



# 4Q2015 & FY2015 Results Presentation

18 February 2016

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# Table of Content

Section	Title
I	<b>Financial Results</b> <ul style="list-style-type: none"><li>✓ 4Q2015 (Oct-Dec 2015) and FY2015 (Jan-Dec 2015) results</li><li>✓ Financial ratios</li><li>✓ Financial position</li><li>✓ Dividend</li></ul>
II	<b>Performance Trends</b> <ul style="list-style-type: none"><li>✓ Assets under Administration (AUA)</li><li>✓ Net sales and subscription excluding switching</li><li>✓ Recurring net revenue, non-recurring net revenue and operating expenses</li><li>✓ Performance by geographical and business segments</li><li>✓ Updates on business plans</li></ul>
III	<b>Appendices</b>

# Key summary

## Net profit, revenue & EPS

- Net profit rose 15.1% YoY in FY2015 to S\$12.10 million and fell 1.2% YoY in 4Q2015 to S\$2.86 million (excluding IPO expenses of S\$1.95 million in FY2014 and 4Q2014)
- Net profit rose 41.3% YoY in FY2015 and 201.7% YoY in 4Q2015 (including IPO expenses of S\$1.95 million in FY2014 and 4Q2014)
- Net revenue grew 13.2% YoY in FY2015 to S\$41.53 million
- EPS was down 8.1% YoY in FY2015 to 4.65 cents and 16.0% YoY to 1.10 cents in 4Q2015 (excluding IPO expenses of S\$1.95 million in FY2014 and 4Q2014)

## Assets under Administration (AUA)

- Net sales were positive at S\$396 million in FY2015 and S\$111 million in 4Q2015
- AUA rose 5.2% YoY to S\$5.64 billion (as at 31 December 2015)
- AUA 10-year CAGR was 17.9% (as at 31 December 2015)



# Section I: Financial Results



## Key highlights (4Q2015 & FY2015)

	FY2014 <sup>1</sup>	FY2015	YoY (%)	4Q2014 <sup>1</sup>	4Q2015	YoY (%)
Net revenue (S\$ million)	36.68	41.53	+13.2	9.36	10.16	+8.5
Net profit (S\$ million)	10.51	12.10	+15.1 <sup>2</sup>	2.90	2.86	-1.2 <sup>2</sup>
EPS (cents)	5.06	4.65	-8.1	1.31	1.10	-16.0

### Notes:

1. Excluding IPO expenses of S\$1.95 million in December 2014
2. Including IPO expenses of S\$1.95 million in December 2014, net profit rose 41.3% YoY in FY2015 and 201.7% YoY in 4Q2015

## Financial Results (FY2015 vs FY2014)

S\$ (Million)	FY2014 <sup>1</sup>	FY2015	YoY change (%)
Revenue	78.35	85.34	+8.9
Net revenue	36.68	41.53	+13.2
Other income	0.24	1.53	+546.2
Expenses	26.14	31.08	+18.9
Net finance income	0.10	0.80	+732.3
Share of result of associate, net of tax	-0.01	-0.02	+71.4
Profit before tax	10.87	12.75	+17.3
Profit after tax	10.48	12.10	+15.5
Net profit attributable to owners of the Company	10.51	12.10	+15.1 <sup>2</sup>

Notes:

1. Excluding IPO expenses of S\$1.95 million in December 2014
2. Including IPO expenses of S\$1.95 million in December 2014, net profit rose 41.3% YoY in FY2015

## Financial Results (4Q2015 vs 4Q2014)

S\$ (Million)	4Q2014 <sup>1</sup>	4Q2015	YoY change (%)
Revenue	19.76	20.74	+4.9
Net revenue	9.36	10.16	+8.5
Other income	0.03	0.42	+1444.4
Expenses	6.48	8.01	+23.5
Net finance income	0.02	0.26	+1063.6
Share of result of associate, net of tax	-0.01	-0.01	-35.7
Profit before tax	2.91	2.81	-3.3
Profit after tax	2.90	2.86	-1.2
Net profit attributable to owners of the Company	2.90	2.86	-1.2 <sup>2</sup>

Notes:

1. Excluding IPO expenses of S\$1.95 million in December 2014
2. Including IPO expenses of S\$1.95 million in December 2014, net profit rose 201.7% YoY in 4Q2015

## Key highlights (FY2011-2015)

	FY2011	FY2012	FY2013 <sup>1</sup>	FY2014 <sup>2</sup>	FY2015
Net revenue (S\$ million)	25.20	26.29	31.58	36.68	41.53
Net revenue (YoY change)	+15.7%	+4.4%	+20.1%	+16.1%	+13.2%
Net profit (S\$ million)	2.77	3.74	7.86	10.51	12.10
Net profit (YoY change)	N.M.	+35.0%	+110.2%	+33.7%	+15.1% <sup>3</sup>
PBT margin (based on net revenue)	9.4%	15.0%	25.9%	29.6%	30.7%
EPS (cents)	1.38	1.86	3.89	5.06	4.65
Dividend per share (cents)	0.44	0.54	1.98 <sup>4</sup>	5.38	2.79
Return on Equity (per annum)	13.2%	17.0%	31.4%	38.7%	16.4%

### Notes:

1. Excluding 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. Including IPO expenses of S\$1.95 million, net profit rose 41.3% YoY in FY2015
4. Excluding dividend by way of distribution in specie in October 2013

