

FOR IMMEDIATE RELEASE

iFAST Capital Malaysia First To Launch Retail Bonds Under New Securities Commission Seasoning Framework. Investors Can Invest From As Low As RM1,000.

Key Highlights

- The Securities Commission (“SC”) has liberalised the regulatory framework to facilitate greater access into the RM1.3 trillion Malaysian bond and sukuk market.
- iFAST Capital Malaysia is the first bonds broker to make this available to retail investors through its online portal FSMOne, and through the FA companies and financial institutions which use iFAST’s platform services. Investors can invest from as low as RM1,000.
- iFAST Corp’s own bond information hub Bondsupermart and SC-owned BIX Malaysia provide additional avenues for investors to have access to bond-related information.

SINGAPORE (4 April 2019) – iFAST Capital Sdn Bhd (“iFAST Capital Malaysia”), the wholly-owned Malaysia subsidiary of SGX-ST Mainboard-listed iFAST Corporation Ltd. (“iFAST Corp”), is selling investment grade bonds to retail investors. This move is in conjunction with the Securities Commission’s (“SC”) initiative to liberalise the regulatory framework to facilitate greater access into the RM1.3 trillion Malaysian bond and sukuk (which are bonds following Shariah principles) market.

Investors will be able to transact retail-qualified bonds and sukuk from as low as RM1,000 in nominal value through iFAST Capital Malaysia’s online portal FSMOne (formerly known as Fundsupermart.com.my), and through the FA companies and financial institutions which use iFAST’s Business-to-Business (“B2B”) platform services.

The new regulatory framework allows bond issues that have met the seasoning criteria to be offered to non-sophisticated retail investors through a product highlight sheet without the need for issuers to make disclosures via a full-fledged prospectus. Under this framework, corporate bonds and sukuk that are eligible must have been in the market for at least 12 months, and have a minimum credit rating of A, among other requirements. The range of corporate bonds and sukuk that can be offered to retail investors have also expanded to include more than just plain-vanilla products.

“For example, a retail investor can now invest in a 5-year Affin Bank bond that has a yield of 5.15% per annum. This is a better alternative than putting your money in a fixed deposit with Affin Bank that yields only 4.05% per annum,” said Mr Dennis Tan, Managing Director of iFAST Capital Malaysia.

Since 2017, iFAST Capital Malaysia has been providing sophisticated investors an outlet outside of traditional banks to transact in government and corporate bonds starting from RM10,000 through its Bond Express service at the FSMOne website. Only sophisticated investors who have at least RM3 million in assets or an annual income of more than RM300,000 could participate.

“The high barrier of entry and the lack of accessibility to critical information pertaining to bonds has meant that bonds have not been a fixture in many investors’ portfolios. The traditional bond market has long been dominated by sophisticated investors who can have access to bonds at RM250,000 per odd lot. But even then, there is limited availability or choices, because standard lots for corporate bonds and government bonds are traded at RM5 million and RM10 million respectively. With the new seasoning framework and what we are offering on our platforms, investors can now invest in investment grade bonds from as low as RM1,000,” Mr Tan said.

“We expect that 20% of the RM470 billion fixed deposit market in Malaysia will shift into retail bonds,” Mr Tan commented.

The initiative is further complemented by BIX Malaysia, a platform established by the SC to provide information on bonds and sukuk issued in Malaysia. Launched in November 2017, BIX Malaysia carries third-party reports on individual bonds in the primary and secondary markets.

