

FOR IMMEDIATE RELEASE

iFAST Corp reached a record high AUA of S\$6.1 billion, but 2016 profitability affected by poor 1st half and China start-up losses

- Assets Under Administration (AUA) increased 8.1% YoY to hit a record high of S\$6.1 billion as at 31 December 2016
- However, a dip in AUA during the first half of 2016 resulted in recurring net revenue growing by only 0.2% for the year
- In 2016, market conditions were very tough, especially in the first half of the year. The Group's profitability was affected, with the net profit for the Group (excluding China) declining 25.5% YoY to S\$9.74 million (excluding a one-off impairment loss of S\$0.68 million on investment in financial assets recognised in 4Q2016, which was mainly due to a mark-to-market loss following a decline in market value of certain equity and fixed income unit trusts acquired in 2015)
- The start-up losses in the China operation (which was soft-launched in March 2016) stood at S\$3.61 million in 2016
- Capital expenditure rose from S\$5.45 million in 2015 to S\$6.61 million in 2016, as the Group continued its push towards improving its fintech capabilities and the range of investment products and services (including the launch of FSMOne in December 2016 for the Singapore B2C business)
- Going forward, the Group expects the growth of AUA and revenue will benefit from the stockbroking services starting 2017, in addition to the additional services such as discretionary portfolio management services and bonds
- The Group expects China to remain loss-making in 2017, as the Group continues to invest in growing the China business. However, the Group does not expect the losses to increase significantly
- Barring a significant deterioration of the current stock market conditions, the Group expects to see improvements in its business over the next two years

SINGAPORE (17 February 2017) – iFAST Corporation Ltd. (“iFAST Corp” and together with its subsidiaries, the “Group”) reported its financial results for the fourth quarter (4Q2016) and full year of 2016 (FY2016).

In 4Q2016, the Group (excluding China) reported a 11.6% Year-on-Year (YoY) decline in net profit to S\$2.82 million (excluding a one-off impairment loss on investment in financial assets amounting to S\$0.68 million recognised in 4Q2016). Compared to a year ago, the Group's net profit (ex-China) declined 25.5% YoY to S\$9.74 million in FY2016 (excluding a one-off impairment loss on investment in financial assets

amounting to S\$0.68 million recognised in 4Q2016), as expenses linked to the Group's push towards improving its fintech capabilities and range of investment products and services rose (including the launch of FSMOne in December 2016 for the Singapore B2C business). The China operation was launched in March 2016 and registered an operating loss of S\$3.61 million in FY2016.

The Group's Assets under Administration (AUA) grew 8.1% YoY to a record high of S\$6.1 billion as at 31 December 2016. The contribution from the relatively newer product categories of bonds, Exchange Traded Funds (ETFs) and stocks stood at a combined 7.2% of the Group's AUA as at 31 December 2016. The Group's core AUA continue to be in funds, which contributed the remaining 92.8% of AUA. Capital expenditure rose from S\$5.45 million in 2015 to S\$6.61 million in 2016, as the Group continued its push towards improving its fintech capabilities and the range of investment products and services (including the launch of FSMOne in December 2016 for the Singapore B2C business).

Analysis Across Geographical Segments

Singapore's net profit declined by 19.3% YoY to S\$9.05 million (excluding a one-off impairment loss on investment in financial assets amounting to S\$0.68 million recognised in 4Q2016) in FY2016, as net revenue declined 1.7% YoY to S\$29.54 million in FY2016 due to volatile global financial markets.

The Singapore operation saw an increase in operating expenses related to the enhancement of the platform's range of investment products and services. In December 2016, the Singapore Business launched FSMOne platform, allowing investors and the public in Singapore to invest in multiple products, including funds, bonds, stocks, ETFs, robo-advisory portfolio services which are known as MAPS (My Assisted Portfolio Solution), and insurance products, via one account.

The Singapore Business is targeting to launch its stock trading capabilities in SGX-listed stocks and ETFs in 2Q2017; currently, the Singapore Business has stock trading capabilities in HKEX-listed stocks and ETFs. With most of the products in place, as well as the improvement in its services including FSMOne, the Singapore Business will be looking to further grow its business in the B2C and B2B market segments in 2017.

Hong Kong's net profit declined 67.9% YoY to S\$0.53 million in FY2016. The significant decline in Hong Kong's profitability mainly resulted from the adverse impact of the sharp sell-down in China/Hong Kong markets at the start of 2016. The Group is looking to launch FSMOne for its HK B2C customers in 2017, enhancing the range of products and services investors and the public can transact into with ease. Following the launch of the stockbroking business in Hong Kong, the AUA of the Hong Kong

stocks business (including ETFs) has grown to about 3.4% of Hong Kong's total AUA as at 31 December 2016.

