

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 Full-Year 2016
Financial Statements Announcement**

Fourth Quarter and Full Year Ended 31 December 2016 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 fourth quarter and full year ended 31 December 2016

	Group			Group		
	4Q16 \$'000	4Q15 \$'000	Change %	FY16 \$'000	FY15 \$'000	Change %
Revenue	21,547	20,735	3.9	80,596	85,339	(5.6)
Commission and fee paid or payable to third party financial advisers	(10,568)	(10,579)	(0.1)	(39,904)	(43,805)	(8.9)
	10,979	10,156	8.1	40,692	41,534	(2.0)
Other income	471	417	12.9	1,884	1,525	23.5
Depreciation of plant and equipment	(411)	(298)	37.9	(1,578)	(997)	58.3
Amortisation of intangible assets	(495)	(196)	152.6	(1,492)	(487)	206.4
Staff costs	(5,210)	(4,176)	24.8	(19,275)	(17,213)	12.0
Impairment loss on investment in financial assets	(684)	-	NM	(684)	-	NM
Other operating expenses	(3,380)	(3,336)	1.3	(14,131)	(12,386)	14.1
Results from operating activities	1,270	2,567	(50.5)	5,416	11,976	(54.8)
Finance income	200	256	(21.9)	838	799	4.9
Finance cost	(1)	-	NM	(2)	-	NM
Net finance income	199	256	(22.3)	836	799	4.6
Share of results of associates, net of tax	(70)	(9)	677.8	(158)	(24)	558.3
Profit before tax	1,399	2,814	(50.3)	6,094	12,751	(52.2)
Tax (expense) / benefit	(304)	49	NM	(761)	(651)	16.9
Profit for the period / year	1,095	2,863	(61.8)	5,333	12,100	(55.9)
Profit attributable to:						
Owners of the Company	1,147	2,863	(59.9)	5,447	12,100	(55.0)
Non-controlling interests	(52)	-	NM	(114)	-	NM
Profit for the period / year	1,095	2,863	(61.8)	5,333	12,100	(55.9)

NM denotes not meaningful.

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 fourth quarter and full year ended 31 December 2016

	4Q16	Group 4Q15	Change	FY16	Group FY15	Change
	\$'000	\$'000	%	\$'000	\$'000	%
Profit for the period / year	1,095	2,863	(61.8)	5,333	12,100	(55.9)
Other comprehensive income						
Items that are or may be reclassified subsequently to profit or loss:						
Net change in fair value of available-for-sale financial assets	28	333	(91.6)	534	(435)	NM
Net change in fair value of available-for-sale financial assets reclassified to profit or loss	543	(173)	NM	311	(422)	NM
Foreign currency translation differences for foreign operations	594	(93)	NM	64	76	(15.8)
Share of other comprehensive income of associates	8	-	NM	8	-	NM
Other comprehensive income for the period / year, net of tax	1,173	67	1,650.7	917	(781)	NM
Total comprehensive income for the period / year	2,268	2,930	(22.6)	6,250	11,319	(44.8)
Attributable to:						
Owners of the Company	2,318	2,930	(20.9)	6,363	11,319	(43.8)
Non-controlling interests	(50)	-	NM	(113)	-	NM
Total comprehensive income for the period / year	2,268	2,930	(22.6)	6,250	11,319	(44.8)

NM denotes not meaningful.

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

	Group			Group		
	4Q16	4Q15	Change	FY16	FY15	Change
	\$'000	\$'000	%	\$'000	\$'000	%
<u>Profit for the period / year is arrived at after charging / (crediting) the following:</u>						
Other income						
- Investment income	(424)	(372)	14.0	(1,220)	(1,243)	(1.9)
- Government grant	(41)	(32)	28.1	(257)	(133)	93.2
- Gain on acquisition of a subsidiary	-	-	NM	(262)	-	NM
- Miscellaneous income	(6)	(13)	(53.8)	(145)	(149)	(2.7)
	(471)	(417)	12.9	(1,884)	(1,525)	23.5
Interest income						
- from cash and cash equivalents	(82)	(120)	(31.7)	(355)	(362)	(1.9)
- from investment in financial assets	(118)	(136)	(13.2)	(483)	(437)	10.5
	(200)	(256)	(21.9)	(838)	(799)	4.9
Operating lease expense	1,501	1,392	7.8	5,699	5,305	7.4
Bad debts written off	5	4	25.0	5	4	25.0
Unrealised exchange (gain) / loss, net	(116)	125	NM	193	(159)	NM
Equity-settled share-based payment transactions, included in staff costs	444	305	45.6	1,614	1,216	32.7
Equity-settled share-based payment transactions, included in commission and fee paid or payable to third party financial advisers	83	84	(1.2)	333	167	99.4
Gain on redemption of investment in financial assets, included in investment income	(198)	(173)	14.5	(438)	(422)	3.8

NM denotes not meaningful.

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		As at	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
	\$'000	\$'000	\$'000	\$'000
Assets				
Plant and equipment	2,187	2,438	51	78
Intangible assets	10,375	5,163	7,367	3,882
Subsidiaries	-	-	48,313	44,292
Associates	1,829	362	2,017	400
Prepayments	302	499	-	-
Deferred tax assets	-	4	-	-
Club membership	11	11	11	11
Total non-current assets	14,704	8,477	57,759	48,663
Current tax receivable	80	58	-	-
Other investments	32,127	31,964	32,127	31,964
Trade and other receivables	24,091	19,877	2,135	1,684
Prepayments	1,662	1,384	94	160
Cash at bank and in hand	20,974	28,075	3,595	6,974
Money market funds	1,490	1,445	-	-
Total current assets	80,424	82,803	37,951	40,782
Held under trust				
Client bank accounts	156,078	114,731	-	-
Client ledger balances	(156,078)	(114,731)	-	-
	-	-	-	-
Total assets	95,128	91,280	95,710	89,445
Equity				
Share capital	64,147	62,546	64,147	62,546
Reserves	14,299	14,013	16,041	17,022
Equity attributable to owners of the Company	78,446	76,559	80,188	79,568
Non-controlling interests	150	-	-	-
Total equity	78,596	76,559	80,188	79,568
Liabilities				
Deferred tax liabilities	481	239	196	-
Finance lease liabilities	19	-	-	-
Total non-current liabilities	500	239	196	-
Trade and other payables	15,524	13,836	15,326	9,877
Finance lease liabilities	4	-	-	-
Current tax payable	504	646	-	-
Total current liabilities	16,032	14,482	15,326	9,877
Total liabilities	16,532	14,721	15,522	9,877
Total equity and liabilities	95,128	91,280	95,710	89,445

