

20 February 2020

# 4Q2019 & FY2019 Results Presentation



**STRENGTHENING  
OUR FINTECH ECOSYSTEM**

iFAST

# Disclaimer

This presentation should be read as an overview of iFAST Corporation Ltd.'s ("iFAST Corp" or the "Company", and together with its subsidiaries, the "Group") current business activities and operating environment. This presentation should not be solely relied upon by current and potential investors when making an investment decision. iFAST Corp accepts no liability whatsoever with respect to the use of the content in this presentation. This presentation may contain forward-looking statements that involve risks. Future performance, outcomes and results may differ from those expressed in forward-looking statements as a result of risks. Investors should therefore not rely on these forward-looking statements, which are based on the current view of management of future events and market developments. This presentation should not be construed as financial or investment advice and investors should consult their independent advisers. This presentation does not constitute an offer or solicitation of an offer to subscribe for, acquire, purchase, dispose of or sell any units in iFAST Corp.

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# Key Summary

- The Group started 2019 on a weak footing, but saw significant improvements as the year progressed. As at 31 December 2019, the Group's Assets under Administration (AUA) grew 24.2% YoY to a record high of S\$10.00 billion.
- Record AUAs have been achieved in Singapore, Hong Kong and Malaysia, as the Group's businesses have benefited from its continuous efforts in improving the range and depths of its products and services.
- The Group's net revenue has also continued to grow, hitting a record high of S\$16.96 million in 4Q2019. The Group's net profit increased 14.4% YoY to S\$3.00 million in 4Q2019, though net profit for FY2019 was down 12.8% YoY due to a poor first half in 2019.
- In the last three years, the Group's AUA has increased approximately 64% from S\$6.10 billion as at end 2016 to S\$10.00 billion as at end 2019. Net revenue has also grown by 60.2% from S\$40.69 million in 2016 to S\$65.20 million in 2019.
- The growth trend in the Group's net profit has however not been as obvious in the last few years, resulting from the fact that it has prioritised its efforts to further invest in and enhance its regional platform capabilities.

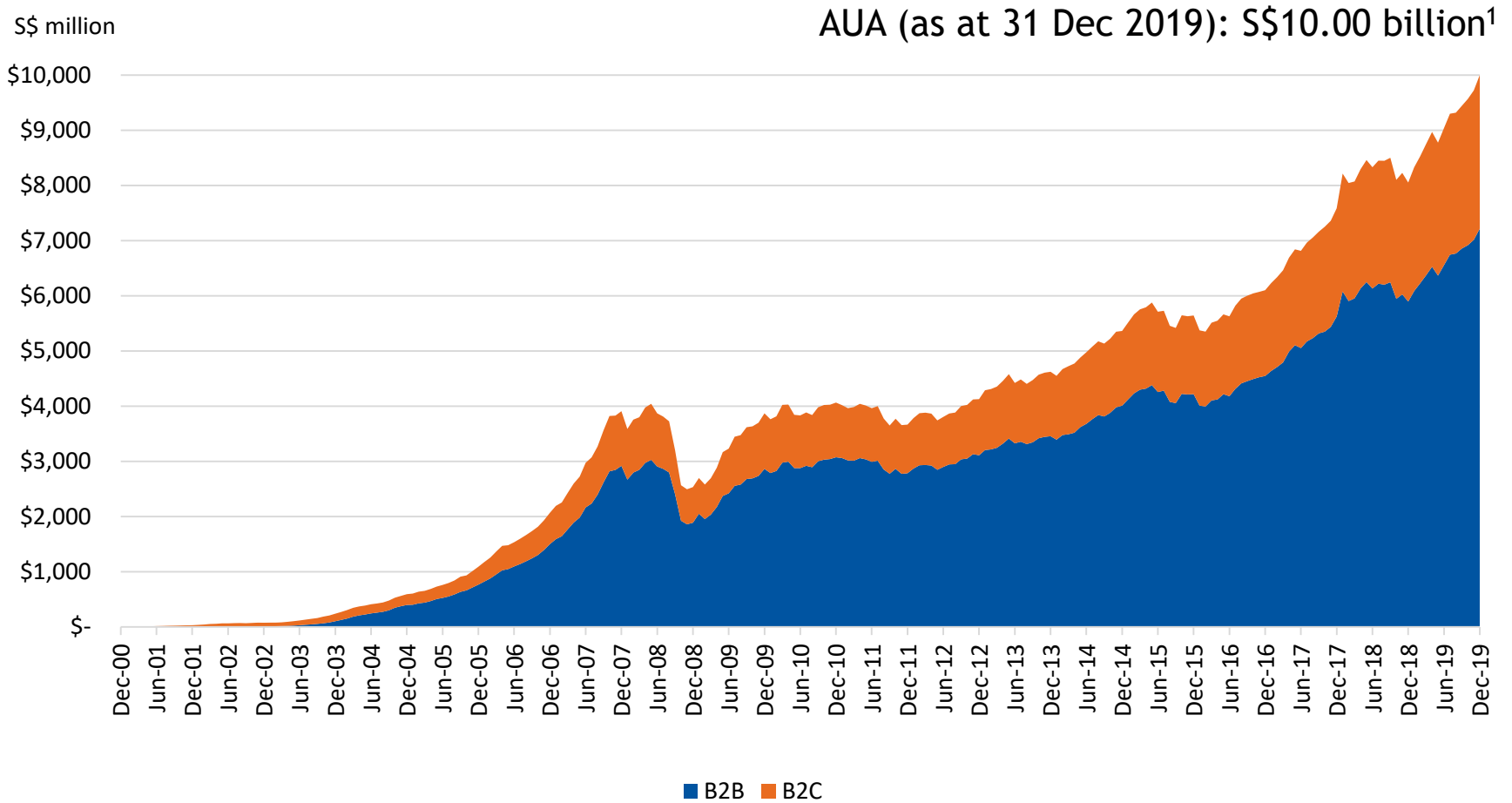
# Key Summary

- While the Group is expected to continue to improve on upgrading its regional platform capabilities further, including laying the initial foundations to be a digital/virtual bank, the Group expects that over the next 12 months, the pace at which the Group's operating expenses will be increasing will moderate. This is because a large part of the key infrastructure that is required for an integrated wealth management platform is already in place.
- Based on current estimates, the Group is estimating that its operating expenses will increase by approximately 6.8% to 9.5% YoY and amount to approximately S\$59.9 million to S\$61.4 million in 2020. The estimated percentage increase will be significantly lower than the double digit percentage YoY increases in operating expenses that the Group has been seeing in the last few years. This, however, does not take into account the application for the digital banking licence in Singapore, which may affect expenses from the second half of 2020 if the application is successful.
- Overall, the Group believes that growth opportunities in Asia's wealth management industry remain very substantial, and it is well-positioned to benefit from these opportunities in the medium to long term. Continuing growth in the Group's AUA and net revenue, combined with a moderation in the pace of increase in operating expenses, will allow the Group to better see the benefits of its scalable business model.

# Key Summary

- The outbreak of COVID-19 has caused substantial concerns of potential negative impact on the overall business environment. As at 19 Feb 2020, the Group has not seen any substantial adverse impact on its overall business. The AUA of the Group as at 19 Feb 2020 has remained above the levels at the end of 2019.
- For the final dividend for FY2019, the Directors proposed a dividend per share of 0.90 cents per ordinary share, which will be subject to approval by shareholders at the company's Annual General Meeting on 23 April 2020.
- The digital bank consortium led by iFAST Corp submitted an application for a digital wholesale bank licence in Singapore. The iFAST-led digital bank aims to better serve the global mass affluent market by tapping on Singapore's growing role as a leading wealth management centre. It also believes that there is a big opportunity in Singapore to become the "Bank of Choice for SMEs", particularly for loans.
- SGX has recently adopted a new risk-based approach to quarterly reporting (QR) requiring only companies with higher risk to perform QR. Although iFAST Corp is not among the companies required to do QR, the Group has decided to continue leading the way in maintaining high standards of corporate governance through the continuation of QR, as it believes transparency is key in giving investors the information they need to know more about the company, its goals and vision, in a clear and timely manner.