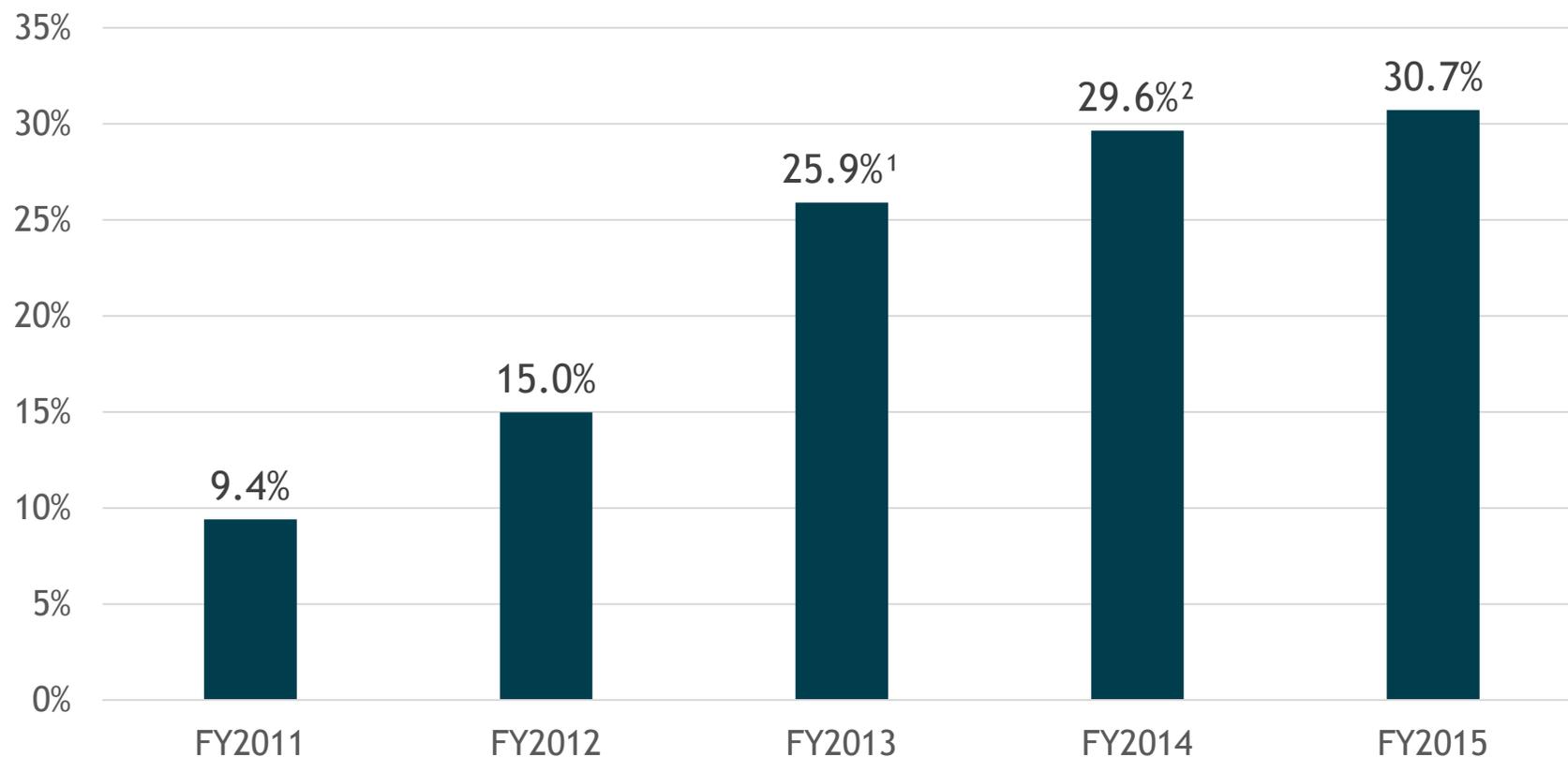
## Results Overview (FY2011-2015)

S\$ (Million)	FY2011	FY2012	FY2013 <sup>1</sup>	FY2014 <sup>2</sup>	FY2015
Revenue	61.12	56.41	69.47	78.35	85.34
Net revenue	25.20	26.29	31.58	36.68	41.53
Other income	0.06	0.08	0.16	0.24	1.53
Expenses	22.81	22.40	23.58	26.14	31.08
Net finance income	-0.08	-0.03	0.03	0.10	0.80
Share of result of associate, net of tax	-	-	-	-0.01	-0.02
Profit before tax	2.37	3.94	8.20	10.87	12.75
Profit after tax	2.12	3.26	7.62	10.48	12.10
Net profit attributable to owners of the Company	2.77	3.74	7.86	10.51	12.10

Notes:

1. Excluding 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

# PBT margin (based on net revenue)



Notes:

1. Excluding 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

# Financial Ratios

S\$ (Million)	FY2011	FY2012	FY2013	FY2014	FY2015
Operating Cashflows	1.40	2.33	7.13	10.18	14.18
Capital Expenditure	1.71	0.21	1.57	2.34	5.45

S\$ (Million)	31 Dec 2011	31 Dec 2012	31 Dec 2013	31 Dec 2014	31 Dec 2015
Net Current Assets	21.92	20.95	20.70	63.16	68.32

S\$ (Million)	31 Dec 2011	31 Dec 2012	31 Dec 2013	31 Dec 2014	31 Dec 2015
Shareholders' Equity	21.29	23.41	23.97	66.91	76.56

# Cash position

	As at 31 Dec 2014 (S\$ million)	As at 31 Dec 2015 (S\$ million)
Cash and cash equivalents	35.39	29.52
Other investments <sup>1</sup>	22.02	31.96
Total cash position	57.41 <sup>2</sup>	61.48

## Notes:

1. Other investments represent investments in available-for-sale financial assets.
2. The Group's cash position as at 31 December 2014 does not include the net proceeds of S\$3.00 million from the issuance of 3,280,000 new shares on 6 January 2015, following the exercise of over-allotment option in relation with the IPO on 11 December 2014.

# Number of issued shares

	As at 31 Dec 2014	As at 31 Dec 2015
Total number of issued shares	256,225,334 <sup>1</sup>	260,977,301

**Notes:**

1. The Group's total number of issued shares as at 31 December 2014 do not include the issuance of 3,280,000 new shares on 6 January 2015, following the exercise of over-allotment option in relation with the IPO on 11 December 2014.

# Our Consolidated Financial Position as at 31 Dec 2015

	S\$'000
<b>NON-CURRENT ASSETS</b>	
Fixed Assets	2,438
Intangible Assets	5,163
Associate	362
Others	514
	8,477
<b>CURRENT ASSETS</b>	
Trade & other receivables	19,877
Prepayments & others	1,442
Other Investments	31,964
Cash & cash equivalents	29,520
	82,803
<b>TOTAL ASSETS</b>	91,280
<b>HELD UNDER TRUST</b>	
Cash at Bank - Trust Accounts	114,731
Client Ledger balances	(114,731)

## Our Consolidated Financial Position as at 31 Dec 2015 - cont'd

	S\$'000
<b>CURRENT LIABILITIES</b>	
Trade & other payables	13,836
Current tax payable	646
	14,482
<b>NON-CURRENT LIABILITIES</b>	
Deferred Tax	239
Other Payables	-
	239
<b>EQUITY</b>	
Share Capital	62,546
Accumulated profits	17,481
Other reserves	(3,468)
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	<b>76,559</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>91,280</b>

# Proposed Final Dividend for FY2015

- As previously indicated by the Group's Directors, the dividend payout for FY2015 is to distribute dividends of 60% of net profit (excluding exceptional items)
- In 2015, the Group's dividend payout was based on 60% of the Group's net profit. The Group's Directors have proposed a final dividend for FY2015 (subject to shareholders' approval), arrived at 60% of our net profit for FY2015 (excluding exceptional items), amounting to 0.75 cents per ordinary share

Proposed Final Dividend for FY2015 - Schedule	
14 April 2016	Ex-dividend date
29 April 2016	Payment date

# Dividend Guidance for FY2016

- For FY2016, our Directors intend to recommend and distribute dividends of 60% of our Group's net profit (excluding our China operation, and exceptional items)
- The Dividend Guidance for FY2016 takes into account the consideration that the Group has a strong balance sheet, and overall healthy operating cash flows from Singapore, Hong Kong and Malaysia operations
- While the Group expects its China operation to start contributing to the Group's revenue in FY2016, the Group also expects the initial start-up losses to be higher in FY2016 than in FY2015
- The Directors are of the view that the expected losses from China do not have to affect the dividend payments based on profits generated from Singapore, Hong Kong and Malaysia operations