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-Dec-16 \$'000		As at 31-Dec-15 \$'000	
	Secured	Unsecured	Secured	Unsecured
Finance lease liabilities	4	-	-	-

Amount repayable after one year

	Group			
	As at 31-Dec-16 \$'000		As at 31-Dec-15 \$'000	
	Secured	Unsecured	Secured	Unsecured
Finance lease liabilities	19	-	-	-

Details of any collateral

The finance lease liabilities as at 31 December 2016 are secured by the leased assets.

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		Group	
	4Q16 \$'000	4Q15 \$'000	FY16 \$'000	FY15 \$'000
Cash flows from operating activities				
Profit for the period / year	1,095	2,863	5,333	12,100
Adjustments for:				
Depreciation of plant and equipment	411	298	1,578	997
Amortisation of intangible assets	495	196	1,492	487
Bad debts written off	5	4	5	4
Equity-settled share-based payment transactions	527	389	1,947	1,383
Dividend income on investment in financial assets	(165)	(194)	(691)	(801)
Gain on redemption of investment in financial assets	(198)	(173)	(438)	(422)
Changes in fair value of investment in financial assets	(52)	-	(64)	-
Share of results of associates, net of tax	70	9	158	24
Dividend income on investment in associates	(9)	(5)	(27)	(20)
Unrealised exchange (gain) / loss, net	(116)	125	193	(159)
Gain on disposal of plant and equipment	-	-	-	(1)
Gain on acquisition of a subsidiary	-	-	(262)	-
Impairment loss on investment in financial assets	684	-	684	-
Net finance income	(199)	(256)	(836)	(799)
Tax expense / (benefit)	304	(49)	761	651
	2,852	3,207	9,833	13,444
Change in trade and other receivables	(3,311)	(400)	(5,296)	(3)
Change in trade and other payables	1,485	1,154	834	321
	1,026	3,961	5,371	13,762
Cash generated from operations				
Tax paid	(15)	(17)	(679)	(301)
Interest received	197	257	940	717
Interest paid	(1)	-	(2)	-
	1,207	4,201	5,630	14,178
Net cash from operating activities				
Cash flows from investing activities				
Purchase of plant and equipment	(278)	(895)	(1,334)	(1,654)
Purchase of intangible assets	(2,080)	(1,541)	(5,372)	(4,035)
Proceeds from disposal of plant and equipment	-	-	-	1
Acquisition of and additional investment in associates	-	-	(1,617)	-
Dividend from associates	-	-	20	19
Purchase of investment in financial assets	(5,727)	(5,214)	(32,471)	(43,128)
Proceeds from redemption of investment in financial assets	6,591	11,031	35,008	32,699
Dividends received from investment in financial assets	9	4	39	10
Acquisition of subsidiary, net of cash acquired	-	-	(1,104)	-
	(1,485)	3,385	(6,831)	(16,088)
Net cash (used in) / from investing activities				
Cash flows from financing activities				
Proceeds from issue of shares, net	-	-	-	2,969
Proceeds from exercise of share options	5	29	1,601	235
Purchase of treasury shares	(736)	-	(2,531)	-
Proceeds from shares issued to non-controlling interests of subsidiary	-	-	2,414	-
Repayment of finance lease liabilities	(1)	-	(3)	-
Dividends paid to owners of the Company	(1,787)	(1,774)	(7,311)	(7,085)
	(2,519)	(1,745)	(5,830)	(3,881)
Net cash used in financing activities				
Net (decrease) / increase in cash and cash equivalents				
	(2,797)	5,841	(7,031)	(5,791)
Cash and cash equivalents at beginning of the period / year	24,842	23,754	29,520	35,388
Effect of exchange rate fluctuations on cash held	419	(75)	(25)	(77)
	22,464	29,520	22,464	29,520
Cash and cash equivalents at end of the period / year				

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										
	Share capital \$'000	Fair value reserve \$'000	Foreign currency translation reserve \$'000	Attributable to owners of the Company					Total \$'000	Non-controlling interests \$'000	Total equity \$'000
Share option reserve \$'000				Performance share reserve \$'000	Equity reserve \$'000	Reserve for own shares \$'000	Accumulated profits \$'000				
At 1 January 2016	62,546	(833)	(606)	1,306	826	(4,161)	-	17,481	76,559	-	76,559
Total comprehensive income for the year											
Profit / (Loss) for the year	-	-	-	-	-	-	-	5,447	5,447	(114)	5,333
Other comprehensive income											
Net change in fair value of available-for-sale financial assets	-	534	-	-	-	-	-	-	534	-	534
Net change in fair value of available-for-sale financial assets reclassified to profit or loss	-	311	-	-	-	-	-	-	311	-	311
Foreign currency translation differences for foreign operations	-	-	63	-	-	-	-	-	63	1	64
Share of other comprehensive income of associates	-	-(1)	8	-	-	-	-	-	8	-	8
Total other comprehensive income	-	845	71	-	-	-	-	-	916	1	917
Total comprehensive income for the year	-	845	71	-	-	-	-	5,447	6,363	(113)	6,250
Transactions with owners, recorded directly in equity											
Contributions by and distributions to owners											
Share options exercised	1,601	-	-	-	-	-	-	-	1,601	-	1,601
Purchase of treasury shares	-	-	-	-	-	-	(2,531)	-	(2,531)	-	(2,531)
One-tier tax-exempt 2015 final dividend paid of 0.75 cents per share	-	-	-	-	-	-	-	(1,959)	(1,959)	-	(1,959)
One-tier tax-exempt interim dividend paid of 0.68 cents per share	-	-	-	-	-	-	-	(1,776)	(1,776)	-	(1,776)
One-tier tax-exempt interim dividend paid of 0.68 cents per share	-	-	-	-	-	-	-	(1,789)	(1,789)	-	(1,789)
One-tier tax-exempt interim dividend paid of 0.68 cents per share	-	-	-	-	-	-	-	(1,787)	(1,787)	-	(1,787)
Equity-settled share-based payment transactions	-	-	-	190	1,424	-	-	-	1,614	-	1,614
Total contributions by and distribution to owners	1,601	-	-	190	1,424	-	(2,531)	(7,311)	(6,627)	-	(6,627)
Changes in ownership interests in subsidiaries											
Issue of shares to non-controlling interests of a subsidiary	-	-	-	-	-	2,151	-	-	2,151	263	2,414
Total changes in ownership interests in subsidiaries	-	-	-	-	-	2,151	-	-	2,151	263	2,414
Total transactions with owners	1,601	-	-	190	1,424	2,151	(2,531)	(7,311)	(4,476)	263	(4,213)
At 31 December 2016	64,147	12	(535)	1,496	2,250	(2,010)	(2,531)	15,617	78,446	150	78,596