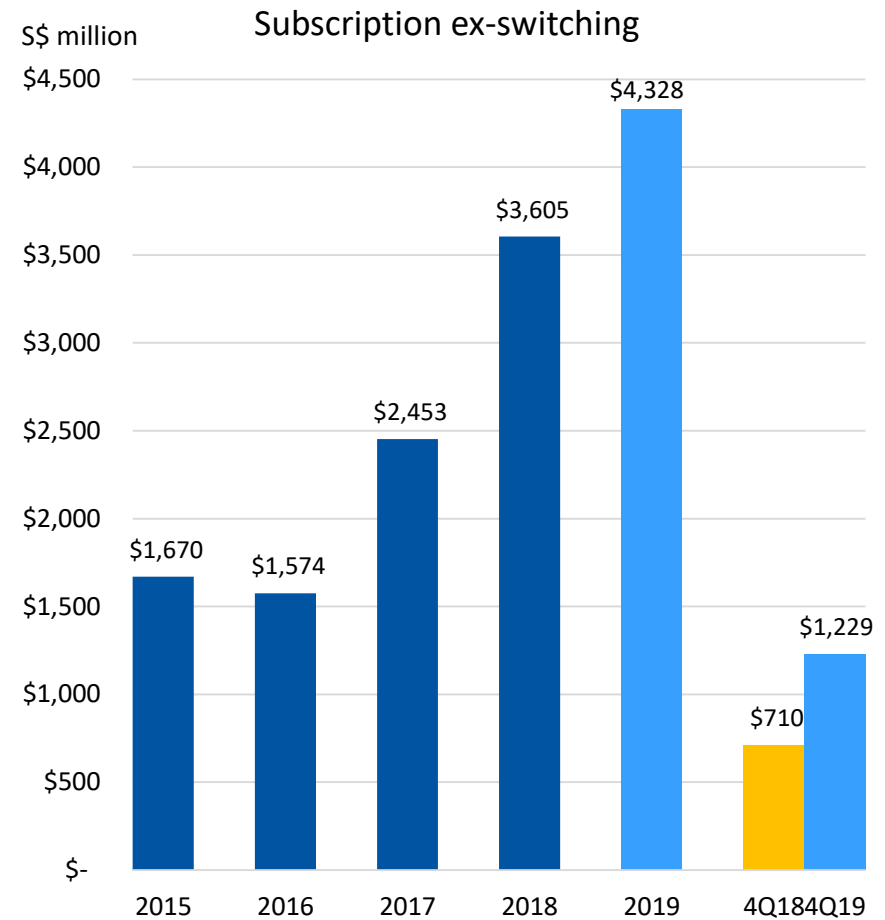
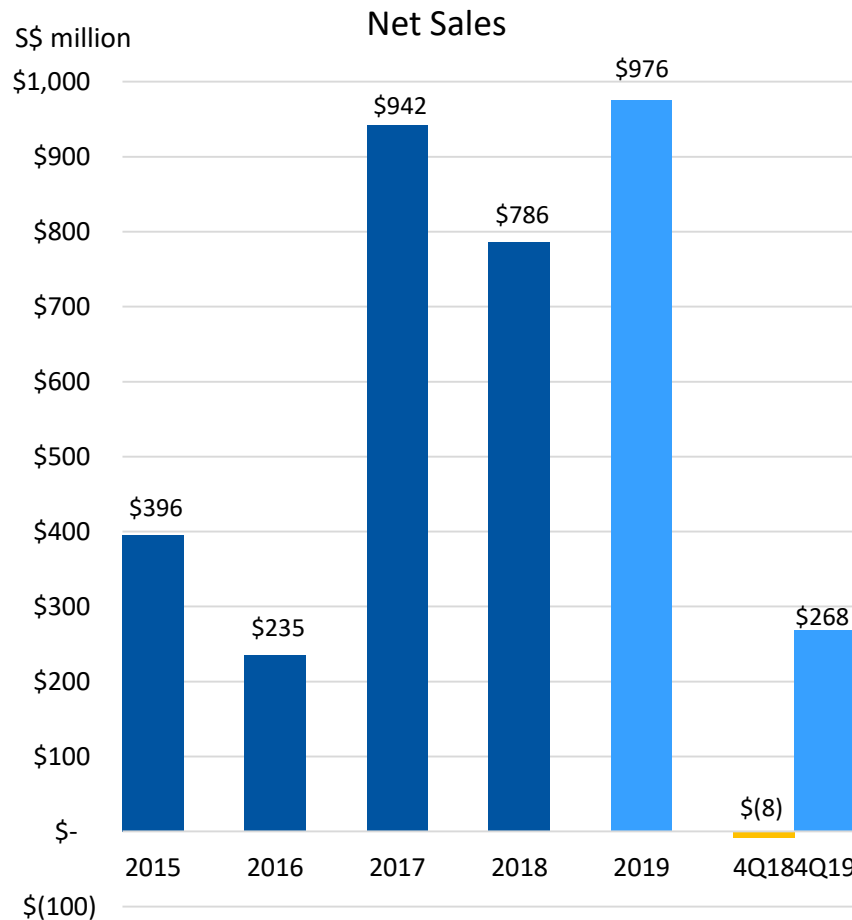
# Group AUA grew 24.2% YoY to a record high of S\$10.00 billion



**Note:**

1. The Group's AUA as at 31 Dec 2019 includes its effective 35.9% share of the India Business.

# Net sales & Subscription ex-switching



Note:

1. Net sales stood at S\$182 million in 1Q2019, S\$178 million in 2Q2019, S\$347 million in 3Q2019, and S\$268 million in 4Q2019.
2. Subscription ex-switching stood at S\$810 million in 1Q2019, S\$989 million in 2Q2019, S\$1,301 million in 3Q2019 and S\$1,229 million in 4Q2019.



## SECTION I

# Financial Results



# Presentation of Group's Results

## Presentation of Group's results (including and excluding China)

- In view that our China operation is a relatively new market for the Group, we are presenting our presentation results based on the results of:
  - 1) Group excluding China operation; and
  - 2) Group including China operation
- By adopting such a structure in the presentation, investors are able to better assess the performance of the Group in our core operations in Singapore, Hong Kong and Malaysia, with and without the impact from our newer China operation.

# Financial Results for Group (excluding China operation) (4Q2019 vs 4Q2018)

S\$ (Million)	4Q2018	4Q2019	YoY change (%)
Revenue	27.83	33.64	+20.9
Net revenue	14.67	16.78	+14.4
Other income	0.26	0.52	+95.5
Expenses	11.68	12.79	+9.5
Net finance income	0.11	0.07	-42.5
Share of results of associates, net of tax	0.63	0.11	-81.9
Profit before tax	3.98	4.68	+17.5
Profit after tax	3.74	4.24	+13.3
Net profit attributable to owners of the Company	3.74	4.24	+13.3
EPS (cents)	1.40	1.58	+13.2

# Financial Results for Group (including China operation) (4Q2019 vs 4Q2018)

S\$ (Million)	4Q2018	4Q2019	YoY change (%)
Revenue	27.99	33.82	+20.8
Net revenue	14.82	16.96	+14.4
Other income	0.26	0.52	+95.5
Expenses	13.02	14.24	+9.3
Net finance income	0.12	0.04	-64.5
Share of results of associates, net of tax	0.63	0.11	-81.9
Profit before tax	2.81	3.40	+20.9
Profit after tax	2.57	2.96	+15.0
Net profit attributable to owners of the Company	2.62	3.00	+14.4
EPS (cents)	0.98	1.12	+14.3
Dividend Per Share (cents)	0.90	0.90 <sup>1</sup>	-

**Note:**

1. Subject to approval by shareholders at the company's Annual General Meeting on 23 April 2020.

# Financial Results for Group (excluding China operation) (FY2019 vs FY2018)

S\$ (Million)	FY2018	FY2019	YoY change (%)
Revenue	120.50	124.84	+3.6
Net revenue	58.87	64.64	+9.8
Other income	1.16	2.04	+75.3
Expenses	44.12	50.43	+14.3
Net finance income/(cost)	0.79	-0.03	NM
Share of results of associates, net of tax	0.52	-0.05	NM
Profit before tax	17.17	16.10	-6.3
Profit after tax	15.51	14.33	-7.6
Net profit attributable to owners of the Company	15.51	14.33	-7.6
EPS (cents)	5.83	5.35	-8.2

**Note:**

1. NM denotes Not Meaningful.

# Financial Results for Group (including China operation) (FY2019 vs FY2018)

S\$ (Million)	FY2018	FY2019	YoY change (%)
Revenue	121.24	125.41	+3.4
Net revenue	59.62	65.20	+9.4
Other income	1.16	2.04	+75.3
Expenses	49.78	56.06	+12.6
Net finance income/(cost)	0.83	-0.06	NM
Share of results of associates, net of tax	0.52	-0.05	NM
Profit before tax	12.35	11.07	-10.4
Profit after tax	10.69	9.31	-12.9
Net profit attributable to owners of the Company	10.91	9.52	-12.8
EPS (cents)	4.10	3.55	-13.4
Dividend Per Share (cents)	3.15	3.15 <sup>2</sup>	-

**Note:**

1. NM denotes Not Meaningful.
2. Subject to approval by shareholders at the company's Annual General Meeting on 23 April 2020.