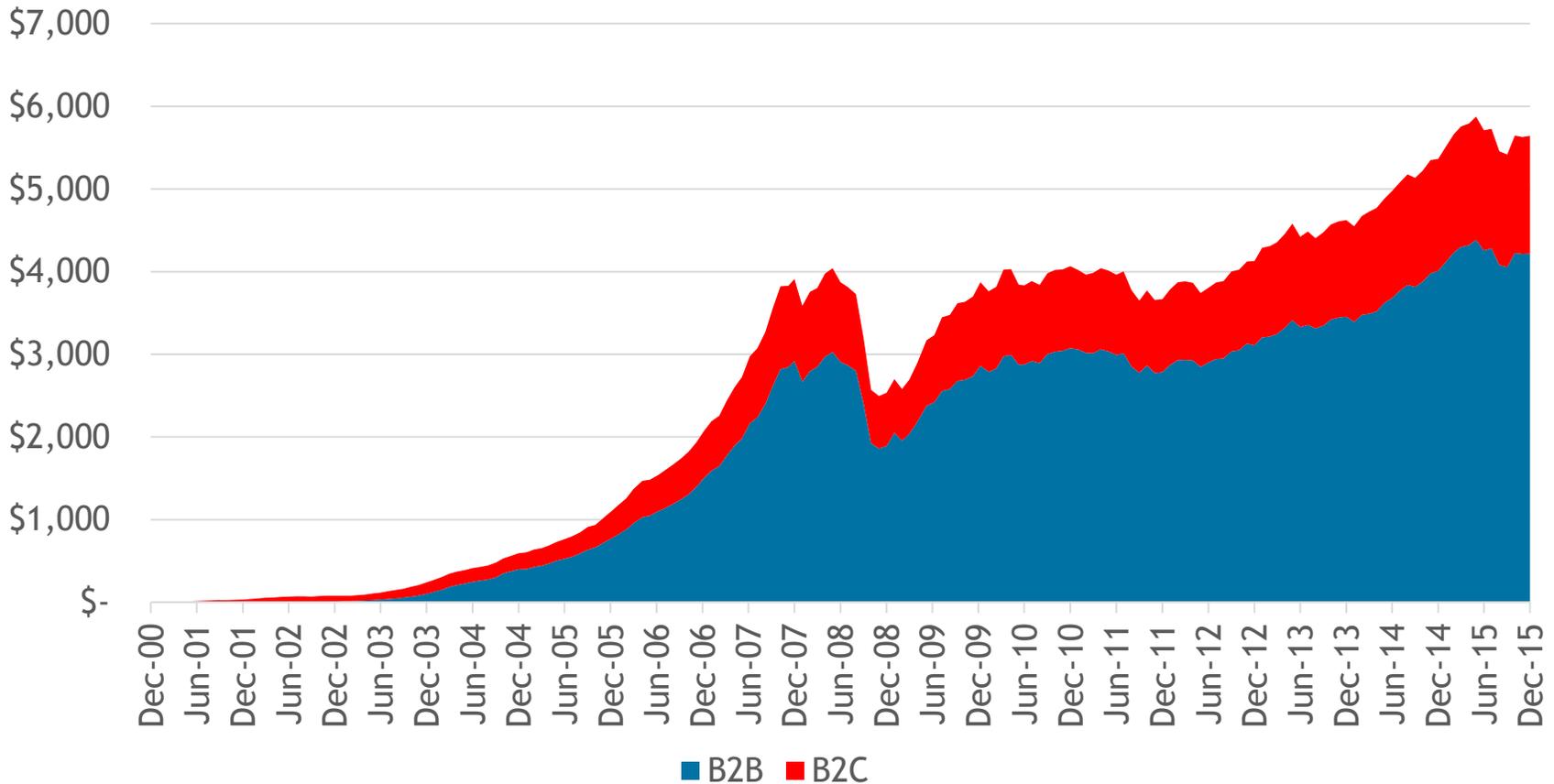
# Section II: Performance Trends



# Group AUA

S\$ million

AUA (as at 31 Dec 2015): S\$5.64 billion



# Group AUA Trends



**Singapore: 72.0%**



**Hong Kong: 23.0%**

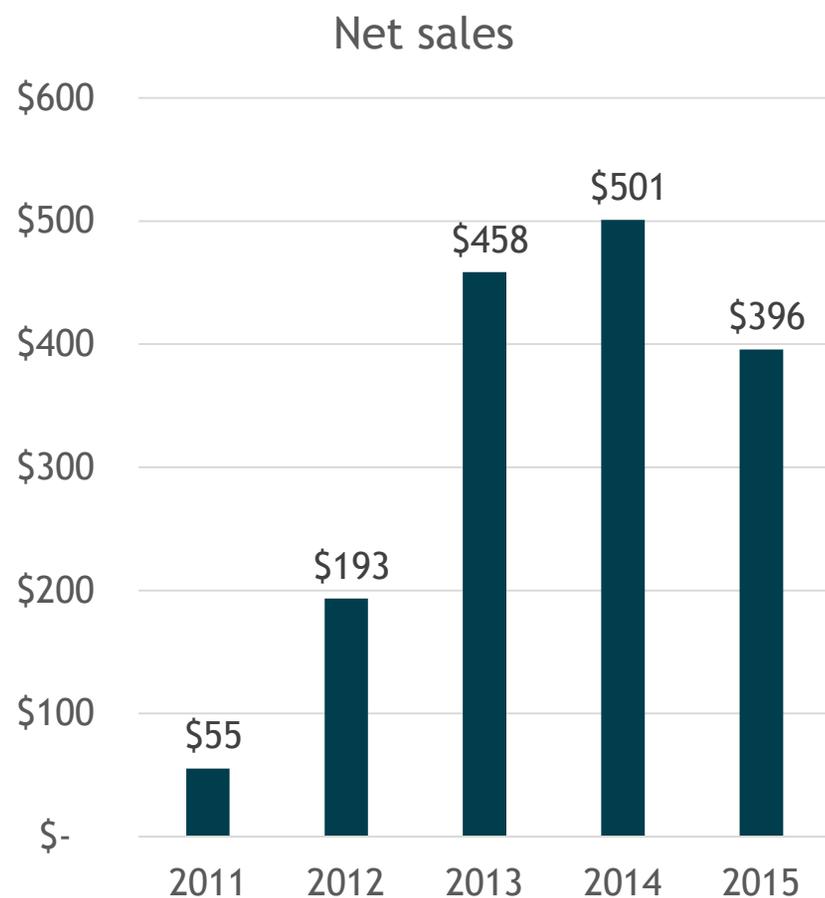


**Malaysia: 5.0%**

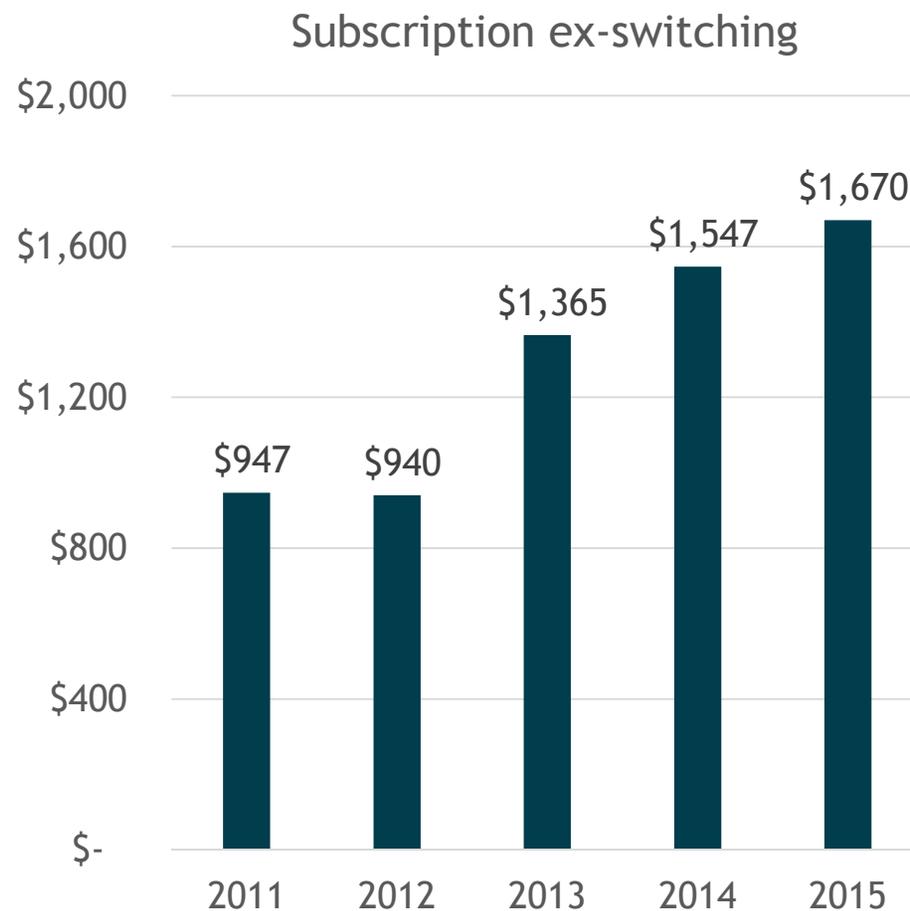
- AUA grew 5.2% YoY to S\$5.64 billion (as at 31 December 2015)
- AUA grew at a 10-year CAGR of 17.9% (as at 31 December 2015)
- AUA from the B2B and B2C segments grew 5.2% and 5.3% YoY respectively (as at 31 December 2015)