⁽¹⁾ 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									Non-controlling interests \$'000
Share capital \$'000	Fair value reserve \$'000	Foreign currency translation reserve \$'000	Share option reserve \$'000	Performance share reserve \$'000	Equity reserve \$'000	Accumulated profits \$'000	Total \$'000			
At 1 January 2015	58,342	24	(682)	916	-	(4,161)	12,466	66,905	-	66,905
Total comprehensive income for the year										
Profit for the year	-	-	-	-	-	-	12,100	12,100	-	12,100
Other comprehensive income										
Net change in fair value of available-for-sale financial assets	-	(435)	-	-	-	-	-	(435)	-	(435)
Net change in fair value of available-for-sale financial assets reclassified to profit or loss	-	(422)	-	-	-	-	-	(422)	-	(422)
Foreign currency translation differences for foreign operations	-	-	76	-	-	-	-	76	-	76
Total other comprehensive income	-	(857)	76	-	-	-	-	(781)	-	(781)
Total comprehensive income for the year	-	(857)	76	-	-	-	12,100	11,319	-	11,319
Transactions with owners, recorded directly in equity										
Contributions by and distributions to owners										
Share options exercised	235	-	-	-	-	-	-	235	-	235
Issue of ordinary shares	4,116	-	-	-	-	-	-	4,116	-	4,116
Share issuance expenses	(147)	-	-	-	-	-	-	(147)	-	(147)
One-tier tax-exempt 2014 final dividend paid of 0.68 cents per share	-	-	-	-	-	-	(1,768)	(1,768)	-	(1,768)
One-tier tax-exempt interim dividend paid of 0.68 cents per share	-	-	-	-	-	-	(1,769)	(1,769)	-	(1,769)
One-tier tax-exempt interim dividend paid of 0.68 cents per share	-	-	-	-	-	-	(1,774)	(1,774)	-	(1,774)
One-tier tax-exempt interim dividend paid of 0.68 cents per share	-	-	-	-	-	-	(1,774)	(1,774)	-	(1,774)
Equity-settled share-based payment transactions	-	-	-	390	826	-	-	1,216	-	1,216
Total contributions by and distribution to owners	4,204	-	-	390	826	-	(7,085)	(1,665)	-	(1,665)
Total transactions with owners	4,204	-	-	390	826	-	(7,085)	(1,665)	-	(1,665)
At 31 December 2015	62,546	(833)	(606)	1,306	826	(4,161)	17,481	76,559	-	76,559

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 \$'000
	Share capital \$'000	Fair value reserve \$'000	Share option reserve \$'000	Performance share reserve \$'000	Reserve for own shares \$'000	Accumulated profits \$'000	
At 1 January 2016	62,546	(833)	1,306	826	-	15,723	79,568
Total comprehensive income for the year							
Profit for the year	-	-	-	-	-	6,402	6,402
Other comprehensive income							
Net change in fair value of available-for-sale financial assets	-	534	-	-	-	-	534
Net change in fair value of available-for-sale financial assets reclassified to profit or loss	-	311	-	-	-	-	311
Total other comprehensive income	-	845	-	-	-	-	845
Total comprehensive income for the year	-	845	-	-	-	6,402	7,247
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Share options exercised	1,601	-	-	-	-	-	1,601
Purchase of treasury shares	-	-	-	-	(2,531)	-	(2,531)
One-tier tax-exempt 2015 final dividend paid of 0.75 cents per share	-	-	-	-	-	(1,959)	(1,959)
One-tier tax-exempt interim dividend paid of 0.68 cents per share	-	-	-	-	-	(1,776)	(1,776)
One-tier tax-exempt interim dividend paid of 0.68 cents per share	-	-	-	-	-	(1,789)	(1,789)
One-tier tax-exempt interim dividend paid of 0.68 cents per share	-	-	-	-	-	(1,787)	(1,787)
Equity-settled share-based payment transactions	-	-	190	1,424	-	-	1,614
Total contributions by and distribution to owners	1,601	-	190	1,424	(2,531)	(7,311)	(6,627)
Total transactions with owners	1,601	-	190	1,424	(2,531)	(7,311)	(6,627)
At 31 December 2016	64,147	12	1,496	2,250	(2,531)	14,814	80,188