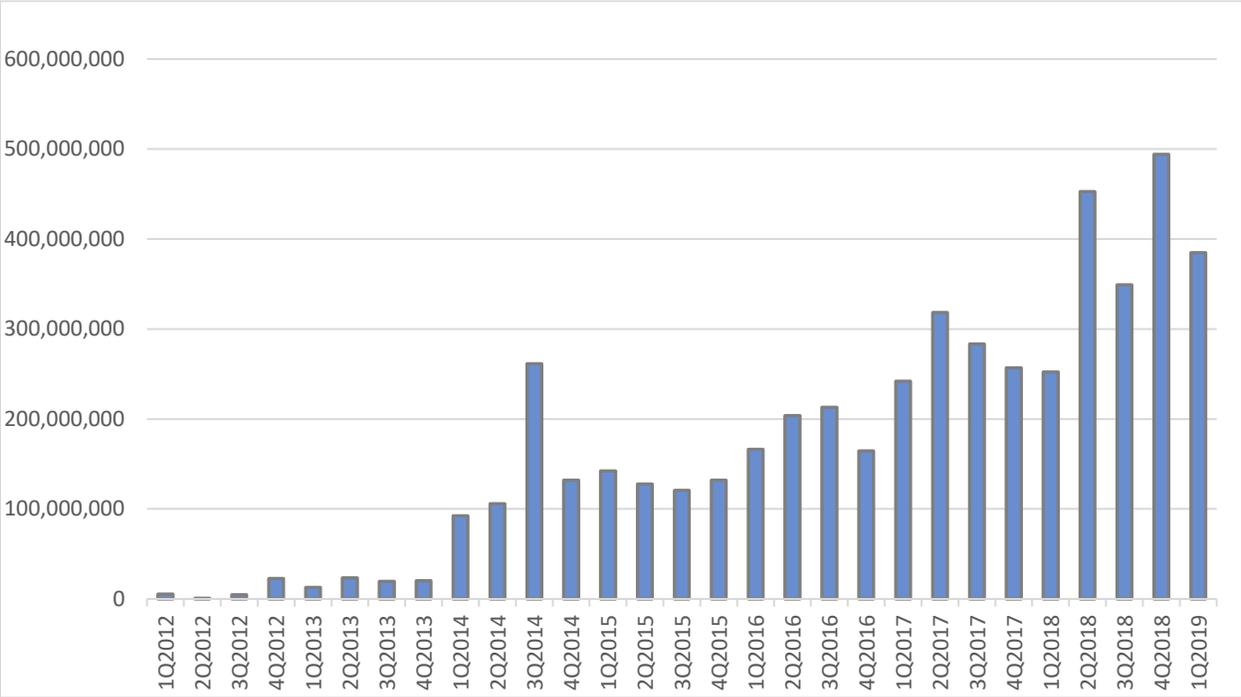
Mr Lim Chung Chun, CEO of iFAST Corp, shared that back in 2016, iFAST created its very own global bond information depository called Bondsupermart with a vision to empower individual investors across Asia with the necessary knowledge and skills to invest in bonds. The portal serves to shine light on the opaque bond universe, and thus bridge the information gaps in the market.

“All over the world, bonds are traded over-the-counter (“OTC”) and are not as transparent as what investors would like. Our bond-focused website called Bondsupermart will make it handy for investors across Asia to make informed decisions in bonds. We will work with affiliated brokers across Asia, so that after researching the bonds at Bondsupermart, investors can select their preferred local broker to invest in the bonds. We believe that making bonds more accessible to retail is a tremendous opportunity. We are talking about shifting a significant percentage of the hundreds of billions that retail investors have in fixed deposits in each country into bonds,” Mr Lim said.

Bondsupermart’s current affiliated brokers are mainly FSMOne and iFAST Platform’s distributors in Singapore, Malaysia and Hong Kong. They have been successful in providing information on bonds to retail investors. Chart 1 shows the transaction volume of all Bondsupermart’s affiliated

brokers since its inception in January 2012. In the last four quarters as at 31 March 2019, the average quarterly transaction volume of Bondsupermart’s affiliated brokers was about RM420 million.

Chart 1: Transaction volume (in RM) of Bondsupermart’s affiliated brokers from inception



Source: iFAST Capital Malaysia (information as at 31 March 2019)

“We are very excited that we are the first player in the Malaysian market to provide retail investors with this opportunity. The RM1,000 nominal investment amount is going to be a game changer now that the amount is comparable to investing in fixed deposits,” Mr Lim added.

“I want to congratulate the Securities Commission on the introduction of the seasoning framework for bonds, which very well balances the need for protection of retail investors’ interests with the need for a business-friendly bond-issuance framework. This will position Malaysia as an important centre in the online dealing of retail bonds in the future,” Mr Lim said.