# Net sales

\$ million



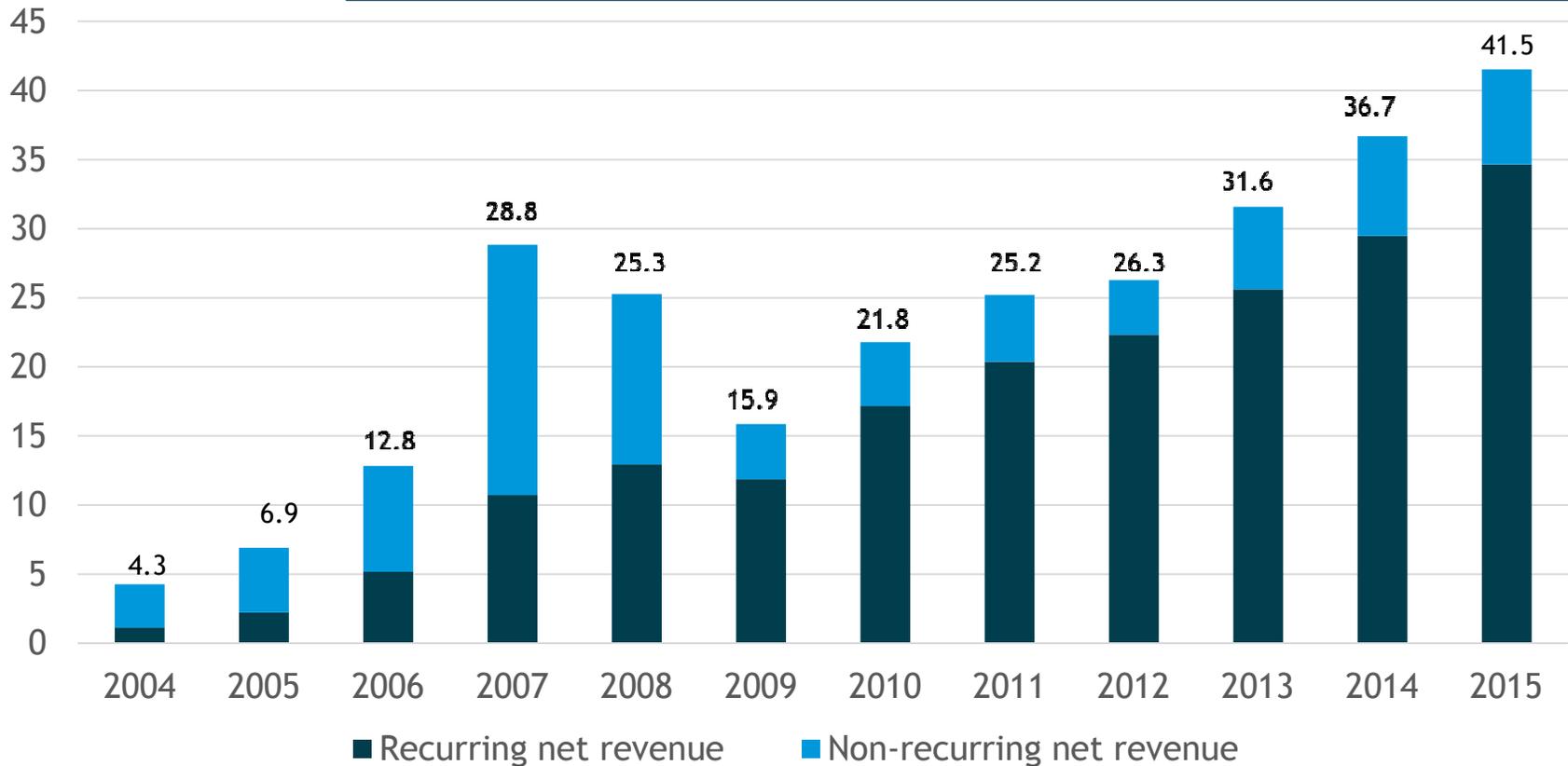
\$ million



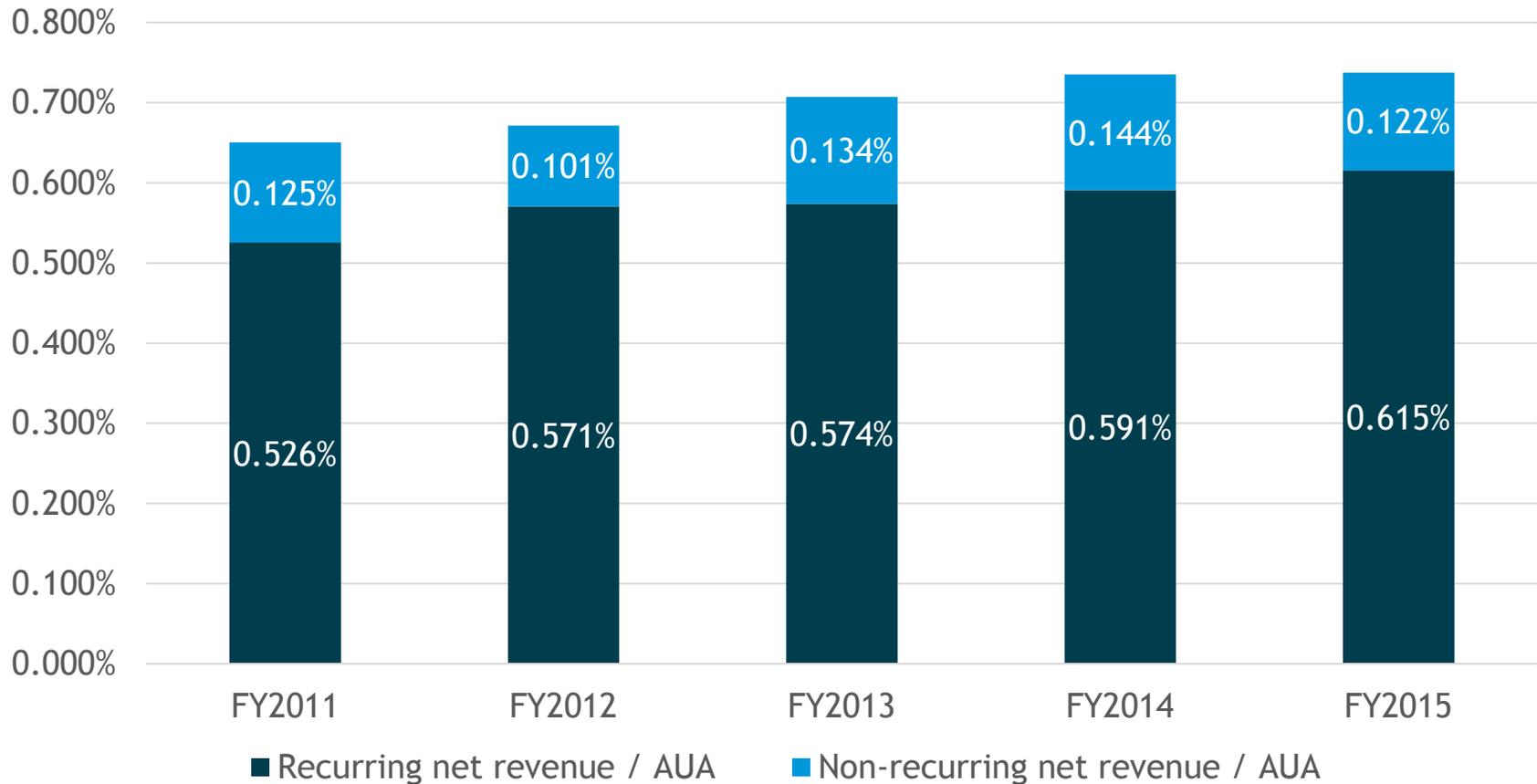
# Net revenue breakdown between recurring and non-recurring sources

\$ million