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						
	Share capital \$'000	Fair value reserve \$'000	Share option reserve \$'000	Performance share reserve \$'000	Reserve for own shares \$'000	Accumulated profits \$'000	Total equity \$'000
At 1 January 2015	58,342	24	916	-	-	18,702	77,984
Total comprehensive income for the year							
Profit for the year	-	-	-	-	-	4,106	4,106
Other comprehensive income							
Net change in fair value of available-for-sale financial assets	-	(435)	-	-	-	-	(435)
Net change in fair value of available-for-sale financial assets reclassified to profit or loss	-	(422)	-	-	-	-	(422)
Total other comprehensive income	-	(857)	-	-	-	-	(857)
Total comprehensive income for the year	-	(857)	-	-	-	4,106	3,249
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Share options exercised	235	-	-	-	-	-	235
Issue of ordinary shares	4,116	-	-	-	-	-	4,116
Share issuance expenses	(147)	-	-	-	-	-	(147)
One-tier tax-exempt 2014 final dividend paid of 0.68 cents per share	-	-	-	-	-	(1,768)	(1,768)
One-tier tax-exempt interim dividend paid of 0.68 cents per share	-	-	-	-	-	(1,769)	(1,769)
One-tier tax-exempt interim dividend paid of 0.68 cents per share	-	-	-	-	-	(1,774)	(1,774)
One-tier tax-exempt interim dividend paid of 0.68 cents per share	-	-	-	-	-	(1,774)	(1,774)
Equity-settled share-based payment transactions	-	-	390	826	-	-	1,216
Total contributions by and distribution to owners	4,204	-	390	826	-	(7,085)	(1,665)
Total transactions with owners	4,204	-	390	826	-	(7,085)	(1,665)
At 31 December 2015	62,546	(833)	1,306	826	-	15,723	79,568

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, 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 also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares 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.

The number of shares in issue in the Company as at 31 December 2016 excluding treasury shares was 262,223,415 ordinary shares (30 September 2016: 262,970,615 ordinary shares). The movements in the Company's share capital during the fourth quarter ended 31 December 2016 were as follows:

	Number of ordinary shares
As at 1 October 2016	262,970,615
Exercise of share options	13,700
Purchase of treasury shares	(760,900)
As at 31 December 2016	<u>262,223,415</u>

Share Option Schemes 2003 and 2013 ("iFAST SOS")

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

	Number of share options
As at 1 October 2016	7,360,154
Share options granted	-
Exercised	(13,700)
Forfeited	-
As at 31 December 2016	<u>7,346,454</u>

As at 31 December 2016, the number of outstanding share options under the iFAST SOS was 7,346,454 (31 December 2015: 11,627,096).

iFAST Corporation Performance Share Plan ("iFAST PSP")

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

	Number of performance shares
As at 1 October 2016	3,151,200
Performance shares granted but not vested	-
Vested	-
Forfeited	(14,800)
As at 31 December 2016	<u>3,136,400</u>

As at 31 December 2016, the number of outstanding performance shares granted but not vested under the iFAST PSP was 3,136,400 (31 December 2015: 1,860,000).

Treasury shares

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

	Number of treasury shares
As at 1 October 2016	1,922,400
Purchased by way of on-market acquisition	760,900
Purchased by way of off-market acquisition	-
Re-issued	-
As at 31 December 2016	<u>2,683,300</u>

During 4Q16, the Company acquired 760,900 (4Q15: Nil) ordinary shares in the Company by way of on-market purchases. As at 31 December 2016, 2,683,300 (31 December 2015: Nil) treasury shares were held by the Company that may be re-issued upon the exercise of share options under the iFAST SOS and upon the vesting of performance shares under the iFAST PSP.

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-Dec-16	As at 31-Dec-15
Total number of issued shares excluding treasury shares	<u>262,223,415</u>	<u>260,977,301</u>

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

There were no sales, transfer, disposal, cancellation and/or use of treasury shares as at 31 December 2016.

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.

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 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 Singapore Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are effective for annual period 1 January 2016. The adoption of these FRSs and INT FRSs 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.

	4Q16	4Q15	FY16	FY15
(i) Based on weighted average number of ordinary shares on issue				
- Weighted average number of ordinary shares	262,414,248	260,950,968	261,890,580	260,431,740
Basic earnings per share (cents)	0.44	1.10	2.08	4.65
(ii) On a fully diluted basis of ordinary shares				
- Adjusted weighted average number of ordinary shares	265,979,889	269,027,183	267,347,773	268,441,551
Diluted earnings per share (cents)	0.43	1.06	2.04	4.51

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-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
Net asset value per ordinary share (cents)	29.92	29.34	30.58	30.49

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

Revenue

The Group reported revenue of \$80.60 million for the financial year ended 31 December 2016 ("FY16"), being 5.6% lower than the last financial year ("FY15"). The decline was mainly due to the highly volatile market sentiment in FY16.

However, the Group achieved revenue of \$21.55 million for the fourth quarter ended 31 December 2016 ("4Q16"), being 3.9% higher than the fourth quarter last year ("4Q15") and 2.6% higher than the third quarter this year ("3Q16"). The year-on-year ("YoY") and quarter-on-quarter ("QoQ") increases in 4Q16 were mainly due to the growth of the Group's business and Asset Under Administration ("AUA") in the period, which was contributed by the Group's continuing efforts to broaden the range and depth of its investment products and services in the year.

Breaking down by geographical segment, Singapore operation is still the major contributor of the Group's revenue. Although its revenue decreased by 4.0% YoY in FY16, the revenue in Singapore operation grew 8.0% YoY in 4Q16, which was mainly contributed by increases in investment subscription amounts (including transfer-in amounts) in UTs, bonds and ETFs in the quarter. In December 2016, SG launched a new FSMOne platform allowing investors in Singapore to invest in multiple products, including stocks, ETFs, bonds, MAPS (My Assisted Portfolio Solution) and insurance products, via one account.

In Malaysia, the volatile market sentiment in 4Q16 resulted in a YoY decrease in transaction income as a result of decreased investment subscription from customers in the quarter. However, the average AUA of Malaysia operation grew 35.4% YoY in FY16. It contributed to an increase of 4.3% YoY in revenue in FY16.

In Hong Kong, the revenue decreased by 6.5% YoY in 4Q16 and 16.3% YoY in FY16. The decline was mainly due to the adverse impacts of the sharp sell-down in equity markets in China/Hong Kong at the beginning of 2016 and the suspension of Capital Investment Entrant Scheme ("CIES") in 2015. However, contributed by Hong Kong operation's continuing efforts to broaden the range and depth of its investment products and services, the AUA of Hong Kong operation grew 2.7% QoQ as at 31 December 2016. It resulted in an increase of 1.5% QoQ in revenue in 4Q16.

Following the soft launch of our China business in March 2016, China operation has launched its platform for their customers to transact into investment products. Benefiting from transactions received from China-based investors for their investments in onshore Chinese market as well as offshore Chinese markets, China operation has contributed revenue of \$0.26 million in 4Q16 and \$0.70 million in FY16.