# Results Overview for Group (excluding China operation)

S\$ (Million)	FY2015	FY2016	FY2017 <sup>1</sup>	FY2018	FY2019
Revenue	85.34	79.89	100.65	120.50	124.84
Net revenue	41.53	40.46	49.01	58.87	64.64
Other income	1.53	1.88	1.10	1.16	2.04
Operating expenses	30.06	33.13	37.31	44.12	50.43
Net finance income/(cost)	0.75	0.82	0.72	0.79	-0.03
Share of results of associates, net of tax	-0.02	-0.16	-0.33	0.52	-0.05
Profit before tax	13.73	9.82	13.13	17.17	16.10
Profit after tax	13.08	9.06	11.87	15.51	14.33
Net profit attributable to owners of the Company	13.08	9.06	11.87	15.51	14.33
EPS (cents)	5.03	3.46	4.50	5.83	5.35
Operating Cashflows	15.43	8.79	16.92	21.62	23.54

**Note:**

1. Restated as a result of adoption of SFRS(I)s with effect from 1 January 2018.

# Results Overview for Group (including China operation)

S\$ (Million)	FY2015	FY2016	FY2017 <sup>1</sup>	FY2018	FY2019
Revenue	85.34	80.60	101.17	121.24	125.41
Net revenue	41.53	40.69	49.45	59.62	65.20
Other income	1.53	1.88	1.08	1.16	2.04
Operating expenses	31.08	37.16	42.19	49.78	56.06
Net finance income/(cost)	0.80	0.84	0.74	0.83	-0.06
Share of results of associates, net of tax	-0.02	-0.16	-0.33	0.52	-0.05
Profit before tax	12.75	6.09	8.75	12.35	11.07
Profit after tax	12.10	5.33	7.49	10.69	9.31
Net profit attributable to owners of the Company	12.10	5.45	7.70	10.91	9.52
EPS (cents)	4.65	2.08	2.92	4.10	3.55
Operating Cashflows	14.18	5.63	13.22	17.62	19.38
Dividend per share (cents)	2.79	2.79	3.01	3.15	3.15

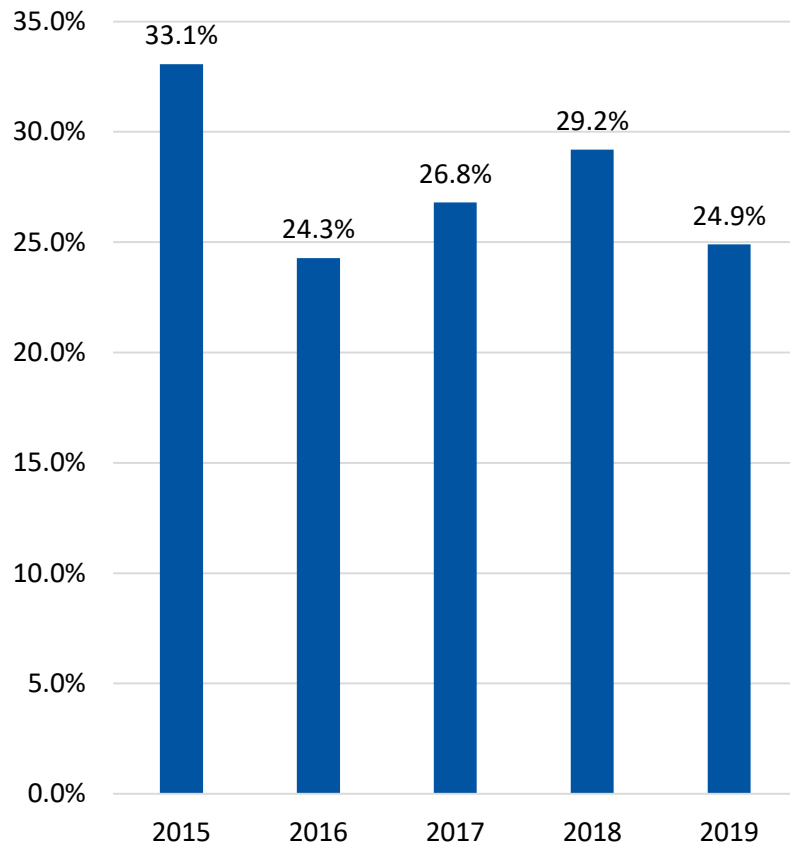
**Note:**

1. Restated as a result of adoption of SFRS(I)s with effect from 1 January 2018.

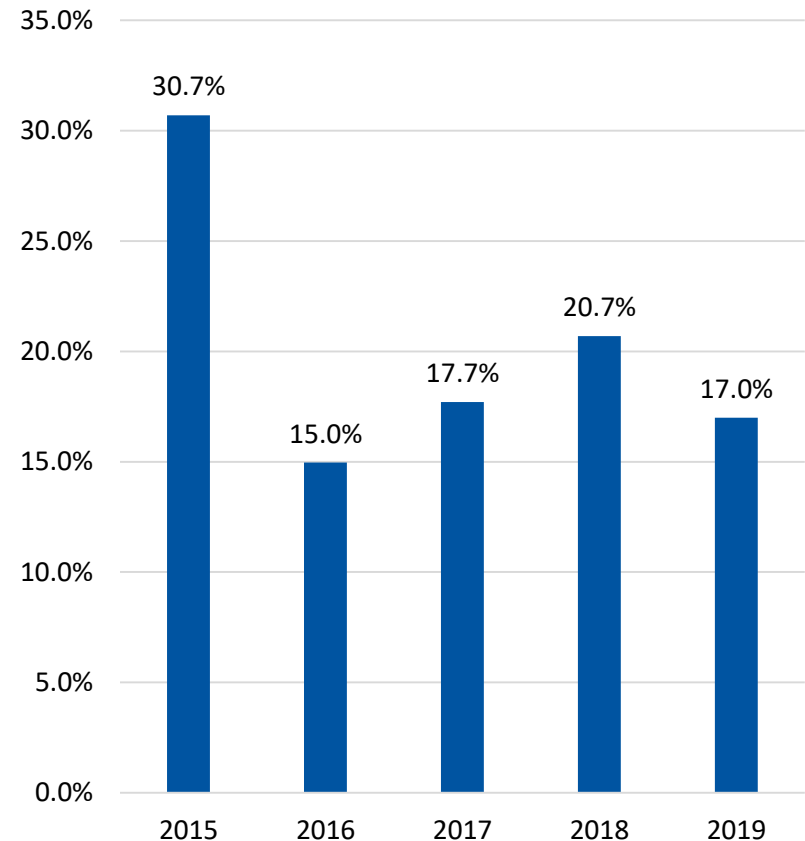


# PBT margin for Group (based on net revenue)

(excluding China operation)



(including China operation)



**Note:**

1. PBT margins (2017) were restated as a result of adoption of SFRS(I)s with effect from 1 January 2018

# Financial Indicators

S\$ (Million)	FY2015	FY2016	FY2017	FY2018	FY2019
Net Cash Position <sup>1</sup>	61.48	54.59	55.91	48.06	40.15
Operating Cash Flows	14.18	5.63	13.22	17.62	19.38
Operating Cash Flows (excluding China Operation)	15.43	8.79	16.92	21.62	23.54
Capital Expenditure <sup>2</sup>	5.45	6.61	7.47	10.73	11.90
Net Current Assets	68.32	64.39	60.18	56.62	49.86
Shareholders' Equity	76.56	78.45	81.24	85.56	90.06

## Notes:

1. Comprising cash and cash equivalents and investments in financial assets (categorised as other investments under current assets) net of bank loans at the end of the respective year or period.
2. Excluding right-of-use assets recognised following the adoption of SFRS(I)16 Leases with effect from 1 Jan 2019.