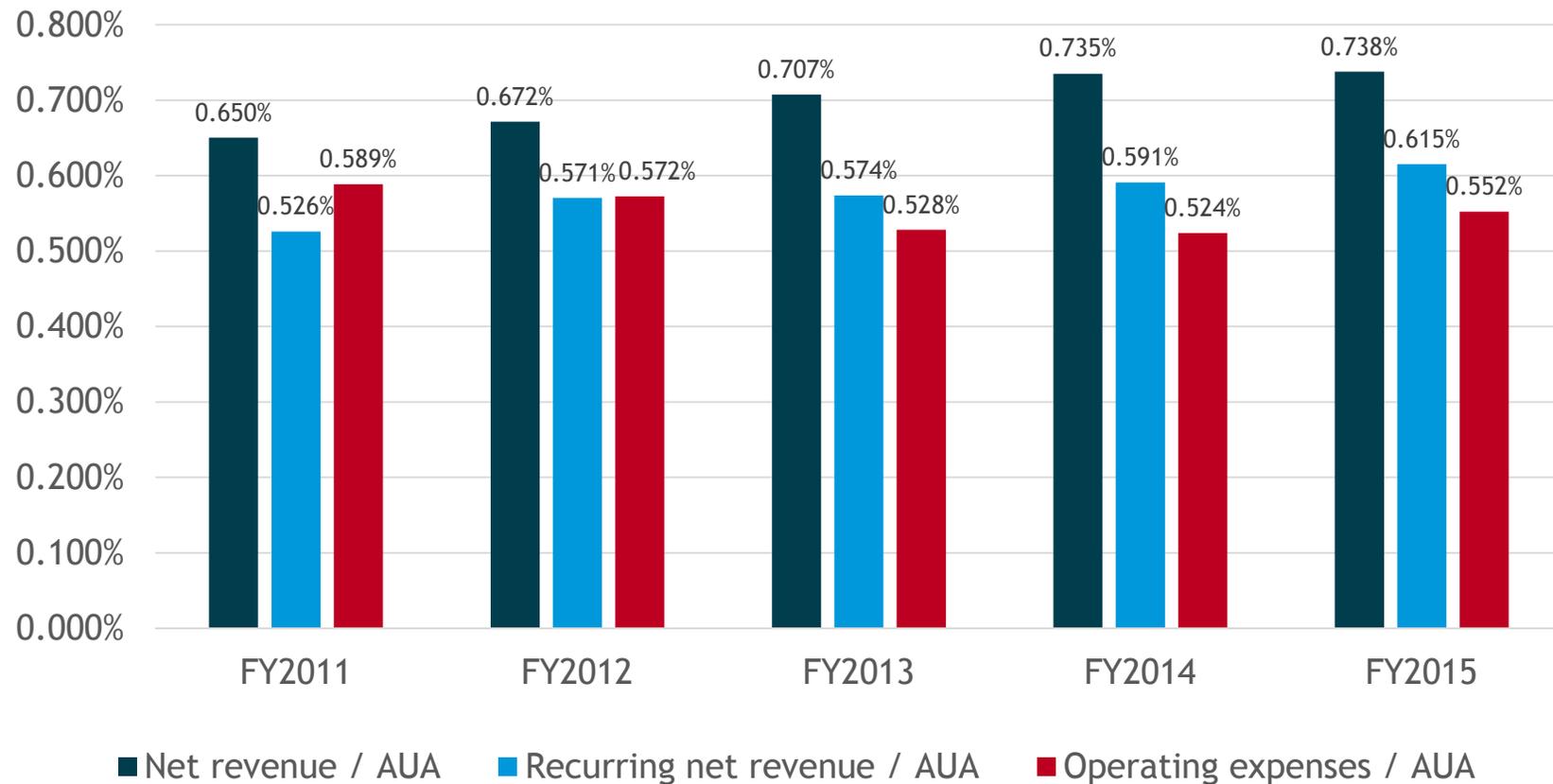
Average contribution from recurring net revenue as opposed to non-recurring net revenue in the period from FY2011 to 2015 was 82.1%