	Group			Group		
	4Q16 \$'000	4Q15 \$'000	Change %	FY16 \$'000	FY15 \$'000	Change %
Singapore	15,822	14,650	8.0	58,719	61,169	(4.0)
Hong Kong	4,193	4,483	(6.5)	16,426	19,616	(16.3)
Malaysia	1,268	1,602	(20.8)	4,748	4,554	4.3
	21,283	20,735	2.6	79,893	85,339	(6.4)
China	264	-	NM	703	-	NM
Total revenue	21,547	20,735	3.9	80,596	85,339	(5.6)

NM denotes not meaningful.

Commission and fee paid or payable to third party financial advisers

Commission and fee paid or payable to third party financial advisers decreased by 0.1% from \$10.58 million in 4Q15 to \$10.57 million in 4Q16, which was due mainly to a decrease in commission income derived from investment subscriptions from Business-to-Business ("B2B") business in the quarter. The commission and fee paid or payable to third party financial advisers decreased by 8.9% from \$43.81 million in FY15 to \$39.90 million in FY16, which was due mainly to a decrease in revenue from B2B business in the year.

Net revenue

Net revenue represents revenue earned by the Group after commission and fee paid or payable to third party financial advisers. Although the net revenue of \$40.69 million in FY16 was 2.0% lower than FY15, the net revenue of \$10.98 million in 4Q16 was 8.1% higher than 4Q15 and 2.8% higher than 3Q16.

The following table shows the breakdown of the Group's net revenue, by recurring and non-recurring basis. In 4Q16, 82.3% of net revenue is derived from recurring net revenue and 17.7% is from non-recurring net revenue. In FY16, 85.3% of net revenue is derived from recurring net revenue and 14.7% is from non-recurring net revenue.

	Group			Group		
	4Q16 \$'000	4Q15 \$'000	Change %	FY16 \$'000	FY15 \$'000	Change %
Recurring net revenue	9,037	8,678	4.1	34,714	34,647	0.2
Non-recurring net revenue	1,942	1,478	31.4	5,978	6,887	(13.2)
Total net revenue	10,979	10,156	8.1	40,692	41,534	(2.0)

Recurring net revenue is calculated based on a percentage of average AUA of Investment Products distributed on the Group's platforms, which comprises trailer fees, platform fees and wrap fees. The YoY increases in recurring net revenue in both 4Q16 and FY16 were mainly due to an increase in average AUA for both B2B business and B2C business, which benefited from new inflows of investments from customers in the fourth quarter. The average AUA of the Group grew 1.2% YoY to \$5.70 billion in FY16 and 6.9% YoY to \$5.97 billion in 4Q16.

Non-recurring revenue mainly comprises commission income derived from investment subscription via front-end load commissions or processing fees; service fees arising from the provision of currency conversion administration services to customers and the provision of administration services to financial advisory firms; and advertising fee earned from advertisements placed by third parties on iFAST websites and mobile applications. The YoY increase in non-recurring net revenue in 4Q16 was mainly due to an increase in service fees on the provision of currency conversion administration services to customers following the increased customers' investments in foreign-currency denominated investment products in the quarter. The YoY decrease in non-recurring net revenue in FY16 was mainly due to a decrease in commission income as a result of relatively weak investment appetite of customers, due to the volatile market sentiment in the year.

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

	Group			Group		
	4Q16 \$'000	4Q15 \$'000	Change %	FY16 \$'000	FY15 \$'000	Change %
Singapore	7,956	7,406	7.4	29,539	30,045	(1.7)
Hong Kong	2,280	2,203	3.5	8,658	9,552	(9.4)
Malaysia	611	547	11.7	2,260	1,937	16.7
	10,847	10,156	6.8	40,457	41,534	(2.6)
China	132	-	NM	235	-	NM
Total net revenue	10,979	10,156	8.1	40,692	41,534	(2.0)

NM denotes not meaningful.

Other income

Other income increased by \$0.05 million or 12.9% from \$0.42 million in 4Q15 to \$0.47 million in 4Q16, due mainly to a higher investment income in the quarter. The other income increased by \$0.36 million or 23.5% from \$1.52 million in FY15 to \$1.88 million in FY16, largely due to a gain of \$0.26 million recognised upon completing the acquisition of a stockbroking firm in Hong Kong, iFAST Securities (HK) Limited (formerly known as Winfield Securities Limited), in 1Q16.

Operating expenses

Excluding China operation and impairment loss mentioned below, the Group's operating expenses increased by \$0.63 million or 8.2% from \$7.67 million in 4Q15 to \$8.30 million in 4Q16, and \$2.38 million or 7.9% from \$30.06 million in FY15 to \$32.44 million in FY16. The increase was in line with the Group's increased efforts in enhancing our platform capabilities including improving the range of investment products and services being provided to customers in the existing markets in the year.

For our China operation, the operating expenses increased by \$0.86 million or 253.8% from \$0.34 million in 4Q15 to \$1.20 million in 4Q16, and \$3.00 million or 292.6% from \$1.03 million in FY15 to \$4.03 million in FY16. The increase was due mainly to our continuing efforts in building

our brand and business in the new China market, including setup of a second office in Shanghai and recruitments of wealth advisers, in FY16.

In 4Q16, an impairment loss on investment in available-for-sale financial assets amounting to \$0.68 million was recognised in Singapore operation, due mainly to a mark-to-market loss following a decline in market value of certain equity and fixed income unit trusts acquired in 2015.

Overall, the Group's total operating expenses increased by \$2.17 million or 27.2% from \$8.01 million in 4Q15 to \$10.18 million in 4Q16, and \$6.08 million or 19.6% from \$31.08 million in FY15 to \$37.16 million in FY16. The following table includes the breakdown of the Group's operating expenses by its existing markets and new China market.

	Group			Group		
	4Q16 \$'000	4Q15 \$'000	Change %	FY16 \$'000	FY15 \$'000	Change %
Operating expenses (excluding China operation)	8,300	7,668	8.2	32,444	30,056	7.9
Operating expenses in China operation	1,196	338	253.8	4,032	1,027	292.6
Impairment loss on investment in financial assets	684	-	NM	684	-	NM
Total operating expenses	<u>10,180</u>	<u>8,006</u>	<u>27.2</u>	<u>37,160</u>	<u>31,083</u>	<u>19.6</u>

NM denotes not meaningful.