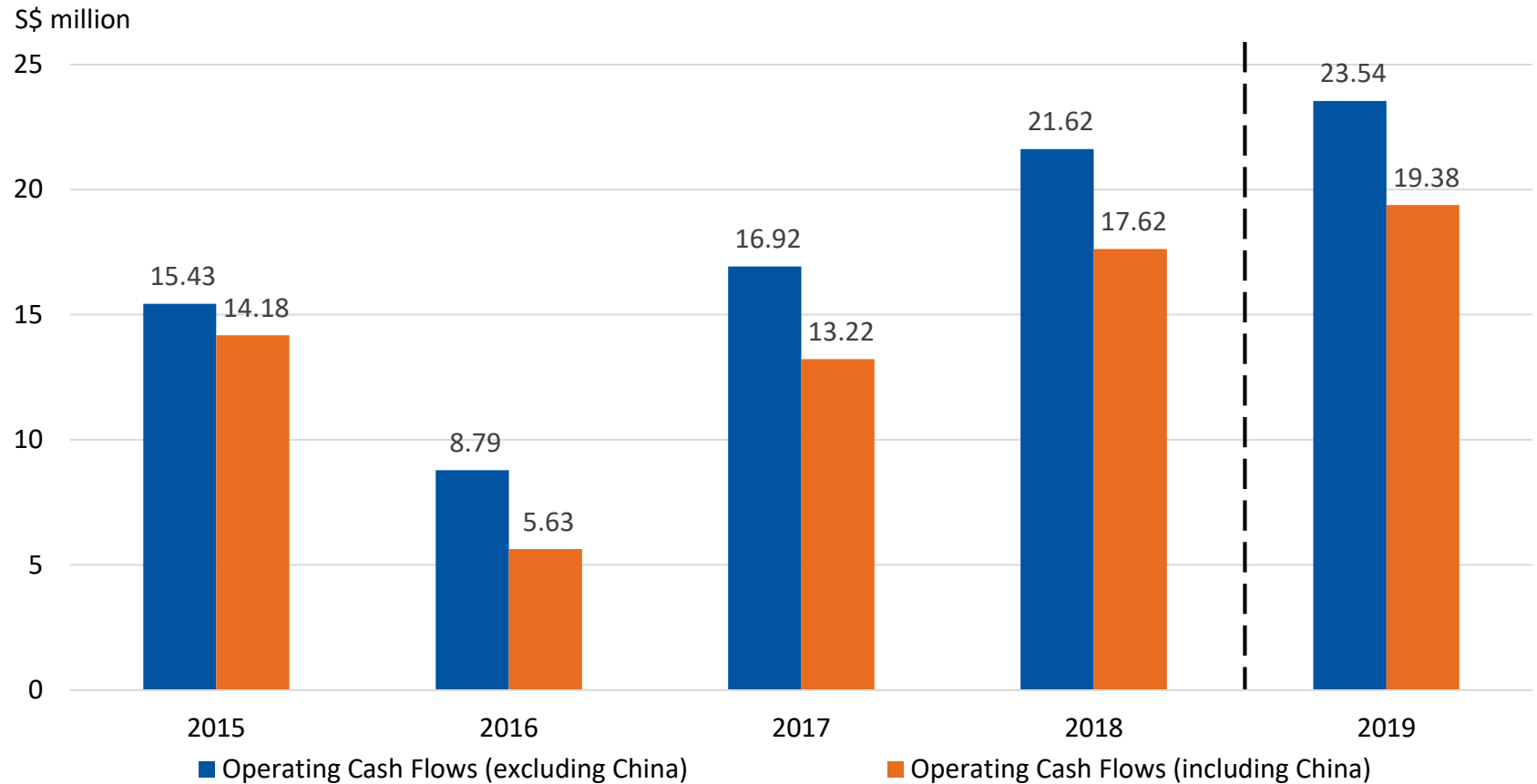
# Net Cash Position

	As at 31 Dec 2019 (\$ million)
Cash and cash equivalents	24.81
Other investments <sup>1</sup>	19.14
Total cash and other investments	43.95
Less: Bank loans	(3.80)
Net Cash Position (total cash and other investments net off bank loans)	40.15
Gross Debt-to-Equity Ratio	4.23%
Net Debt-to-Equity Ratio	Net Cash Position

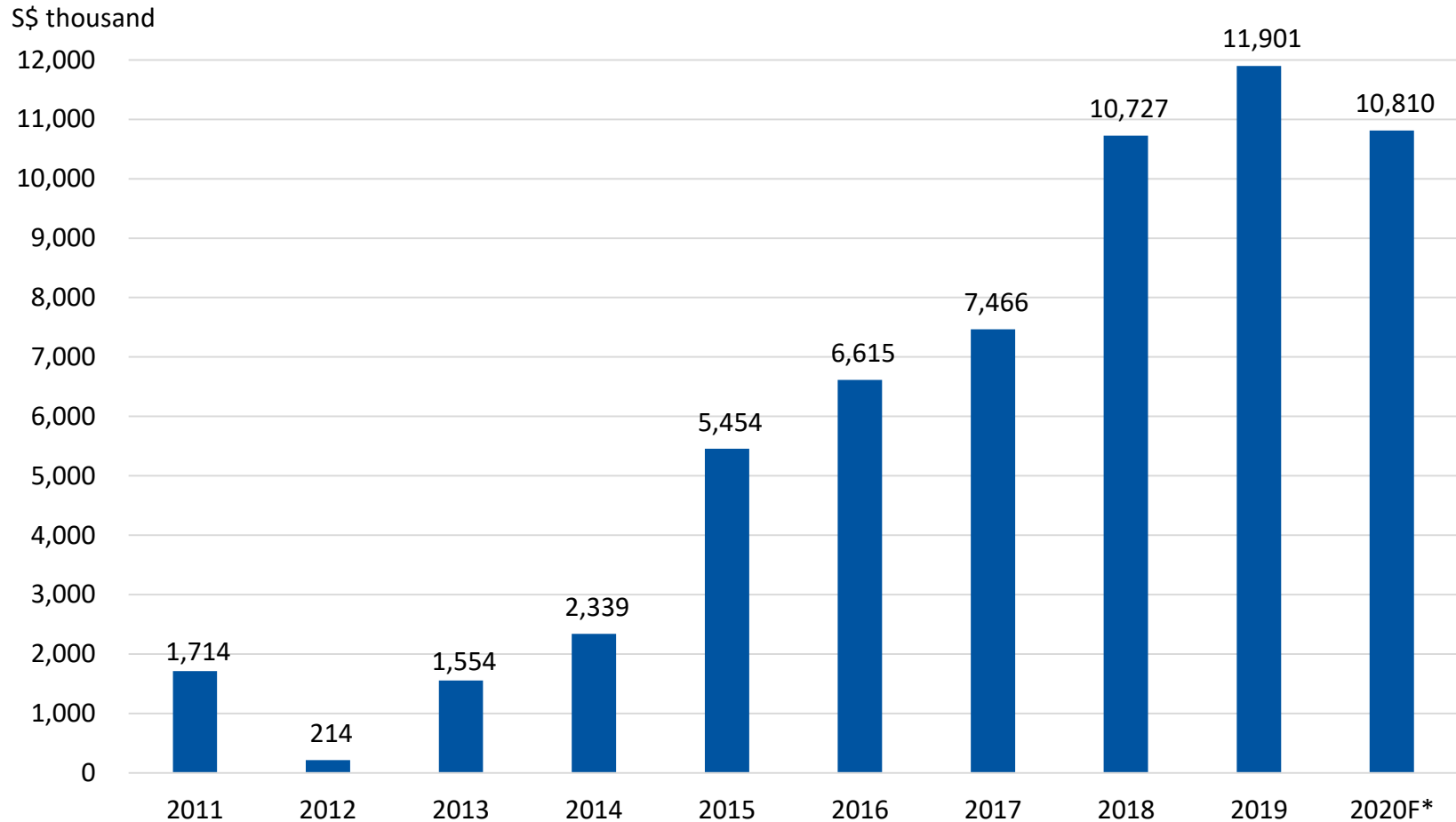
**Note:**

1. Other investments comprise investments in financial assets under current assets.

# Group Operating Cash Flows



# Capital Expenditure



**Note:**

\* Does not take into consideration the successful application of the Digital Bank licence in Singapore.

# Number of issued shares

	As at 31 Dec 2018	As at 31 Dec 2019
Total number of issued shares (excluding treasury shares and subsidiary holdings)	266,776,679	268,732,479

# Our Consolidated Financial Position

	As at 31 Dec 19 S\$'000	As at 31 Dec 18 S\$'000
<b>NON-CURRENT ASSETS</b>		
Plant and Equipment	3,689	3,254
Right-of-use Assets	14,390	-
Intangible Assets and Goodwill	22,212	17,860
Subsidiaries	-	-
Associates	5,375	2,951
Other Investments	5,329	5,062
Deferred Tax Assets	1,139	987
Prepayments & Others	327	218
<b>TOTAL NON-CURRENT ASSETS</b>	<b>52,461</b>	<b>30,332</b>
<b>CURRENT ASSETS</b>		
Current Tax Receivables	30	2
Other Investments	19,144	24,116
Uncompleted Contracts - Buyers	24,246	10,958
Trade & Other Receivables	34,720	30,011
Prepayments	1,759	1,262
Money Market Funds	616	640
Cash & Cash Equivalents	24,195	60,661
<b>TOTAL CURRENT ASSETS</b>	<b>104,710</b>	<b>127,650</b>
<b>HELD UNDER TRUST</b>		
Client Bank Accounts	410,723	312,635
Client Ledger Balances	(410,723)	(312,635)
<b>TOTAL ASSETS</b>	<b>157,171</b>	<b>157,982</b>

# Our Consolidated Financial Position

	As at 31 Dec 19 S\$'000	As at 31 Dec 18 S\$'000
<b>EQUITY</b>		
Share Capital	66,180	65,969
Other Reserves	23,877	19,595
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	<b>90,057</b>	<b>85,564</b>
Non-Controlling Interests	(421)	(209)
<b>TOTAL EQUITY</b>	<b>89,636</b>	<b>85,355</b>
<b>NON-CURRENT LIABILITIES</b>		
Deferred Tax Liabilities	1,928	1,588
Lease Liabilities	10,755	8
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>12,683</b>	<b>1,596</b>
<b>CURRENT LIABILITIES</b>		
Uncompleted Contracts – Sellers	24,195	10,929
Trade & Other Payables	20,955	21,080
Bank Loans	3,806	37,354
Lease Liabilities	4,366	5
Current Tax Payables	1,530	1,663
<b>TOTAL CURRENT LIABILITIES</b>	<b>54,852</b>	<b>71,031</b>
<b>TOTAL LIABILITIES</b>	<b>67,535</b>	<b>72,627</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>157,171</b>	<b>157,982</b>



# Proposed Final Dividend for FY2019

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## Final Dividend for FY2019 - Schedule

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Dividend per share	0.90 cents per ordinary share
Ex-dividend date	4 May 2020
Record date and time	5 May 2020 (5.00 pm)
Payment date	19 May 2020

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- For the final dividend for FY2019, the Directors proposed a dividend per share of 0.90 cents per ordinary share, which will be subject to approval by shareholders at the company's Annual General Meeting on 23 April 2020.
- The proposed final dividend brings the total dividend to 3.15 cents per ordinary share for FY2019 which is equivalent to the total dividend of 3.15 cents per ordinary share for FY2018.