About iFAST Capital Malaysia

iFAST Capital Snd Bhd's ("iFAST Capital Malaysia") holding company is iFAST Malaysia Sdn Bhd, which is wholly-owned by iFAST Corporation Ltd. ("iFAST Corp"), Singapore's leading Fintech wealth management platform. iFAST Corp was listed on the Singapore Exchange Mainboard in December 2014.

iFAST Capital Malaysia is a holder of a Capital Markets Services Licence and is licensed by the Securities Commission to deal in unit trusts, to deal in Private Retirement Scheme, to offer investment advisory services, to deal in OTC bonds and to offer fund management service in relation to portfolio management. iFAST Capital Malaysia is also registered with the Federation of Investment Managers Malaysia as an Institutional Unit Trust Adviser and Institutional Private Retirement Scheme Adviser.

iFAST Capital Malaysia's Business-to-Business ("B2B") division caters to the needs of financial advisory firms and financial institutions. iFAST Capital Malaysia is also an approved Financial Adviser licensed by the Bank Negara Malaysia to conduct financial advisory business, and iFAST Global Markets ("iGM") was launched with the vision of offering fees transparency and personalised financial solutions to consumers.

FSMOne Malaysia (previously known as "Fundsupermart.com Malaysia") is the Business-to-Consumer ("B2C") division of iFAST Capital Malaysia. It was first established in Malaysia in 2008 as an online unit trust platform. FSMOne Malaysia launched insurance products in July 2016, bonds in March 2017, and managed portfolios in May 2017. These launches are FSMOne Malaysia's initiative to broaden the range of investment products and services to cater to different aspects of financial planning for investors, from wealth accumulation to protection.

About iFAST Corp

iFAST Corp (stock code: AIY) is a wealth management Fintech platform, with assets under administration ("AUA") of S\$8.05 billion as at 31 December 2018.

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, China and India. Through the years, the Group has built a well-established Fintech ecosystem spanning across its product providers, its B2B and the emerging Business-to-Business-to-Consumer ("B2B2C") divisions, as well as its B2C customers.

iFAST Corp holds the requisite licences in the various jurisdictions it operates in to provide a wide range of products and services. The Group offers access to over 9,100 investment products including over 5,900 funds from over 240 fund houses, over 1,000 direct bonds, stocks and ETFs (Singapore, Hong Kong and US stockbroking capabilities), as well as services including discretionary portfolio management services, research and investment seminars, Fintech solutions, and investment administration and transaction services to financial advisory (FA) firms,

financial institution, banks, multinational companies, as well as retail and high net worth (HNW) investors in Asia.

The main business divisions of the Group include the B2C division, the B2B division, and the emerging Fintech Solutions/B2B2C model. The B2C platform, FSMOne.com/FundsUPERMART.com, caters to investors who prefer to do their own investments online. The new FSMOne multi-products transactional platform is currently available in Singapore, Hong Kong and Malaysia. The B2B platforms cater to the specialised needs of more than 350 FA companies, banks, financial institution and internet companies with over 7,700 wealth advisers. The emerging Fintech Solutions/B2B2C model, iFAST Fintech Solutions, was launched in Singapore, Hong Kong and Malaysia to empower business partners and financial institutions in advancing their wealth management business by delivering innovative Fintech solutions that can better suit their clients' needs.

The Group continues to work on improving and broadening the iFAST Fintech Ecosystem. This includes stepping up its efforts to offer a broader range of Fintech Solutions to its B2B partners, including helping to empower them with B2C Fintech capabilities.

The Group's mission statement is, "To help investors around the world invest globally and profitably". In the Singapore Governance and Transparency Index (SGTI) released from 2016 to 2018, iFAST Corp has been ranked within the top 15% among SGX-listed companies. iFAST Corp was awarded first runner-up in the "IR Magazine Awards South East Asia 2017" in the "Best in Sector – IT" category. iFAST Corp won the "Best Investor Relations - Silver Award" in the Companies with less than S\$300 million in market capitalisation category at the Singapore Corporate Awards 2018.

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