# Net revenue as a ratio of average AUA



# Net revenue and operating expenses as a ratio of average AUA



# Recurring and Non-Recurring Net Revenue

S\$ (Million)	FY2011	FY2012	FY2013	FY2014	FY2015
Recurring net revenue	20.38	22.34	25.62	29.48	34.65
Non-recurring net revenue	4.82	3.95	5.96	7.20	6.88
Total net revenue	25.20	26.29	31.58	36.68	41.53
YoY Change (%)	FY2011	FY2012	FY2013	FY2014	FY2015
Recurring net revenue	+18.6	+9.6	+14.7	+15.1	+17.5
Non-recurring net revenue	+4.8	-18.0	+50.9	+20.8	-4.4
Total net revenue	+15.6	+4.4	+20.4	+16.1	+13.2

- Net revenue represents revenue earned by our Group after commission and fee paid to B2B FAs and banks. It is the key indicator for our Group's business performance

# Net Revenue - Geographical Segment

S\$ (Million)	FY2011	FY2012	FY2013	FY2014	FY2015
Singapore	21.15	21.33	24.10	25.72	30.04
Hong Kong	3.65	4.39	6.50	9.48	9.55
Malaysia	0.40	0.57	0.98	1.48	1.94
Group	25.20	26.29	31.58	36.68	41.53
YoY Change (%)	FY2011	FY2012	FY2013	FY2014	FY2015
Singapore	+13.0	+0.9	+13.0	+6.7	+16.8
Hong Kong	+27.6	+20.3	+48.1	+45.8	+0.7
Malaysia	+90.5	+42.5	+71.9	+50.5	+31.1
Group	+15.6	+4.4	+20.4	+16.1	+13.2

# Net Revenue - B2B Business Segment

B2B Net Revenue (S\$ Million)	FY2011	FY2012	FY2013	FY2014	FY2015
Recurring net revenue	14.10	16.03	18.16	21.09	24.50
Non-recurring net revenue	2.68	2.11	3.06	4.46	4.09
Total B2B net revenue	16.78	18.14	21.22	25.55	28.59
YoY Change (%)	FY2011	FY2012	FY2013	FY2014	FY2015
Recurring net revenue	+20.2	+13.7	+13.3	+16.1	+16.2
Non-recurring net revenue	+32.0	-21.3	+45.0	+45.8	-8.3
Total B2B net revenue	+21.9	+8.1	+17.0	+20.4	+11.9

# Net Revenue - B2C Business Segment

B2C Net Revenue (S\$ Million)	FY2011	FY2012	FY2013	FY2014	FY2015
Recurring net revenue	6.28	6.31	7.46	8.39	10.15
Non-recurring net revenue	2.14	1.84	2.90	2.74	2.79
Total B2C net revenue	8.42	8.15	10.36	11.13	12.94
YoY Change (%)	FY2011	FY2012	FY2013	FY2014	FY2015
Recurring net revenue	+15.2	+0.5	+18.2	+12.5	+21.0
Non-recurring net revenue	-17.1	-14.0	+57.6	-5.5	+1.8
Total B2C net revenue	+4.9	-3.2	+27.1	+7.4	+16.3

# Profit/Loss - Geographical Segment

Profit/Loss After Tax (S\$ Million)	FY2011	FY2012	FY2013	FY2014	FY2015
Singapore	5.53	5.64	7.81 <sup>1</sup>	9.00 <sup>2</sup>	11.21
Hong Kong	(1.97)	(1.19)	0.40	2.10	1.65
Malaysia	(1.44)	(1.19)	(0.59)	(0.09)	0.24
China	-	-	-	(0.52)	(0.98)
Other <sup>3</sup>	-	-	-	(0.01)	(0.02)
Group	2.12	3.26	7.62	10.48	12.10

## 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 result of an associate

# 4Q2015 and FY2015 results summary

- Our AUA grew 5.2% YoY and 4.2% QoQ to S\$5.64 billion (as at 31 December 2015)
- Our Group's net sales were positive at S\$396 million in FY2015 and S\$111 million in 4Q2015, but volatile market conditions led to a 21.0% YoY decline in net sales in FY2015
- Singapore continues to be the major contributor of our Group's profitability, with profit after tax of S\$2.75 million in 4Q2015 and S\$11.21 million in FY2015 (excluding IPO expenses of S\$1.95 million in 4Q2014) respectively
- Malaysia delivered a net profit after tax of S\$0.11 million in 4Q2015 and S\$0.24 million in FY2015, following significant growth in business and AUA

# 4Q2015 and FY2015 results summary

- Hong Kong's profit after tax declined 33.8% YoY to S\$0.34 million in 4Q2015 and 21.5% YoY to S\$1.65 million in FY2015
- Revenue in Hong Kong declined 12.9% YoY in 4Q2015 and 6.8% YoY in FY2015 due to volatile equity market sentiment, and a slowdown of subscription as a result of the suspension of Capital Investment Entrant Scheme (CIES)
- China registered a loss of S\$0.33 million in 4Q2015 and S\$0.98 million in FY2015

# Outlook

## Enhancing Platform Capabilities

- In 2015, in addition to continuing efforts to grow the Group's businesses in the different countries organically, the Group has put a lot of efforts into expanding the range of products and services
- New products and services launched in 2015 included:
  - Distribution of bonds (launch of Bonds@FSM in Singapore and launch of a regional bonds information portal, Bondsupermart.com)
  - An online Discretionary Portfolio Management Service (online DPMS) in Hong Kong
- In addition, the Group completed the acquisition of Winfield Securities in Hong Kong in Jan 2016, which adds stockbroking capabilities to the Group

# Outlook

## Clear Medium- To Long-Term Growth Strategies, Short-Term Financial Market Volatility

- The enhanced range of investment products and services will empower each FA company using our B2B platform to have the capabilities of a ‘mini private bank’ and be able to seamlessly advise investors across a full range of investment asset classes
- The Group has a clear vision and strategy in ensuring robust growth rates in AUA, revenue and profitability in the medium to long term. However, short-term financial market volatility may significantly affect the Group’s revenue and profitability
- FY2016 has started with sharp downturns in global equity markets and the volatility is expected to have some negative impacts on the Group’s revenue and profitability in 1Q2016

# Outlook

## Strategies for iFAST China Business

- The Group obtained the Funds Distributor Qualification in China in October 2015. This will allow the Group's China operation (iFAST China) to run an investment products distribution platform in China
- The Group intends to have a soft launch of its China business in March 2016
- For the B2C business, the iFAST expects to have partnerships with local Chinese entities that already have a well-established online client base. This could include Internet companies or online media companies
- For the B2B business, an important part of our strategy involves a 'platform-cum-IFA incubator' strategy