# Championing Transparency Standards - Continuation of Quarterly Reporting

- SGX has recently adopted a new risk-based approach to quarterly reporting (QR) effective 7 February 2020. Under this approach, only companies with higher risk are required to perform QR.
- Although iFAST Corp is not among the companies selected by SGX to continue doing QR, the Group has decided to carry on with its QR in a full format.
- iFAST Corp believes transparency is key in giving investors the information they need to know more about the company, its goals and vision, in a clear and timely manner. The Group has therefore decided to continue leading the way in maintaining high standards of corporate governance through the continuation of QR.
- In November 2019, iFAST Corp was selected as one of the 36 listed companies to be included in 2019's SGX Fast Track programme. The programme aims to affirm listed issuers that have been publicly recognised for high corporate governance standards and have maintained a good compliance track record. This serves as a recognition of our commitment towards building a strong compliance culture and continuous efforts in adopting the best practices to achieve sustainable growth in the long term.

# Goals in 2020



# Continuing Our Scalable Fintech Business Model

- iFAST Corp has developed a well-established Fintech ecosystem in five Asian markets. In this ecosystem, it has continued to improve its Fintech capabilities that enable companies, advisers and clients to invest in a vast range of investment products, powered by better technology and user experiences.
- With the efforts the Group has put into strengthening its Fintech capabilities over the past few years, a large part of the key infrastructure that is required for running an integrated wealth management platform is largely in place.
- The Group will continue to leverage on its experience and capabilities as a licenced wealth management Fintech platform to help B2B partners embrace the Fintech revolution.
- The Asian markets present significant opportunities for the Group to continue growing its scalable Fintech business model:
  - AUM in APAC is expected to grow faster than any other region globally, reaching US\$16.9 trillion in 2020 and US\$29.6 trillion by 2025.<sup>1</sup>
  - AUM of authorised and recognised collective investment schemes in Singapore is at S\$100 billion. Singapore will continue to serve as the gateway to Asia's wealth management market growth opportunities.<sup>2</sup>

Sources:

1. PWC Asset Management 2020 "A Brave New World" (Jan 2019).

2. Singapore Asset Management Survey 2018 "The Gateway To Asset Management Opportunities In Asia" (Sep 2019).

# Moderation of Growth in Expenses, Aiming For Improving Margins

- While the Group is expected to continue to improve on upgrading its platform capabilities further, including laying the initial foundations to be a digital/virtual bank, the Group expects that the pace at which the Group's operating expenses will be increasing will moderate.
- Based on current estimates, the Group is estimating that its operating expenses will increase by approximately 6.8% to 9.5% YoY and amount to approximately S\$59.9 million to S\$61.4 million in 2020.
- The estimated percentage increase will be significantly lower than the double digit percentage YoY increases in operating expenses that the Group has been seeing in the last few years.
- This, however, does not take into account the application for the digital banking licence in Singapore, which may affect expenses starting the second half of 2020 if the application is successful.

# Pursuing a Digital Bank Licence in Singapore - *Seeking To Better Tap Into Singapore's Global Wealth Management Hub Status*

- iFAST Corp led a consortium comprising of Yillion Group (亿联集团) and Hande Group (瀚德集团) and submitted an application for a digital wholesale bank licence in Singapore.
- iFAST Corp will own a 65% stake in the proposed digital bank.
- iFAST sees the digital banking business as two main components – deposits and loans.
- The ability to acquire deposits at low cost is key to building a competitive and successful lending business.
- Instead of competing mainly for local SGD deposits, iFAST seeks to better tap into Singapore's global wealth management hub status to attract foreign currency deposits.

# Pursuing a Digital Bank Licence in Singapore - *Seeking To Better Tap Into Singapore's Global Wealth Management Hub Status*

- Singapore has established itself as one of the leading private banking and wealth management centres globally and in Asia. It has done well in attracting many high net worth and ultra high net worth individuals from different parts of the world.
- However, iFAST finds that the global mass affluent are not well-served and sees a tremendous opportunity in this space.
- Through integrating its existing wealth management Fintech platform into the digital bank's offering and leveraging on Singapore's status as a wealth management hub, iFAST believes this will allow it to effectively acquire global mass affluent customers and deposits at low costs.
- Deposits acquired will be available for lending, such as to SMEs in Singapore. iFAST believes that this will bring about a massive spill over effect to the local economy.

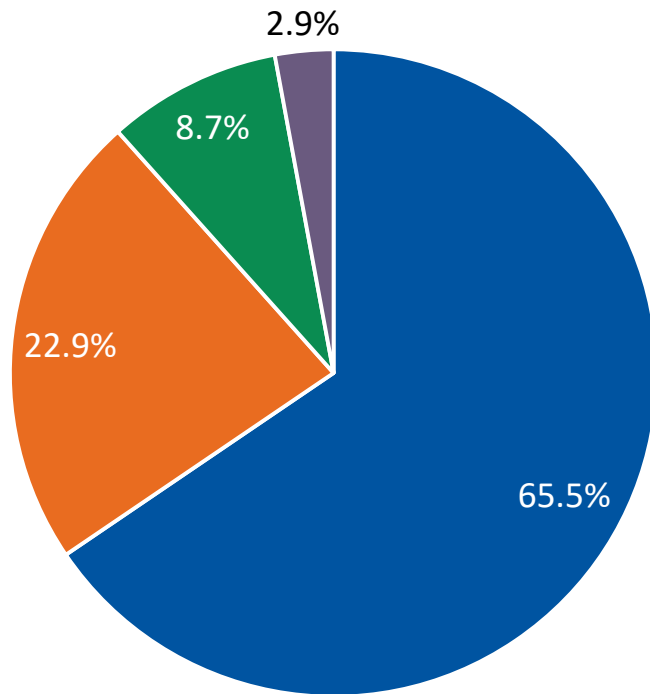
# Our Performance Trends





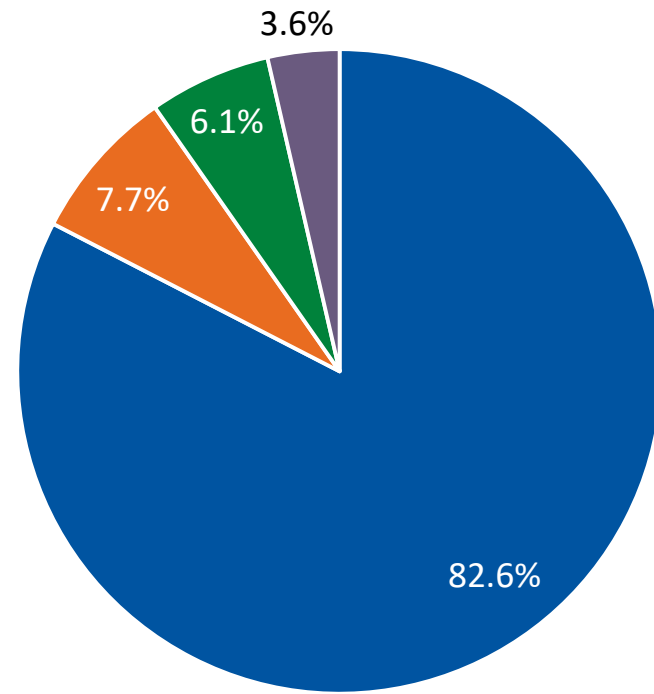
# AUA Breakdown: Markets & Products (as at 31 December 2019)

## AUA Breakdown By Markets



- Singapore
- Hong Kong
- Malaysia
- Others (China & India)