Depreciation of plant and equipment increased by \$0.11 million or 37.9% from \$0.30 million in 4Q15 to \$0.41 million in 4Q16, and \$0.58 million or 58.3% from \$1.00 million in FY15 to \$1.58 million in FY16. Amortisation of intangible assets increased by \$0.30 million or 152.6% from \$0.20 million in 4Q15 to \$0.50 million in 4Q16, and \$1.00 million or 206.4% from \$0.49 million in FY15 to \$1.49 million in FY16. These were due mainly to additions of plant and equipment and intangible assets (including internally-developed IT software assets) in FY16, to support our business expansion in the countries that the Group operates in and continuously strengthen the capabilities of financial technologies ("FinTech") on our platforms.

Staff costs increased by \$1.03 million or 24.8% from \$4.18 million in 4Q15 to \$5.21 million in 4Q16 and \$2.07 million or 12.0% from \$17.21 million in FY15 to \$19.28 million in FY16, due mainly to the annual salary increment adjusted in January 2016, the increased number of staff (especially in China operation) and the increased costs of equity-settled share-based payment transactions resulting from additional batches of performance shares granted to the Group's employees in the year.

Other operating expenses, excluding impairment loss on investment in financial assets amounting to \$0.68 million recognised in 4Q16, increased by \$0.04 million or 1.3% from \$3.34 million in 4Q15 to \$3.38 million in 4Q16 and \$1.75 million or 14.1% from \$12.39 million in FY15 to \$14.13 million in FY16. The increase was due mainly to increases in IT maintenance and services as well as advertising and promotion costs in line with the Group's business expansion in the year, and also official opening of the new Shanghai office in China in 3Q16.

Finance income

Finance income decreased by \$0.06 million or 21.9% from \$0.26 million in 4Q15 to \$0.20 million in 4Q16, due mainly to lower interest income from short term deposits in the quarter and some redemption of investments in bond securities in the year. The finance income still increased by \$0.04 million or 4.9% from \$0.80 million in FY15 to \$0.84 million in FY16, due mainly to higher average amounts of investments in bond securities in FY16 compared to FY15.

Finance cost

The finance cost relates to office equipments acquired in 2Q16 under a finance lease for a period of five years.

Share of results of associates, net of tax

The Group's share of loss after tax of associates increased by \$0.06 million or 677.8% from \$0.01 million in 4Q15 to \$0.07 million in 4Q16 and \$0.14 million or 558.3% from \$0.02 million in FY15 to \$0.16 million in FY16. These were due mainly to share of the loss of an associate, Pecuniam Pte Ltd ("Pecuniam"), acquired in 2Q16. Pecuniam is an ultimate holding company of iFAST Financial India Pvt Ltd ("iFAST India"), an India-incorporated company engaged in the distribution of investment products including mutual funds in India. iFAST India had a AUA of Indian Rupee 16.69 billion (equivalent \$355.34 million) as at 31 December 2016, growing at a 5-year compound annual growth rate ("CAGR") of approximately 68.0%.

Tax expense

The tax expense of the Group was \$0.30 million in 4Q16 compared to the tax benefit amounting to \$0.05 million in 4Q15 and increased by \$0.11 million or 16.9% from \$0.65 million in FY15 to \$0.76 million in FY16. The increase in the effective tax rate of the Group in FY16 was due mainly to a decrease in tax incentives enjoyed by Singapore operation in the year.

Net profit for the period / year, after non-controlling interests

Overall, including China operation and impairment loss on investment in financial assets amounting to \$0.68 million recognised in 4Q16, the Group's net profit after tax decreased by \$1.71 million or 59.9% from \$2.86 million in 4Q15 to \$1.15 million in 4Q16 and \$6.65 million or 55.0% from \$12.10 million in FY15 to \$5.45 million in FY16.

Excluding China operation but including impairment loss on investment in financial assets amounting to \$0.68 million recognised in 4Q16, the Group's profit after tax decreased by \$1.05 million or 33.0% from \$3.19 million in 4Q15 to \$2.14 million in 4Q16 and \$4.02 million or 30.7% from \$13.08 million in FY15 to \$9.06 million in FY16.

The following table shows the breakdown of the Group's net profit after tax by geographical segments.

	4Q16	Group	Change	FY16	Group	Change
	\$'000	4Q15	%	\$'000	FY15	%
		\$'000			\$'000	
Singapore ⁽¹⁾	1,928	2,745	(29.8)	8,368	11,209	(25.3)
Hong Kong	177	341	(48.1)	531	1,652	(67.9)
Malaysia	103	114	(9.6)	320	243	31.7
Other ⁽²⁾	(70)	(9)	677.8	(158)	(24)	558.3
Net profit (excluding China operation) ⁽¹⁾	2,138	3,191	(33.0)	9,061	13,080	(30.7)
China	(991)	(328)	202.1	(3,614)	(980)	268.8
Net profit (including China operation)	1,147	2,863	(59.9)	5,447	12,100	(55.0)

Notes:

(1) Excluding impairment loss on investment in financial assets amounting to \$0.68 million in 4Q16, net profit in Singapore operation was \$2.61 million in 4Q16 (4Q15: \$2.75 million) and \$9.05 million in FY16 (FY15: \$11.21 million); and net profit for the Group (excluding China operation) was \$2.82 million in 4Q16 (4Q15: \$3.19 million) and \$9.74 million in FY16 (FY15: \$13.08 million).

(2) Referring to share of results of associates.

In Singapore, while net revenue increased by 7.4% YoY in 4Q16 and decreased by 1.7% YoY in FY16, net profit decreased by 5.1% YoY from \$2.75 million in 4Q15 to \$2.61 million in 4Q16 and 19.3% YoY from \$11.21 million in FY15 to \$9.05 million in FY16, excluding impairment loss on investment in financial assets amounting to \$0.68 million recognised in 4Q16. A drop in Singapore profitability resulted from the combined impacts of decreases in net revenue due to the volatile global financial markets sentiment especially in 1H16 and increases in operating expenses due to increased efforts in enhancing platform FinTech capabilities and improving the range of investment products and services being provided to customers in the year.