# Outlook

## Strategies for iFAST China Business

- iFAST China is adopting a scalable strategy in growing its clients, AUA and revenue
- The Group expects iFAST China to start to contribute to the Group's revenue in FY2016, but expects the initial start-up losses to be higher in FY2016 than in FY2015 (S\$0.98 million in FY2015)
- As previously stated in 3Q2015 Financial Statement Announcement, the Group intends to explore the possibility of selling a minority stake in iFAST China to institutional investors and/or other investors in the next 1-2 years
- If that materialises, the Group may see cash injections into the iFAST China business. This is part of the Group's strategy of being able to further strengthen the overall financial strength of iFAST China

# Outlook

## Dividend Guidance for FY2016

- While the Group expects its China operation to start contributing to the Group's revenue in FY2016, the Group also expects the initial start-up losses to be higher in FY2016 than in FY2015
- The Directors are of the view that the expected losses from China do not have to affect the dividend payments based on profits generated from Singapore, Hong Kong and Malaysia operations
- The Dividend Guidance for FY2016 takes into account the consideration that the Group has a strong balance sheet, and overall healthy operating cash flows from Singapore, Hong Kong and Malaysia
- In 2016, the Group's Dividend Guidance is: "For FY2016, our Directors intend to recommend and distribute dividends of 60% of our Group's net profit (excluding our China operation, and exceptional items)"



# Section III: Appendices



# Business Overview

- We are an Internet-based investment products distribution platform with assets under administration (AUA) of S\$5.64 billion as at 31 December 2015 (stock code: AIY)
- Two main business divisions:
  - Business-to-Consumer (B2C) website, Fundsupermart.com, targeted at DIY investors (AUA of S\$1.42 billion); and
  - Business-to-Business (B2B) platform that caters to the specialised needs of over 170 financial advisory (FA) companies, financial institutions and banks (AUA of S\$4.22 billion), which in turn have more than 5,500 wealth advisers
- Distribution of over 2,500 Investment Products, including over 1,800 funds, bonds and Singapore Government Securities (SGS), and ETFs
- Our mission statement is, “To help investors around the world invest globally and profitably”
- Winner of the “Most Transparent Company Award 2015, New Issues Category” at the SIAS Investors’ Choice Awards 2015, and the “Best Investor Relations - Merit Award” for First-Year Listed Companies at the Singapore Corporate Awards 2015

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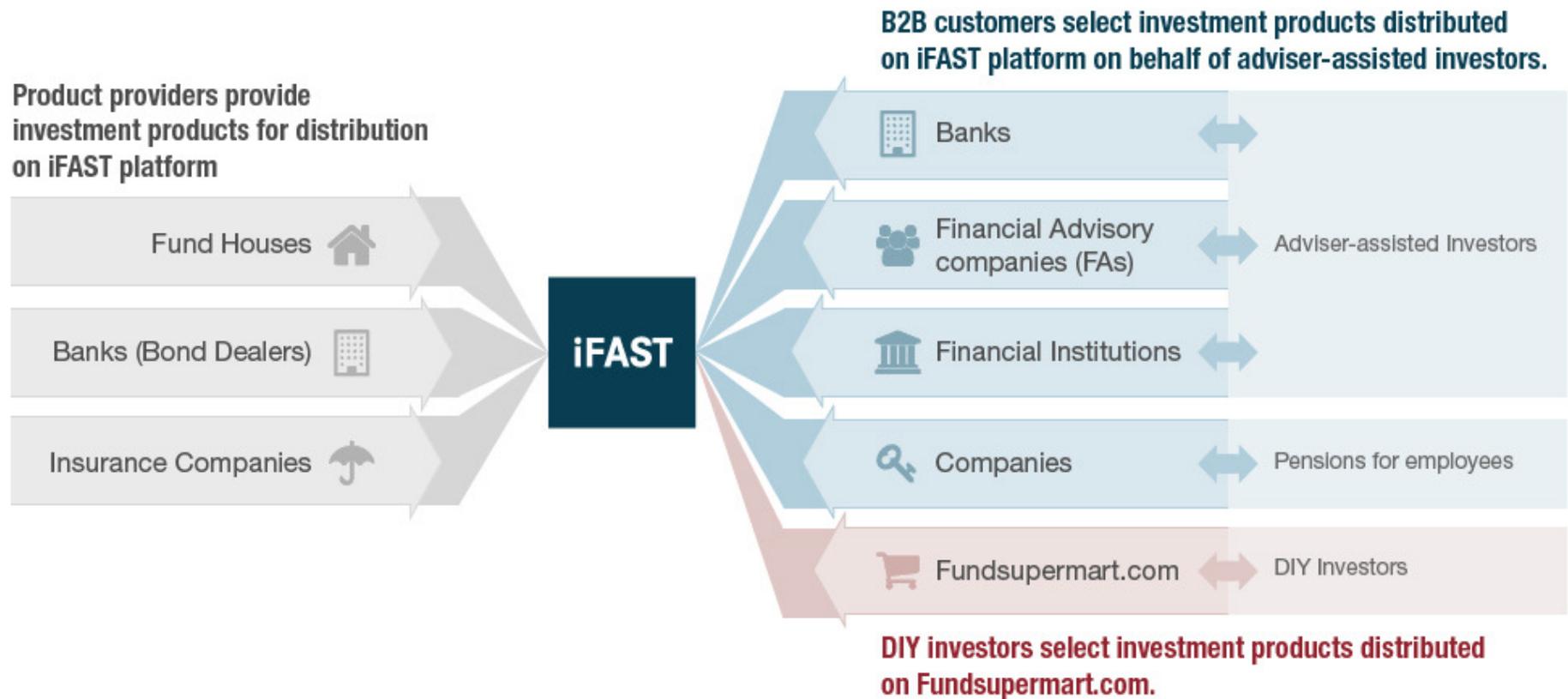