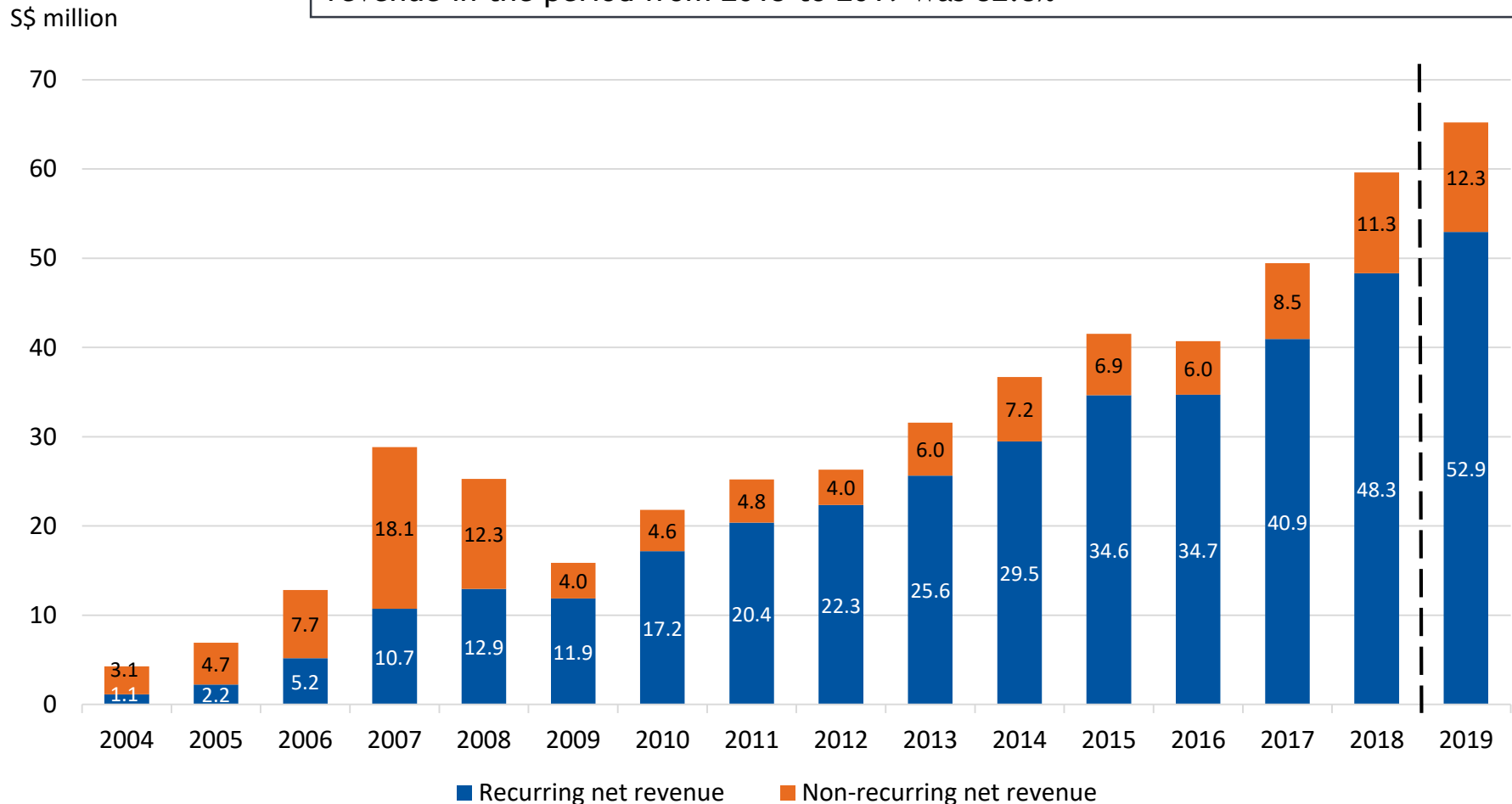
## Breakdown by Products



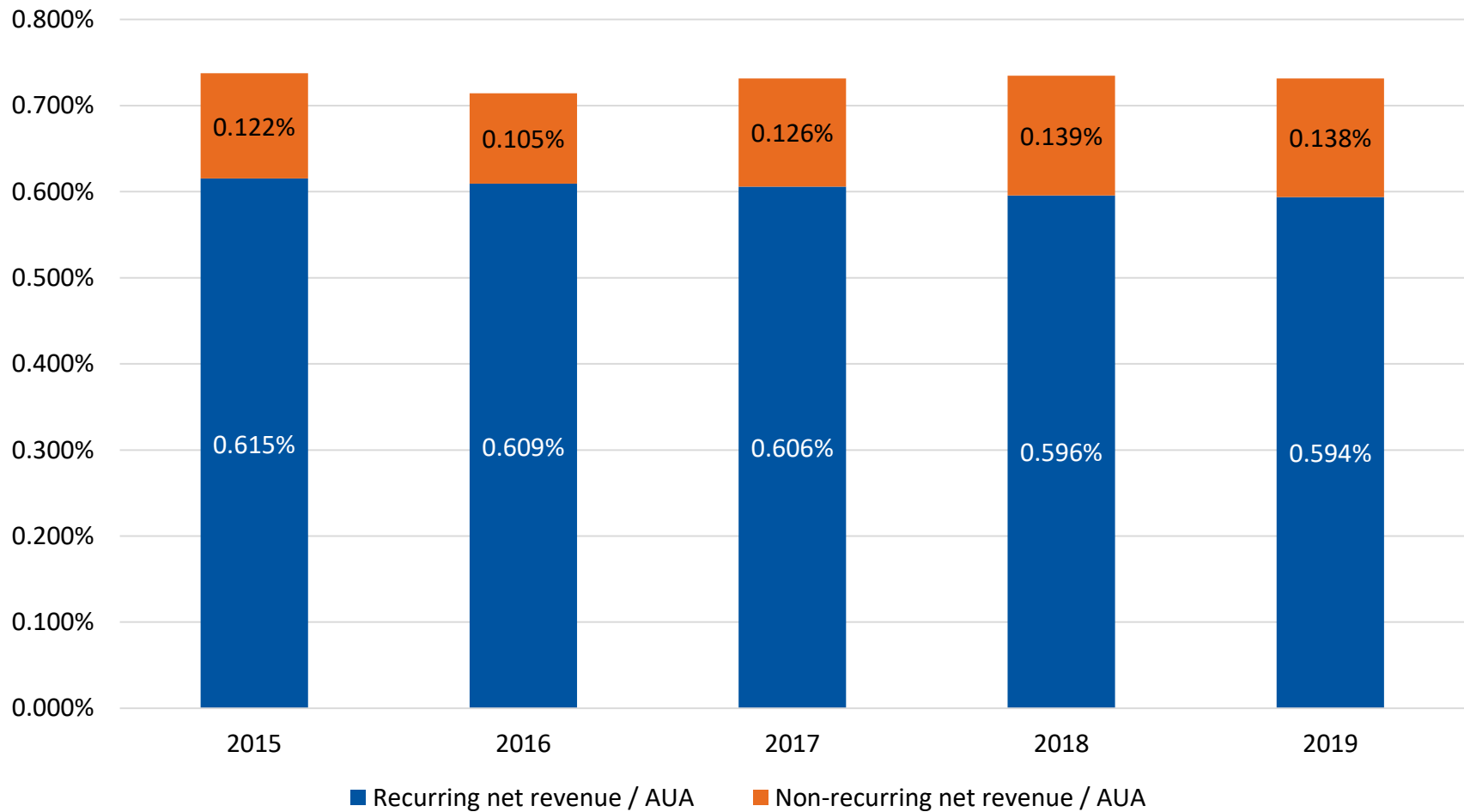
- Unit Trusts
- Bonds
- Stocks & ETFs
- Cash Account

# Net revenue breakdown between recurring and non-recurring sources

Average contribution from recurring net revenue as opposed to non-recurring net revenue in the period from 2015 to 2019 was 82.8%



# Net revenue as a ratio of average AUA



# Recurring and Non-Recurring Net Revenue

<b>S\$ (Million)</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>
Recurring net revenue	34.64	34.71	40.95	48.32	52.94
Non-recurring net revenue	6.89	5.98	8.50	11.30	12.26
<b>Total net revenue</b>	<b>41.53</b>	<b>40.69</b>	<b>49.45</b>	<b>59.62</b>	<b>65.20</b>
<b>YoY Change (%)</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>
Recurring net revenue	+17.5	+0.2	+18.0	+18.0	+9.6
Non-recurring net revenue	-4.4	-13.2	+42.2	+33.0	+8.5
<b>Total net revenue</b>	<b>+13.2</b>	<b>-2.0</b>	<b>+21.5</b>	<b>+20.6</b>	<b>+9.4</b>

# Net Revenue - Geographical Segment

<b>S\$ (Million)</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>
Singapore	30.04	29.54	34.77	39.30	41.95
Hong Kong	9.55	8.66	10.78	14.26	16.71
Malaysia	1.94	2.26	3.47	5.32	5.97
China	-	0.23	0.43	0.75	0.57
<b>Group</b>	<b>41.53</b>	<b>40.69</b>	<b>49.45</b>	<b>59.62</b>	<b>65.20</b>
<b>YoY Change (%)</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>
Singapore	+16.8	-1.7	+17.7	+13.0	+6.8
Hong Kong	+0.7	-9.4	+24.5	+32.2	+17.2
Malaysia	+31.1	+16.7	+53.5	+53.4	+12.2
China	-	NM	+83.4	+73.1	-24.1
<b>Group</b>	<b>+13.2</b>	<b>-2.0</b>	<b>+21.5</b>	<b>+20.6</b>	<b>+9.4</b>