The profit generated from Hong Kong operation decreased by 48.1% YoY to \$0.18 million in 4Q16, and 67.9% YoY to \$0.53 million in FY16. The significant decline in Hong Kong profitability mainly resulted from the adverse impact of the sharp sell-down in equity markets in China/ Hong Kong at the beginning of 2016. However, contributed by Hong Kong operation's ongoing efforts to broaden the range and depth of its investment products and services, its net revenue grew 1.5% QoQ in 4Q16. Following the soft launch of the stockbroking platform in Hong Kong in 2Q16, the AUA of the Hong Kong stock business (including ETF) has grown to approximately 3.4% of the entire AUA on our Hong Kong platforms at 31 December 2016.

Benefiting from a significant increase in customer base in Malaysia operation, the AUA of Malaysia operation grew 29.2% YoY to Malaysian Ringgit 1.14 billion (equivalent \$366.96 million) at 31 December 2016. Although the profit generated from Malaysia operation decreased by 9.6% YoY from \$0.11 million in 4Q15 to \$0.10 million in 4Q16 mainly due to higher staff costs in 4Q15, the significant YoY increase in AUA of Malaysia operation resulted in 31.7% increase in net profit in FY16. Malaysia operation also started to distribute insurance products on its B2C platform in 3Q16.

The China operation is still in the early stages of building iFAST brand and business in this new market. The loss from China operation increased by 202.1% YoY to \$0.99 million in 4Q16, and 268.8% YoY to \$3.61 million in FY16. By 31 December 2016, China operation has signed up more than 45 fund houses with over 1,800 funds on its platform.

Statement of Financial Position

The shareholders' equity of the Group increased to \$78.45 million as at 31 December 2016 from \$76.56 million as at 31 December 2015. This was due mainly to issuance of ordinary shares resulting from exercise of share options, contribution of net profit generated in FY16 and a gain of \$2.15 million recognised directly in equity as a result of the Group's sale of 5% stake in its China business for US\$1.75 million (approximately \$2.41 million) on 29 June 2016, partially offset by payments of dividends and purchase of treasury shares in the year.

The Group's cash position (including cash at bank and in hand, money market fund and investments in financial assets categorised under other investments) decreased to \$54.59 million as at 31 December 2016 from \$61.48 million as at 31 December 2015.

Current assets decreased to \$80.42 million as at 31 December 2016 from \$82.80 million as at 31 December 2015 due mainly to a decrease in the Group's cash position, which was partially offset by increases in trade and other receivables, in the year.

Non-current assets increased to \$14.70 million as at 31 December 2016 from \$8.48 million as at 31 December 2015 due mainly to additions of intangible assets (including internally-developed IT software assets) in the year, acquisition of 21.47% stake in the ultimate holding company of iFAST India at \$1.27 million in 2Q16 and acquisitions of additional stakes in associates at \$0.34 million in 3Q16.

Total liabilities increased to \$16.53 million as at 31 December 2016 from \$14.72 million as at 31 December 2015. This was due mainly to increases in trade and other payables in the year.

Consolidated Statement of Cash Flows

Net cash from operating activities decreased from \$4.20 million in 4Q15 to \$1.21 million in 4Q16 and from \$14.18 million in FY15 to \$5.63 million in FY16, due mainly to lower operating profit generated and changes in working capital resulting from increases in receivables in the year.

Net cash used in investing activities was \$1.49 million in 4Q16 compared to net cash of \$3.39 million from investing activities in 4Q15, due mainly to lower proceeds from redemption of investment in financial assets in the quarter. Net cash used in investing activities was \$6.83 million in FY16 compared to \$16.09 million in FY15, due mainly to lower purchase of investment in financial assets in the year.

Net cash used in financing activities was \$2.52 million in 4Q16 compared to \$1.75 million in 4Q15 and \$5.83 million in FY16 compared to \$3.88 million in FY15, due mainly to purchase of treasury shares in the quarter and year. In 2016, dividends paid to owners of the Company was \$7.31 million and purchase of treasury shares was \$2.53 million, partially offset by the proceeds of \$1.60 million from exercise of share options and the proceeds of US\$1.75 million (equivalent \$2.41 million) from the Group's sale of 5% stake in its China business were received in June 2016. In 2015, dividends paid to owners of the Company was \$7.09 million, partially offset by the net proceeds of \$2.97 million from issuance of over-allotment shares received in January 2015 in connection with the IPO in December 2014.

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.

2016 has not been a good year for the Group. The net revenue of the Group (excluding China) was down 2.6%, negatively affected by very tough market conditions in the first half of 2016. While the Group's AUA increased 8.1% to a record of S\$ 6.1 billion as at 31 December 2016, a dip in AUA during the first half of FY2016 resulted in the recurring net revenue growing by only 0.2% for the year.

Expenses went up as we have been broadening the range of products and services to ensure that we have a complete investment platform. A combination of lower revenue and increased expenses led to a 25.5% decline in the net profit for the Group (excluding China), excluding a one-off impairment loss on investment in financial assets amounting to \$0.68 million recognised in 4Q16. The start-up losses from China brought down the overall profitability of the Group (including China) further.

Looking forward, however, we believe that we will benefit from the efforts that we have put in during the last two years in strengthening our investment platforms. This includes Singapore operation, our biggest revenue and profit contributor. We expect that the growth of our AUA and revenue will benefit from the launch of our stockbroking services starting 2017. This is in addition to the additional services that we have launched including discretionary portfolio management services and bonds.

China will continue to be loss making in 2017 as we continue to invest in growing the China business. However, we do not expect the losses to increase significantly.

Barring a significant deterioration of the current stock market conditions, we expect to see improvements in the Group's business over the next 2 years.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Name of dividend	Final
Dividend type	Cash
Dividend rate	0.75 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	Final
Dividend type	Cash
Dividend rate	0.75 cents per ordinary share
Tax rate	One-tier tax exempt

(c) Date payable

The proposed final dividend will be paid on 3 May 2017 subject to shareholders' approval at the forthcoming Annual General Meeting to be held on 11 April 2017.

