.2% YoY but grew 3.7% QoQ in 1Q23, and its net revenue decreased by 4.7% YoY but increased 3.3% QoQ in the quarter.

For B2B division of the Group's non-banking operations, its net revenue decreased by 3.6% YoY in 1Q23. These were due mainly to YoY decreases in transaction processing fees resulting from decreased investment subscription from institution customers in exchange-listed securities over the period, and decreases in certain recurring fee income on decreased AUA of investment products in B2B division. However, there were YoY increases in higher interest commission income arising from clients' AUA and cash management solution services provided to clients due to the improved interest rate environment, revenue from business units of insurance and

recurring fee income arising from portfolio management services over the period. The B2B division's average AUA dropped 2.7% YoY but grew 4.5% QoQ in 1Q23, and its net revenue decreased by 3.6% YoY but kept flat QoQ in the quarter.

The following table shows the breakdown of the Group's net revenue by recurring and non-recurring basis.

	1Q23	Group 1Q22	Change
	\$'000	\$'000	%
Non-banking operations			
- Recurring net revenue	22,608	20,117	12.4
- Non-recurring net revenue	5,463	8,434	(35.2)
	28,071	28,551	(1.7)
Banking operation			
- Recurring net revenue	650	-	NM
- Non-recurring net revenue	2,288	-	NM
	2,938	-	NM
Total net revenue	31,009	28,551	8.6

The business model of the Group's non-banking operations gives a stream of reliable recurring revenue which is substantially based on AUA. In 1Q23, 80.5% of net revenue of non-banking operations is derived from its recurring net revenue.

Recurring net revenue of the Group's non-banking operations is usually calculated based on a percentage of average AUA of investment products distributed on the Group's platforms, and mainly comprises trailer fees, platform fees, wrap fees, portfolio service management fees and net interest commission income arising from clients' AUA. The YoY increases in recurring net revenue in 1Q23 were due mainly to increases in recurring fee income arising from portfolio management services and higher interest commission income arising from clients' AUA and cash management solution services provided to clients due to the improved interest rate environment over the period.

Non-recurring revenue of the Group's non-banking operations mainly comprises commission income derived from investment subscription via front-end load commission or transaction processing fee; service fee arising from the provision of currency conversion administration services to customers and the provision of administration services to financial advisory firms; brokerage service fee from arranging for insurance policies, advertising fee earned from advertisements placed by third parties on iFAST websites and mobile applications; and IT solution development fee from provision of IT Fintech solutions to business partners. In 1Q23, the YoY decreases in non-recurring net revenue were due mainly to decreases in transaction processing fees resulting from decreased investment subscription from B2C and B2B customers, and service fees arising from the provision of currency conversion administration services and lower clients' trading volume of securities listed on foreign exchanges affected by the negative market sentiment over the period, partially offset by increases in transaction processing fees from increased client trade in bonds in recent quarters, revenue from business units of insurance in B2B division in the period.

The following table shows the breakdown of the Group's net revenue by geographical segments.

	1Q23 \$'000	Group 1Q22 \$'000	Change %
Singapore	18,259	17,573	3.9
Hong Kong	6,128	6,404	(4.3)
Malaysia	3,242	4,039	(19.7)
China	442	535	(17.4)
Non-banking operations	28,071	28,551	(1.7)
United Kingdom - banking operation	2,938	-	NM
Total net revenue	31,009	28,551	8.6

In Singapore, there were YoY declines in performances of B2C and B2B divisions in unit trust ("UT") and exchange-listed stock securities in 1Q23 which were negatively impacted by the volatile and challenging market environment over the period. The above was offset by the YoY increases in recurring fee income arising from higher interest commission income arising from clients' AUA and cash management solution services provided to clients in 1Q23, benefitting from a rising interest rate environment over recent quarters. The Singapore operation's net revenue increased by 3.9% YoY in 1Q23 although its average AUA dropped 1.7% YoY in the quarter.

In Hong Kong, there was a YoY decrease in net revenue in 1Q23 due mainly to a significant YoY drop in the market value of client asset holdings affected by the negative market segment over the period. The above was offset partially by YoY increases in higher interest commission income arising from clients' AUA and cash management solution services provided to clients due to the improved interest rate environment and YoY increases in revenue from bond business in the quarter. The Hong Kong operation's average AUA dropped 11.8% YoY in 1Q23 and its net revenue decreased 4.3% YoY in the quarter.