iFAST

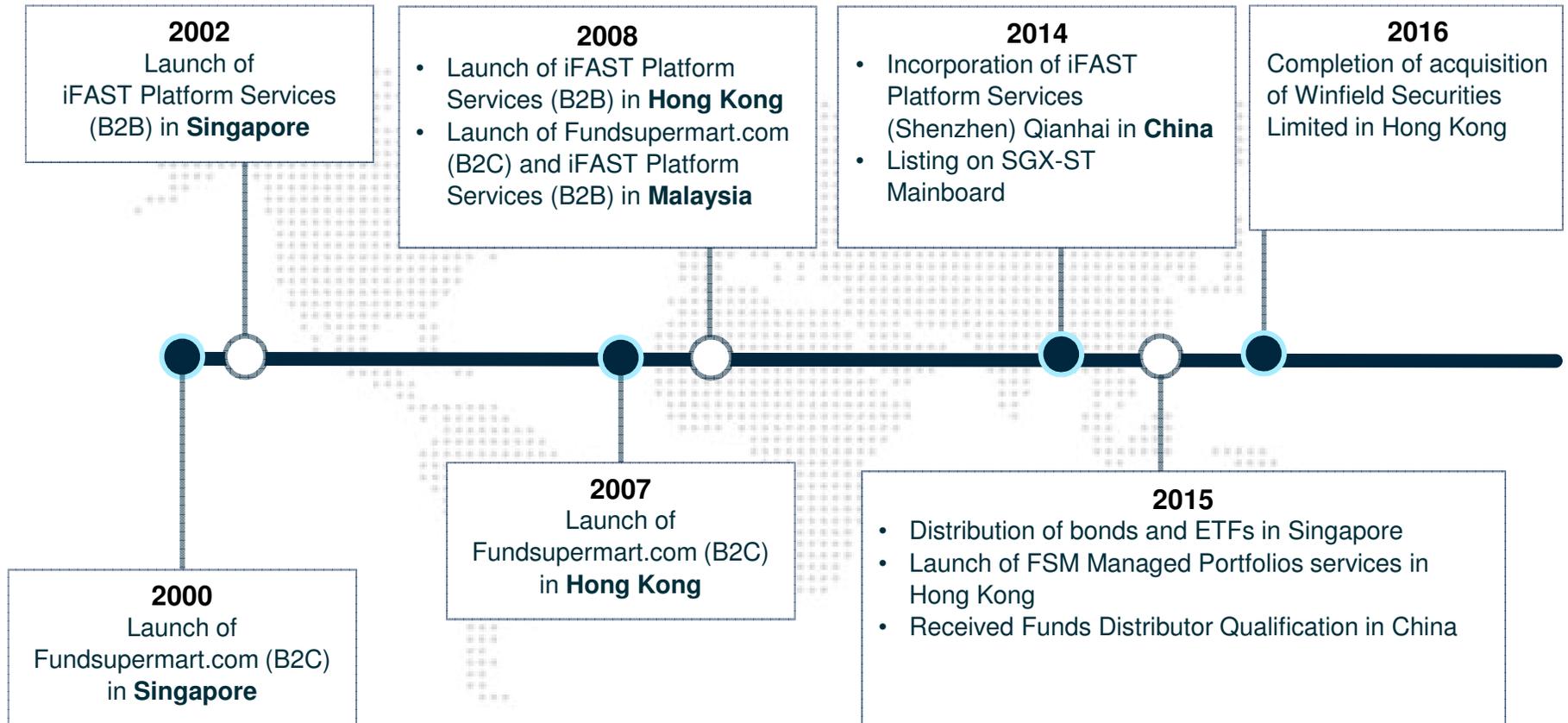
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# Business Model



# Our Milestones



# Our Value Proposition

## Suppliers

- One platform, multiple B2B and B2C customers
- No need to enter into individual distribution agreement and business relationship with customers



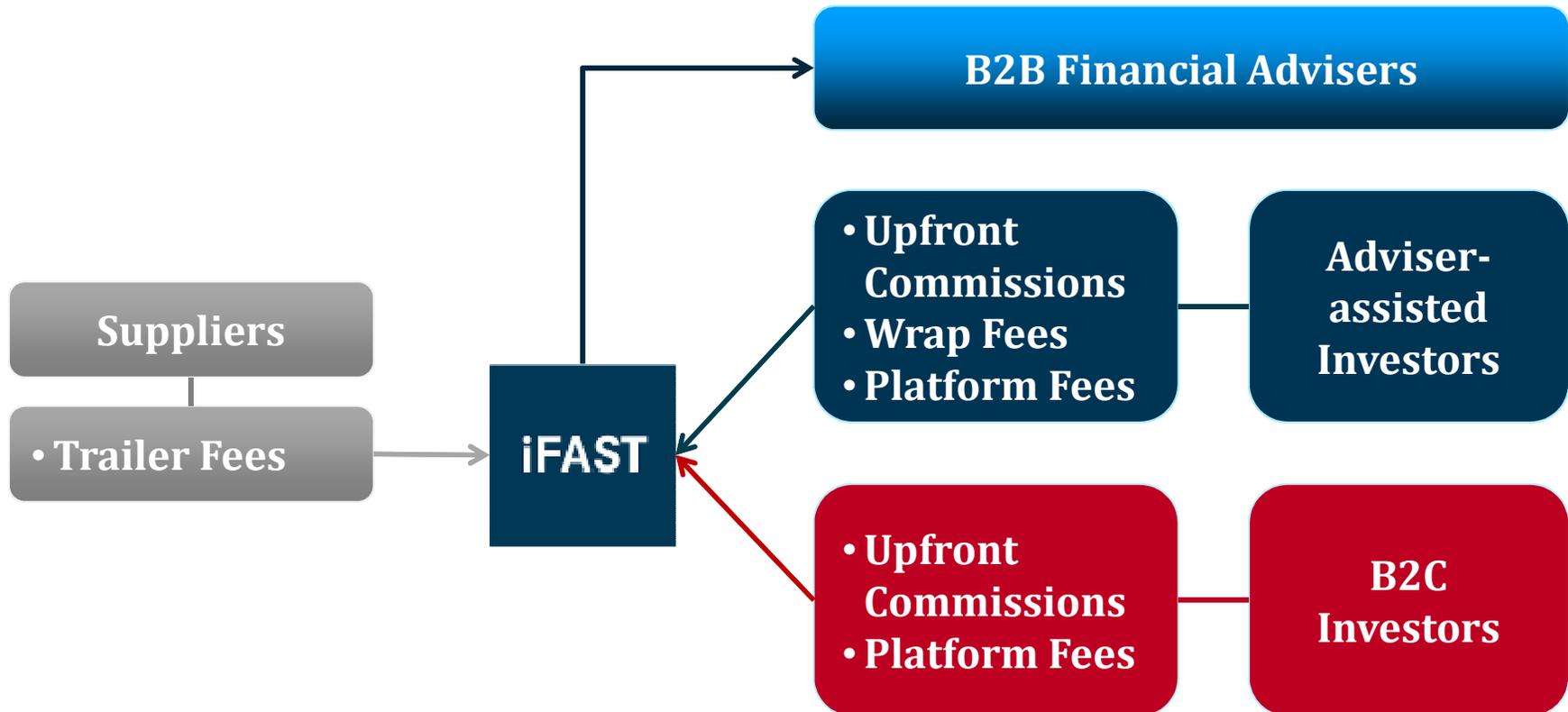
## B2B Financial Advisers

- One platform, multiple investment products
- Adoption of recurring revenue business model based on Assets Under Administration (“AUA”)
- Platform performs efficient collection of fees
- Backroom functions managed by platform
- Competitive fee-sharing structure

## B2C Customers

- One platform, multiple investment products
- Competitive and transparent fee structure
- Award-winning websites and mobile applications
- Availability of Client Investment Specialist if advice is required

# Fees Illustration





Thank you.

For more information, please visit  
[www.ifastcorp.com](http://www.ifastcorp.com)