(d) Books closure date

The Register of Members and Share Transfer Books of the Company will be closed on 21 April 2017 for the purpose of determining members' entitlements to the proposed final dividend. Accordingly, registrable transfers received by the Company's Share Registrar, Tricor Barbinder Share Registration Services (a business division of Tricor Singapore Pte Ltd) at 80 Robinson Road, #02-00 Singapore 068898, up to 5.00 pm on 20 April 2017 will be registered to determine members' entitlement to the proposed final dividend. Members whose securities accounts with The Central Depository (Pte) Limited are credited with ordinary shares in the capital of the Company as at 5.00 p.m. on 20 April 2017 will be entitled to the proposed final 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 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).

15. Use of proceeds from the Company's initial public offering.

Pursuant to the IPO on 11 December 2014, the Company received net proceeds of \$48.0 million from the issuance of the new shares (including over-allotment shares), after deducting for share issuance expenses of \$2.4 million and IPO-related expenses of \$1.95 million. The following table sets out our use of the net IPO proceeds up to 31 December 2016.

	Allocation of IPO proceeds	IPO proceeds utilised as at 31 December 2016	Balance of IPO proceeds
Use of net proceeds	\$' million	\$' million	\$' million
Mergers and acquisitions strategy	27.2	4.5	22.7
Expansion of our business in the Chinese market	7.0	3.3	3.7
Enhancement of our product capabilities, IT and services	8.0	7.2	0.8
Working capital purposes	5.8	5.6 ⁽²⁾	0.2
Net Proceeds	<u>48.0 ⁽¹⁾</u>	<u>20.6</u>	<u>27.4</u>

Note:

(1) Estimated net IPO proceeds disclosed in the Prospectus dated 4 December 2014 was \$44.6 million and the actual net IPO proceeds received by the Company was \$48.0 million.

(2) The amount of \$5.6 million deployed for working capital purposes has been utilised for funding for new investment products distribution business, such as bonds and stocks.

Pending the deployment of the remaining net proceeds as disclosed above, the balance of IPO proceeds of \$27.4 million has been used to invest in bonds, unit trusts and short term deposits as stated in the Prospectus.

The Company will continue to make periodic announcements on the use of the proceeds as and when the funds are materially disbursed.

16. **Segmented revenue and results for business segments or geographical segments (of the group) in the form presented in the issuers' most recent audited financial statements, with comparative information for the immediately preceding year.**

Geographical segments	Singapore \$'000	Hong Kong \$'000	Malaysia \$'000	China \$'000	Total \$'000
FY16					
Revenue and expenses					
Revenue from external customers	58,719	16,426	4,748	703	80,596
Inter-segment revenue	798	203	1,889	52	2,942
Total revenue	<u>59,517</u>	<u>16,629</u>	<u>6,637</u>	<u>755</u>	<u>83,538</u>
Finance income	717	19	87	15	838
Depreciation of plant and equipment	(1,097)	(128)	(103)	(250)	(1,578)
Amortisation of intangible assets	(1,268)	(58)	(28)	(138)	(1,492)
Reportable segment profit / (loss) before tax	9,070	531	378	(3,727)	6,252
Share of results of associates	(158)	-	-	-	(158)
Assets and liabilities					
Reportable segment assets	73,011	13,673	3,392	3,223	93,299
Equity-accounted associates	1,829	-	-	-	1,829
Capital expenditure	5,550	429	244	391	6,614
Reportable segment liabilities	<u>11,082</u>	<u>3,648</u>	<u>1,163</u>	<u>639</u>	<u>16,532</u>
FY15					
Revenue and expenses					
Revenue from external customers	61,169	19,616	4,554	-	85,339
Inter-segment revenue	-	230	1,855	-	2,085
Total revenue	<u>61,169</u>	<u>19,846</u>	<u>6,409</u>	<u>-</u>	<u>87,424</u>
Finance income	647	15	91	46	799
Depreciation of plant and equipment	(850)	(66)	(50)	(31)	(997)
Amortisation of intangible assets	(455)	(8)	(20)	(4)	(487)
Reportable segment profit / (loss) before tax	11,825	1,652	278	(980)	12,775
Share of result of associate	(24)	-	-	-	(24)
Assets and liabilities					
Reportable segment assets	74,787	9,896	2,978	3,257	90,918
Equity-accounted associate	362	-	-	-	362
Capital expenditure	4,038	327	150	939	5,454
Reportable segment liabilities	<u>9,801</u>	<u>3,349</u>	<u>1,066</u>	<u>505</u>	<u>14,721</u>

17. **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Please refer to Paragraph 8 for analysis by geographical segment.

18. A breakdown of sales.

	FY16 \$'000	Group FY15 \$'000	Change %
Revenue reported for first half year	38,046	44,067	(13.7)
Net revenue reported for first half year	19,036	21,238	(10.4)
Profit after tax before deducting non-controlling interests reported for first half year	2,388	6,292	(62.0)
Revenue reported for second half year	42,550	41,272	3.1
Net revenue reported for second half year	21,656	20,296	6.7
Profit after tax before deducting non-controlling interests reported for second half year	2,945	5,808	(49.3)

19. A breakdown of total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

	FY16 \$'000	FY15 \$'000
Ordinary dividend	7,319 *	7,276

* Including the proposed final dividend for FY16 which is estimated based on total issued ordinary shares (excluding treasury shares) of 262,223,415 at the end of the financial year.

20. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Lim Wee Kiong	44	Brother of Lim Wee Kian, a director of the Company	He was General Manager of Platform Services Singapore since 2006 and promoted to Managing Director of Platform Services Singapore on 17 Feb 2016, and was appointed as a Director of iFAST Financial Pte Ltd, a subsidiary of the Company, with effect from 22 March 2016. Being responsible for platform services of the Group's Singapore operation as well as overseeing the overall performance of the whole Singapore operation.	He takes up additional responsibilities to oversee the overall performance of the whole Singapore operation, following his appointment as a Director of iFAST Financial Pte Ltd on 22 March 2016.

BY ORDER OF THE BOARD

Leung Fung Yat, David
Chief Financial Officer
17 February 2017