In 1Q23, the Malaysia equity market had weaker performance compared to other region markets due to weaker investor sentiment resulting from fears of a global recession, and the Malaysia operation's net revenue decreased 19.7% YoY in the quarter. The net inflows from clients slowed down in 1Q23 compared to the same quarter last year ("1Q22") and there were YoY declines in performances of unit trust ("UT") business and exchange-listed stock securities in the quarter which were negatively impacted by the volatile market environment over the period. These were partially offset by the relatively strong demand from clients in bond securities in the quarter.

In China, its domestic demand and consumption have been gradually improved in 1Q23 as a result of the re-opening of China's economy. The UT investment subscription amounts from clients in China operation grew 70.7% QoQ in the quarter. The net revenue of China operation dropped 17.4% YoY in 1Q23 while its net revenue grew 31.2% QoQ in the quarter.

The new UK operation refers to the UK-based bank acquired by the Group at end of March 2022. The UK-based bank is a member of SWIFT and a direct member of Faster Payment and Clearing House Automated Payment System. The primary banking activities of UK operation is currently transactional banking service provision to customers, including UK Faster payments, international remittance, multi-currency bank deposit accounts and foreign exchange conversion services. The Group has been working with the bank to develop digital transaction banking business and incorporate the banking function into the existing ecosystem of the Group. The net revenue of UK operation (excluding its discontinued operation of wholesale currency service business) grew approximately 15% QoQ in 1Q23.

Other income

Other income increased by \$0.10 million or 35.6% from \$0.30 million in 1Q22 to \$0.40 million in 1Q23. This was due mainly to higher investment income on debt securities investments earned in 1Q23 against significant market price drops in certain debt securities investments measured at FVTPL resulting from concerns of defaults in Chinese property bonds in the same quarter of last year, partially offset by lower government grant received in 1Q23 compared to 1Q22.

Operating expenses

Overall, the Group's total operating expenses increased by 29.6% YoY from \$21.12 million in 1Q22 to \$27.37 million in 1Q23, but decreased by 1.5% QoQ from \$27.79 million in 4Q22 to \$27.37 million in 1Q23.

	1Q23	Group	Change
	\$'000	1Q22	%
		\$'000	
Non-banking operations			
Depreciation of plant and equipment	912	740	23.2
Depreciation of right-of-use assets	1,743	1,835	(5.0)
Amortisation of intangible assets	2,577	2,381	8.2
Staff costs excluding equity-settled share-based payment transactions	9,633	9,720	(0.9)
Equity-settled share-based payment to staff and advisers	2,828	2,075	36.3
Other operating expenses	4,841	4,370	10.8
	22,534	21,121	6.7
Banking operation	4,840	-	NM
Total operating expenses	27,374	21,121	29.6

Excluding the new banking operation, the Group's total operating expenses increased by 6.7% from \$21.12 million in 1Q22 to \$22.53 million in 1Q23. These were in line with the Group's increased efforts in enhancing its wealth management platform capabilities including improving the range and depths of investment products and services being provided to customers in all its existing markets over the period so as to strengthen the Fintech Ecosystem of the Group and further scale up the businesses of the Group continuously.

Excluding the new banking operation, depreciation of plant and equipment increased by 23.2% from \$0.74 million in 1Q22 to \$0.91 million in 1Q23. Amortisation of intangible assets increased by 8.2% from \$2.38 million in 1Q22 to \$2.58 million in 1Q23. These were due mainly to additions of plant and equipment and intangible assets (including internally-developed IT software assets) over the period, to support business expansion in the markets that the Group operates in and to continuously strengthen the Fintech capabilities of our investment platforms as well as the Fintech Ecosystem of the Group. Depreciation of right-of-use ("ROU") assets decreased by 5.0% from \$1.84 million in 1Q22 to \$1.74 million in 1Q23 due mainly to lower carrying amounts of ROU assets at beginning of the period.

Excluding the new banking operation, equity-settled share-based payment to staff and advisers increased by 36.3% from \$2.08 million in 1Q22 to \$2.83 million in 1Q23, resulting from additional batches of performance shares granted to staff in March 2022 and May 2022 and additional sales incentive awarded to in-house wealth advisers in May 2022 for motivating staff and advisers to achieve a long-term growth together with the Group. Staff costs (excluding equity-settled share-based payment transactions) remained flat in 1Q23 compared to 1Q22.

Excluding the new banking operation, other operating expenses increased by 10.8% from \$4.37 million in 1Q22 to \$4.84 million in 1Q23. These were due mainly to increased spending in business advertising, IT and related technology security services in the period to support the continual growth of the Group's business ahead.