# Net Revenue - B2B Business Segment

<b>B2B Net Revenue (S\$ Million)</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>
Recurring net revenue	24.50	24.49	28.85	33.88	37.12
Non-recurring net revenue	4.09	3.86	5.15	7.22	7.19
<b>Total B2B net revenue</b>	<b>28.59</b>	<b>28.35</b>	<b>34.00</b>	<b>41.10</b>	<b>44.31</b>
<b>YoY Change (%)</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>
Recurring net revenue	+16.2	-0.02	+17.8	+17.4	+9.6
Non-recurring net revenue	-8.3	-5.6	+33.4	+40.1	-0.5
<b>Total B2B net revenue</b>	<b>+11.9</b>	<b>-0.8</b>	<b>+19.9</b>	<b>+20.9</b>	<b>+7.8</b>

# Net Revenue - B2C Business Segment

<b>B2C Net Revenue (S\$ Million)</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>
Recurring net revenue	10.15	10.22	12.10	14.44	15.81
Non-recurring net revenue	2.79	2.12	3.35	4.08	5.08
<b>Total B2C net revenue</b>	<b>12.94</b>	<b>12.34</b>	<b>15.45</b>	<b>18.52</b>	<b>20.89</b>
<b>YoY Change (%)</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>
Recurring net revenue	+20.9	+0.7	+18.4	+19.3	+9.5
Non-recurring net revenue	+1.9	-24.1	+58.0	+22.0	+24.3
<b>Total B2C net revenue</b>	<b>+16.3</b>	<b>-4.6</b>	<b>+25.2</b>	<b>+19.9</b>	<b>+12.8</b>

# Profit/Loss - Geographical Segment

Profit/Loss (S\$ Million)			YoY			YoY Change
	4Q2018	4Q2019	Change (%)	FY2018	FY2019	(%)
Singapore	2.19	2.43	+10.5	11.86	9.96	-16.1
Hong Kong	0.77	1.61	+107.6	3.42	4.42	+29.3
Malaysia	0.39	0.53	+38.3	1.37	1.76	+28.6
Other <sup>1</sup>	0.63	0.11	-82.0	0.52	(0.05)	NM
Profit before tax (excluding China operation)	3.98	4.68	+17.5	17.17	16.10	-6.3
Tax expense	(0.24)	(0.44)	+83.7	(1.66)	(1.76)	+6.1
Net profit after tax (excluding China operation)	3.74	4.24	+13.3	15.51	14.33	-7.6
China operation	(1.12)	(1.24)	+10.7	(4.60)	(4.82)	+4.9
Net profit after tax (including China operation)	2.62	3.00	+14.4	10.91	9.52	-12.8

**Note:**

1. Representing share of results of associates



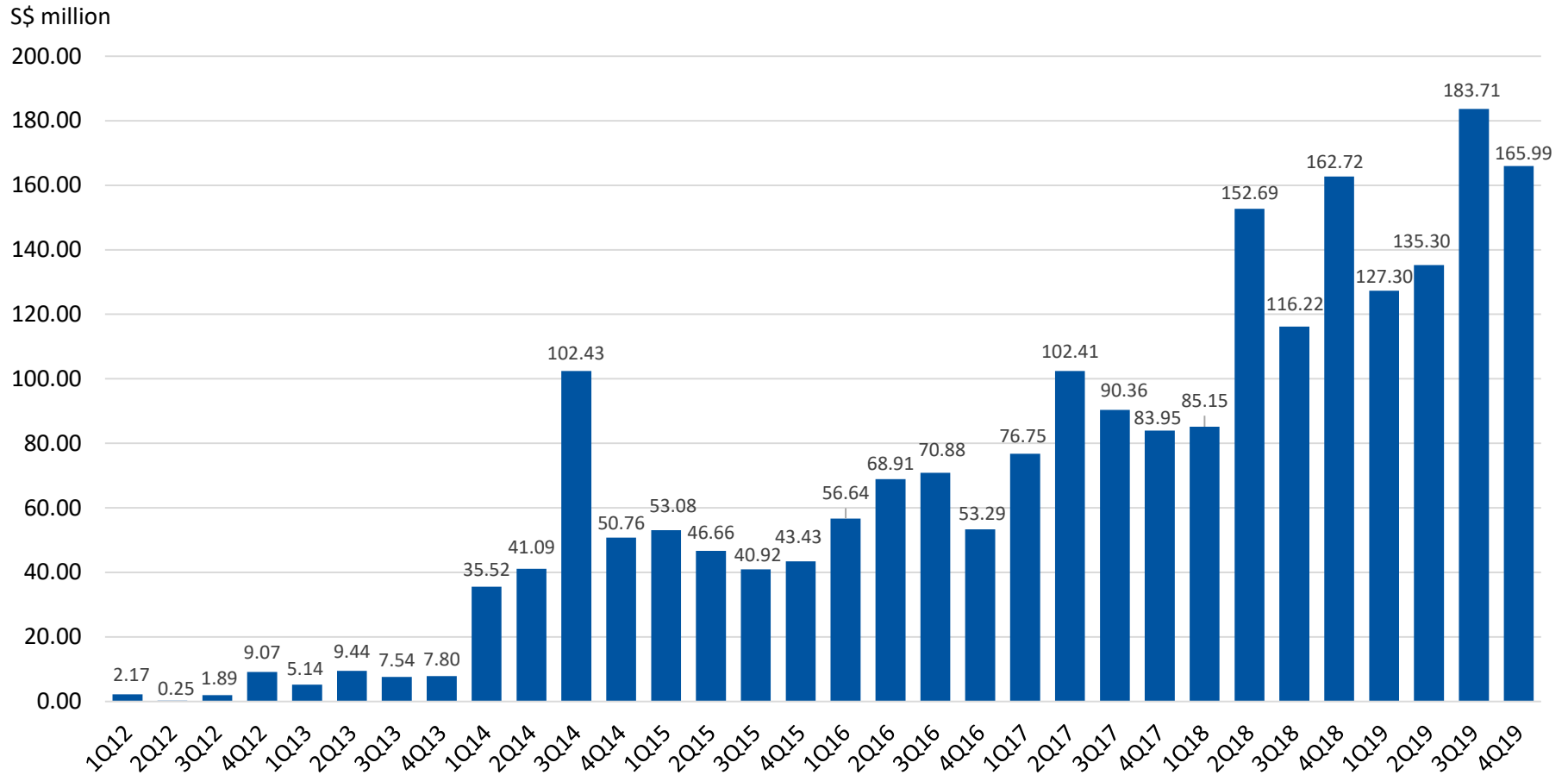
# Profit/Loss - Geographical Segment

<b>Profit/Loss (S\$ Million)</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017<sup>2</sup></b>	<b>FY2018</b>	<b>FY2019</b>
Singapore	11.82	9.07	10.62	11.86	9.96
Hong Kong	1.65	0.53	1.77	3.42	4.42
Malaysia	0.28	0.38	1.07	1.37	1.76
Other <sup>1</sup>	(0.02)	(0.16)	(0.33)	0.52	(0.05)
Profit before tax (excluding China operation)	13.73	9.82	13.13	17.17	16.10
Tax expense	(0.65)	(0.76)	(1.26)	(1.66)	(1.76)
Net profit after tax (excluding China operation)	13.08	9.06	11.87	15.51	14.33
China operation	(0.98)	(3.61)	(4.17)	(4.60)	(4.82)
Net profit after tax (including China operation)	12.10	5.45	7.70	10.91	9.52