Malaysia's net profit after tax rose 31.7% YoY to S\$0.32 million in FY2016. Net revenue rose 16.7% YoY to S\$2.26 million in FY2016. AUA rose 5.7% QoQ and 29.2% YoY to S\$366.96 million respectively (as at 31 December 2016). In Malaysia, the significant growth of customer accounts, business and AUA continued to contribute to the increase in net revenue. Similar to the Group's Singapore and Hong Kong operations, the Malaysia operation is working towards enhancing its range of investment products and services. Following the launch of its distribution of insurance products on its B2C platform in 3Q2016, the Malaysia Business will be looking to launch the distribution of bonds and discretionary portfolio management services in 2017.

The China business was soft launched in March 2016; the China operation's loss stood at S\$3.61 million in FY2016. Net revenue stood at S\$0.23 million in FY2016. The China Business has continued to build its team of wealth advisers, as part of its 'platform-cum-IFA incubator' strategy. Besides the China Business' focus on growing the onshore funds business, the Group is also looking to enhance its offshore business offerings to investors from China, especially via the Group's Hong Kong and Singapore markets. This includes linking up with China players who want to build up their access to offshore funds. The Group expects China to remain loss-making in 2017, as the Group continues to invest in growing the China business. However, the Group does not expect the losses to increase significantly. The China Business has signed up more than 45 Fund Houses with over 1,800 funds on the platform.

Proposed Final Dividend for FY2016 & Dividend Guidance for FY2017

Similar to FY2016, the Group's Dividend Guidance for FY2017 is: *"For FY2017, our Directors intend to recommend and distribute dividends of 60% **or more** of our Group's net profit (excluding our China operation, and exceptional items)"*. For the proposed final dividend for FY2016, the Directors proposed a dividend per share of 0.75 cents per ordinary share, bringing the total dividend per share to 2.79 cents per ordinary share in FY2016 (equivalent to 80.8% of the Group's net profit, excluding our China operation, and exceptional items), and the same as in FY2015.

Table 1: Profit / Loss – Geographical Segment

Profit/Loss After Tax (S\$ Million)	FY2012	FY2013	FY2014	FY2015	FY2016
Singapore	5.64	7.81 ¹	9.00 ²	11.21	9.05 ⁴
Hong Kong	(1.19)	0.40	2.10	1.65	0.53
Malaysia	(1.19)	(0.59)	(0.09)	0.24	0.32
Others ³	-	-	(0.01)	(0.02)	(0.16)
Net profit (excluding China operation)	3.26	7.62	11.00	13.08	9.74
China	-	-	(0.52)	(0.98)	(3.61)
Net profit (including China operation)	3.26	7.62	10.48	12.10	6.13

Notes:

1. Excluding a one-off gain of S\$0.62 million on distribution to owners of the Company in October 2013
2. Excluding IPO expenses of S\$1.95 million in December 2014
3. Representing share of results of associates
4. Excluding impairment loss on investment in financial assets amounting to S\$0.68 million in 4Q2016

About iFAST Corp

iFAST Corp (stock code: AIY) is an Internet-based investment products distribution platform, with assets under administration (AUA) of approximately S\$6.1 billion as at 31 December 2016.

Incorporated in the year 2000 in Singapore and listed on the SGX-Mainboard in December 2014, iFAST Corp is also present in Hong Kong, Malaysia and China. The Group provides a comprehensive range of investment products and services, to financial advisory (FA) firms, banks, financial institutions, multinational companies, as well as retail and high net worth (HNW) investors in Asia.

The Group offers access to over 5,000 investment products including funds, bonds and Singapore Government Securities (SGS), stocks, Exchange Traded Funds (ETFs), as well as insurance products, and services including robo-advisory portfolio management services which are known as MAPS (My Assisted Portfolio Solution), research and investment seminars, financial technology (fintech) solutions, investment administration and transactions services.

iFAST Corp has two main business divisions, namely its Business-to-Consumer (B2C) website, Fundsupermart (including its new FSMOne multi-products platform in Singapore), targeted at DIY investors; and its Business-to-Business (B2B) platform that caters to the specialised needs of FA companies, banks and financial institutions. Over

6,000 wealth advisers from more than 240 FA companies, banks and financial institutions, use the iFAST B2B platform.

The Group's mission statement is, "To help investors around the world invest globally and profitably". The Group won the "Most Transparent Company Award 2015, New Issues Category" at the SIAS Investors' Choice Awards 2015, as well as the "Best Investor Relations - Merit Award" for First-Year Listed Companies at the Singapore Corporate Awards 2015.

For more information, please visit www.ifastcorp.com

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