Interest expense on lease liabilities

Interest expense on lease liabilities decreased by 25.2% from \$0.13 million in 1Q22 to \$0.10 million in 1Q23 in line with the lower carrying amount of leasing liabilities net of lease payments over the period.

Share of results of associates, net of tax

The Group's share of results after tax of associates comprised share of results of associates, mainly including Providend Holding Pte Ltd ("Providend"), Raffles Family Office China Ltd and Harveston Capital Sdn Bhd in the quarter.

The Group's share of losses after tax of associates recorded positive amount of \$0.23 million in 1Q23 against negative amount of \$0.27 million in 1Q22. This was due mainly to no share of the losses from the group of iFAST India Holdings Pte Ltd ("India Business) in 1Q23 after an impairment allowance of \$5.2 million has been provided for impairment of carrying amount of the Group's investment in India Business and the Group's receivable amounts due from India Business as at 30 June 2022, and some improvement in performance of Providend in the quarter.

Profit for the period, after non-controlling interests

The following table shows the breakdown of the Group's profit for the period by geographical segments.

	Group		
	1Q23	1Q22	Change
	\$'000	\$'000	%
Singapore	4,535	5,371	(15.6)
Hong Kong	2,287	2,189	4.5
Malaysia	843	1,757	(52.0)
China	(1,754)	(1,654)	6.0
Other ⁽¹⁾	226	(269)	NM
Non-banking operations	6,137	7,394	(17.0)
United Kingdom - banking operation	(1,706)	-	NM
Profit before tax ⁽²⁾	4,431	7,394	(40.1)
Tax expense	(1,454)	(1,658)	(12.3)
Net profit after tax ⁽²⁾	2,977	5,736	(48.1)

Notes:

(1) Referring to share of results of associates.

(2) Attributable to owners of the Group.

NM denotes not meaningful

The Group's profit before tax from non-banking operations decreased by 17.0% from \$7.39 million in 1Q22 to \$6.14 million in 1Q23, due mainly to the combined effects of a decline of 1.7% YoY in net revenue of the Group's non-banking operations due to the negative market environment and an increase of 6.7% YoY in operating expenses of non-banking operations due to the Group's committed efforts in enhancing platform Fintech capabilities and improving the range of investment products and services over the period so as to suit the ongoing market demand.

Tax expense decreased by 12.3% from \$1.66 million in 1Q22 to \$1.45 million in 1Q23, due mainly to lower taxable profit generated in the quarter.

Overall, the Group's net profit decreased by 48.1% YoY from \$5.74 million in 1Q22 to \$2.98 million in 1Q23.

Statement of Financial Position

The shareholders' equity of the Group increased to \$228.37 million as at 31 March 2023 from \$222.49 million as at 31 December 2022. This was due mainly to contribution of net profit generated in the quarter and increases in reserve from translation of foreign operation resulting from appreciation of Pound Sterling in the period.

The Group's cash and cash equivalents and investments in financial assets (categorised as other investments under current assets), net of bank loans and deposits and balances of customers, decreased to \$72.70 million as at 31 March 2023 from \$84.09 million as at 31 December 2022. This was due mainly to additions of plant and equipment, intangible assets, office lease payments and purchase of non-current investments in financial assets in the quarter, partially offset by net cash generated from operating activities in the period.

Current assets increased to \$366.15 million as at 31 March 2023 from \$328.13 million as at 31 December 2022. This was due mainly to increases in receivables from uncompleted contracts on securities dealing at end of the period, partially offset by decreases in cash and cash equivalents in the period.

Non-current assets increased to \$135.10 million as at 31 March 2023 from \$130.41 million as at 31 December 2022. This was due mainly to additional non-current investments in financial assets and some additional project setup costs incurred for the Hong Kong e-Pension project contract in the period.

Total liabilities increased to \$264.90 million as at 31 March 2023 from \$227.82 million as at 31 December 2022. This was due mainly to increases in payables from uncompleted contracts on securities dealing at end of the period, partially offset by decreases in amounts of deposits and balances of customers in the period.

Consolidated Statement of Cash Flows

Net cash used in operating activities was \$8.57 million in 1Q23 while net cash from operating activities was \$8.38 million in 1Q22. This was due mainly to decreases in customer deposit amounts in the UK banking operation which was acquired by the Group at end of March 2022 and lower cash generated from operating activities in the quarter. Excluding movements of customer deposit amounts, net cash from operating activities was \$2.86 million in 1Q23.

Net cash used in investing activities was \$24.89 million in 1Q23 while net cash from investing activities was \$34.29 million in 1Q22. This was due mainly to net cash of \$49.53 million from acquisition of subsidiaries (based in UK) recorded in March 2022 and additional net investments in financial assets in 1Q23.

Net cash used in financing activities was \$1.93 million in 1Q23 while net cash from financing activities was \$101.56 million in 1Q22. This was due mainly to proceeds of \$103.33 million from share placement conducted in January 2022.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast or prospect statement was previously provided.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The Group's performance in 1Q2023 was worse than in 1Q2022, partly because of the start up losses in iFAST Global Bank. Excluding the effect of the banking operations, Group net revenue was down 1.7% Y-o-Y, while Group Profit Before Tax was down 17.1% to \$6.07 million.

The Group's profitability in 1Q2023 was better than the previous three quarters (2Q2022 to 4Q2022) as Group AUA increased 4.2% during the quarter to \$18.14 billion.

Going forward, the Group expects to enter a period of high growth in revenue and profitability between 2023 and 2025 as it executes its 3-Year Plan.

The 3-Year Plan comprises:

- 1) Making our core platform business bigger, better and more profitable;
- 2) Accelerating the growth of the Group's overall Hong Kong business and effectively delivering on the ePension services;
- 3) Effectively developing iFAST Global Bank's digital banking services and other adjacent capabilities; and
- 4) Making tangible progress towards having a truly global business model.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Name of dividend	Interim
Dividend type	Cash
Dividend rate	1.00 cents per ordinary share
Tax rate	One-tier tax exempt

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Name of dividend	Interim
Dividend type	Cash
Dividend rate	1.00 cents per ordinary share
Tax rate	One-tier tax exempt

(c) Date payable

The interim dividend will be paid on 7 June 2023.

(d) Record date

The Register of Members and Share Transfer Books of the Company will be closed on 25 May 2023 for the preparation of dividend warrants to the first interim dividend. Duly completed registrable transfers in respect of the shares in the Company received up to the close of business at 5.00 p.m. on 24 May 2023 ("Record Date") by the Company's Singapore Share Registrar, Tricor Barbinder Share Registration Services (A division of Tricor Singapore Pte. Ltd.), 80 Robinson Road, #02-00, Singapore 068898 will be registered to determine Members' entitlements to the first interim dividend. Members whose Securities Accounts with The Central Depository (Pte) Ltd are credited with shares in the Company as at 5.00 p.m. on the Record Date will be entitled to the first interim dividend.

12. If no dividend has been declared/recommended, a statement to that effect.

Not applicable.

13. If the group has obtained a general mandate from shareholders for Interested Person Transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT Mandate has been obtained, a statement to that effect.

The Company does not have a general mandate from shareholders for interested person transactions.

14. Confirmation by the Board pursuant to Rule 705(5) of the Listing Manual.

The directors of the Company confirm that to the best of their knowledge, nothing has come to the attention of the board of directors which may render the financial results for the quarter ended 31 March 2023 to be false or misleading in any material aspect.

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

16. Segmented revenue and results for business segments or geographical segments (of the group), with comparative information for the corresponding period of the immediately preceding financial year.

Geographical segments	Singapore \$'000	Hong Kong \$'000	Malaysia \$'000	China \$'000	United Kingdom \$'000	Others \$'000	Total \$'000
1Q23							
Revenue and expenses							
Revenue from external customers	31,770	10,694	5,589	673	2,727	-	51,453
Interest revenue from external customers	945	122	74	26	1,310	-	2,477
Inter-segment revenue	1,110	51	983	70	-	-	2,214
Total revenue	33,825	10,867	6,646	769	4,037	-	56,144
Depreciation of plant and equipment	(683)	(70)	(99)	(61)	(11)	-	(924)
Depreciation of right-of-use assets	(838)	(558)	(108)	(239)	(113)	-	(1,856)
Amortisation of intangible assets	(2,357)	(15)	(196)	(9)	-	-	(2,577)
Reportable segment profit / (loss) before tax	4,535	2,287	843	(1,819)	(1,906)	-	3,940
Share of results of associates	-	-	-	-	-	226	226
Assets and liabilities							
Reportable segment assets	218,274	41,086	33,649	6,453	198,084	-	497,546
Equity-accounted associates	-	-	-	-	-	3,701	3,701
Capital expenditure	748	86	288	139	-	-	1,261
Reportable segment liabilities	117,437	19,202	19,875	3,621	104,761	-	264,896
1Q22							
Revenue and expenses							
Revenue from external customers	33,707	11,626	6,473	722	-	-	52,528
Interest revenue from external customers	304	7	61	26	-	-	398
Inter-segment revenue	978	67	921	48	-	-	2,014
Total revenue	34,989	11,700	7,455	796	-	-	54,940
Depreciation of plant and equipment	(456)	(78)	(135)	(71)	-	-	(740)
Depreciation of right-of-use assets	(839)	(567)	(144)	(285)	-	-	(1,835)
Amortisation of intangible assets	(2,195)	(20)	(156)	(10)	-	-	(2,381)
Reportable segment profit / (loss) before tax	5,368	2,189	1,757	(1,716)	-	-	7,598
Share of results of associates	-	-	-	-	-	(266)	(266)
Assets and liabilities							
Reportable segment assets	218,787	51,070	28,283	6,952	188,780	-	493,872
Equity-accounted associates	-	-	-	-	-	6,262	6,262
Capital expenditure	1,441	76	236	15	-	-	1,768
Reportable segment liabilities	102,747	24,633	13,505	4,938	107,634	-	253,457

17. Other notes to consolidated financial statements

17.1 Other investments - investments in financial instruments

	Group	
	31-Mar-23 \$'000	31-Dec-22 \$'000
<u>Non-current</u>		
Financial assets at FVOCI		
- Unquoted equity shares	2,580	2,581
	<u>2,580</u>	<u>2,581</u>
Quoted financial assets at amortised cost		
- Debt investments	25,869	20,453
	<u>25,869</u>	<u>20,453</u>
	<u>28,449</u>	<u>23,034</u>
<u>Current</u>		
Quoted financial assets at FVOCI		
- Debt investments	6,145	6,824
- Equity investments	42	46
	<u>6,187</u>	<u>6,870</u>
Quoted financial assets at FVTPL		
- Debt investments	8,131	7,626
	<u>8,131</u>	<u>7,626</u>
Quoted financial assets at amortised cost		
- Debt investments	40,494	27,215
	<u>40,494</u>	<u>27,215</u>
	<u>54,812</u>	<u>41,711</u>

17.2 Fair value measurement

The Group has an established control framework with respect to the measurement of fair values. When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following summarises the significant methods and assumptions used in estimating the fair values of financial instruments of the Group:

Investments in financial instruments

The fair value of investments in financial instruments is determined by reference to its bid price, recent transaction price or cost at the reporting date.

Intra-group financial guarantees

The value of financial guarantees provided by the Company to its subsidiaries is determined by reference to the difference in the interest rates, by comparing the actual rates charged by the bank with these guarantees made available, with the estimated rates that the banks would have charged had these guarantees not been available.

Accounting classifications and fair values

The carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Group	31-Mar-23			31-Dec-22		
	Carrying amount \$'000	Fair value - Level 1 \$'000	Fair value - Level 3 \$'000	Carrying amount \$'000	Fair value - Level 1 \$'000	Fair value - Level 3 \$'000
Financial assets measured at fair value						
Unquoted equity shares	2,580	-	2,580	2,581	-	2,581
Quoted financial assets at FVOCI	6,187	6,187	-	6,870	6,870	-
Quoted financial assets at FVTPL	8,131	8,131	-	7,626	7,626	-
Money market funds	12,711	12,711	-	14,165	14,165	-
Financial assets not measured at fair value						
Uncompleted contracts - buyers	102,307	-	-	51,281	-	-
Trade and other receivables	86,244	-	-	78,601	-	-
Quoted financial assets at amortised cost	66,363	66,658	-	47,668	47,485	-
Cash at bank and in hand	103,980	-	-	136,965	-	-
Financial liabilities not measured at fair value						
Uncompleted contracts - sellers	(102,241)	-	-	(50,276)	-	-
Trade and other payables	(48,108)	-	-	(51,863)	-	-
Deposits and balances of customers	(86,565)	-	-	(96,545)	-	-
Bank loans	(12,242)	-	-	(12,210)	-	-

17.3 Held under trust

Certain non-banking subsidiaries in the Group receive and hold monies deposited by clients and other institutions in the course of the conduct of the regulated activities. These clients' monies are maintained in one or more trust bank accounts which are separately maintained from the bank accounts of these subsidiaries in the Group.

	Group	
	31-Mar-23 \$'000	31-Dec-22 \$'000
Client bank accounts	938,072	933,368
Client ledger balances	(938,072)	(933,368)
	<u>-</u>	<u>-</u>

BY ORDER OF THE BOARD

Lim Kian Thong
Chief Financial Officer
25 April 2023