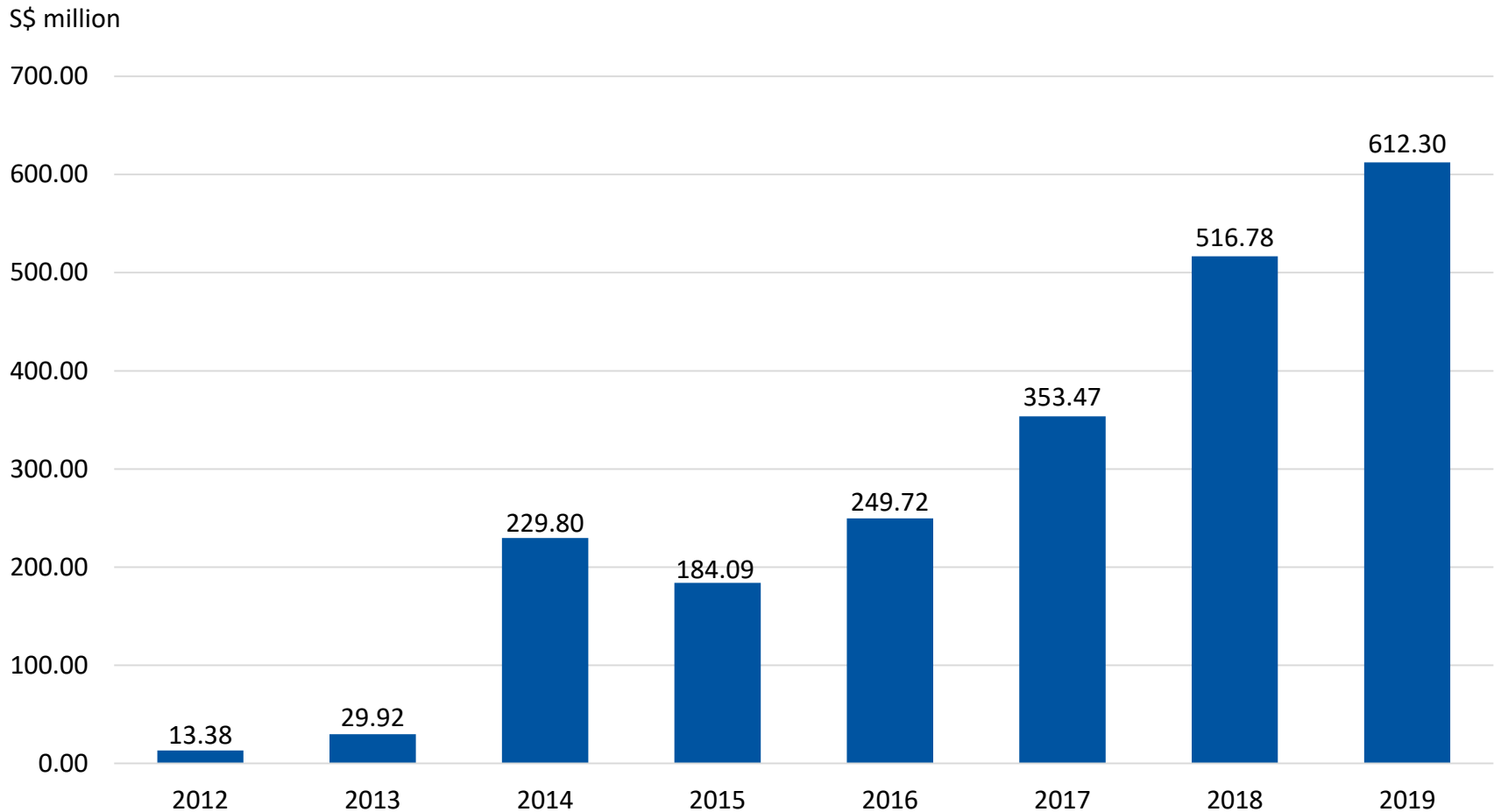
**Notes:**

1. Representing share of results of associates
2. Restated as a result of adoption of SFRS(I)s with effect from 1 January 2018 for comparison purpose

# Transaction Volume Of Bondsupermart's Affiliated Brokers From Inception



# Transaction Volume Of Bondsupermart's Affiliated Brokers From Inception



# Progress of Individual Markets



## SINGAPORE

- Net revenue grew 6.8% YoY to S\$41.95 million in FY2019, while net profit before tax fell 16.1% YoY to S\$9.96 million in FY2019.
- The AUA of the Singapore operation grew 21.4% YoY, reaching S\$6.55 billion as at 31 December 2019. Both its B2B and B2C divisions achieved a record high AUA level. Improved sales across different products as well as increases in the global equity and bond markets helped to boost AUA levels.
- FSMOne.com, the B2C division of the Singapore operation, saw sales in its various investment products increase in 4Q2019, with sales coming across all product categories including unit trusts, bonds, stocks and ETFs.
- The 0.08% commission fee for Stocks and ETFs across SGX, HKEX and US exchanges, as well as the flat fee of S\$10 for stocks and ETFs traded on the SGX for its Gold and Diamond clients (with AUA from S\$200,000 and above), have continued to increase interest in its services. From 18 January 2020, FSM Silver investors (with AUA from S\$100,000 and above) can also enjoy the flat fee of S\$10 permanently on stocks and ETFs traded on the SGX.

# Progress of Individual Markets



## SINGAPORE

- FSMOne.com launched a new service for its clients who can trade in selected ETFs across SGX, HKEX and US exchanges via a regular savings plan, from just S\$50 a month in November 2019. This service enables investors to build a global portfolio easily.
- FSMOne.com organised its annual flagship event, the FSM Invest Expo on 18 January 2020. The event attracted a large crowd of investors who turned up to listen to investment topics and engage in discussions with various investment specialists.
- Following the launch of the new iGM mobile app in early 2H2019, the iGM business has continued to grow and see increased interest in the platform's investment capabilities.
- iFAST Singapore was awarded the "Fastest Growing SGX-ST Member 2019" in February 2020. This is the second consecutive year that the Singapore operation has received the recognition from SGX. By leveraging on its strong in-house IT capabilities, the Company is able to provide its clients with the best investment experience through constantly enhancing the user experience of its trading systems and processes, while keeping prices competitive.

# Progress of Individual Markets



## HONG KONG

- Net revenue grew 17.2% YoY to S\$16.72 million and net profit before tax grew 29.3% YoY to S\$4.42 million in FY2019.
- Hong Kong's AUA grew 24.3% YoY to S\$2.28 billion as at 31 December 2019.
- As the market sentiment improved, the B2C division saw strong rebound in unit trust sales in 4Q2019.
- Hong Kong B2C platform saw further growth in its bonds turnover in 4Q2019. This is a result of the improvement in investor sentiment surrounding the Chinese property sector, accompanied by encouraging earnings reported by several companies which provided support for bond prices. Among which, there was a notable increase in the number of transactions via Bond Express on the B2C platform. Bond Express is a service that allows professional investors in Hong Kong to trade bonds in ticket sizes from as low as US\$5,000.
- With the cash account balance continuing to grow in 4Q2019 on the B2C platform, it is likely that investors will deploy their cash for investments when opportunities arise.

# Progress of Individual Markets



## HONG KONG

- Hong Kong B2B division revamped its web portal for both iFAST Central and iFAST Global Prestige in 4Q2019. The new web portal allows clients to review their adviser's recommendations, approve trade transactions, and view consolidated portfolio holdings seamlessly online. Wealth advisers can also enjoy value added services including access to the Client Relationship Management system, product comparison tools and portfolio valuation reports via the new web portal.
- iFAST Global Markets (iGM) Hong Kong launched the new iGM mobile app in 4Q2019, which is similar to the iGM mobile app launched in Singapore in early 2H2019.

# Progress of Individual Markets



## MALAYSIA

- Net revenue grew 12.2% YoY to S\$5.97 million and net profit before tax grew 28.6% YoY to S\$1.76 million in FY2019.
- Malaysia's AUA grew 38.5% YoY to hit S\$869.16 million as at 31 December 2019.
- The Malaysia operation continued to see strong investment inflows in 4Q2019 owing to the rise in investor optimism during the period.
- Supported by the rebound in investor sentiment and positive market movements, the AUA across all products, including unit trusts, bonds and DPMS for the Malaysia operation reached record high levels in 4Q2019.
- Malaysia B2C division saw significant pick up in account opening in 4Q2019, which can be attributed to the sustained momentum from the EPF's "i-Invest" initiative launched in 3Q2019, and the seasonality effect where investors are more motivated to open account for the purpose of investing into Private Retirement Scheme (PRS) to enjoy tax savings.
- With the revamped website and mobile application for the B2B platforms officially launched in October 2019, the Malaysia B2B division will continue to focus on enhancing its capabilities to improve the user experience and drive productivity of its B2B partners.



# Progress of Individual Markets



## MALAYSIA

- iFAST Malaysia has set up its new office hub in Ipoh in 4Q2019. This is the fourth office besides Kuala Lumpur, Penang and Kota Kinabalu.
- To help the iFAST Global Markets (iGM) advisers serve their clients located across different parts of Malaysia more effectively, two satellite offices were set up in Kota Damansara and Penang in 4Q2019. This is in addition to the two iGM satellite offices located in Sitawan and Johor Bahru.
- The iGM division is growing healthily in terms of the number of representatives and AUA. The iGM division adopts a principled approach in selecting and recruiting quality representatives to provide its clients with better service and proper recommendations, as this helps to bring in AUA that are sticky in nature thereby allowing the business to grow steadily.

# Progress of Individual Markets



## CHINA

- Net revenue in the China operation grew 12.9% YoY in 4Q2019, but fell 24.1% YoY in FY2019.
- China's AUA grew 16.1% YoY to S\$101.50 million (approximately RMB 526 million) as at 31 December 2019. This is supported by a 32.10% and 8.86% YoY increase in the AUA of its B2B2C business and in-house wealth advisers business – iFAST Global Markets (iGM) respectively.
- With more than 80 B2B partners (including Internet and financial services companies) on board, iFAST China is well-positioned to continue growing its AUA through institutional business.
- The China operation has also increased the number of fund house partners and funds carried on its platform. There are more than 90 fund houses and over 3,800 funds on its platform as at 31 December 2019.

# Progress of Individual Markets



## CHINA

- China B2B2C division sustained a strong growth momentum in 4Q2019, due to the onboarding of new clients with strong growth potential. The growth momentum is expected to continue in 1H2020.
- The iGM business launched the Wrap Account services in 4Q2019 to help align the interest of its clients and wealth advisers. Under the new service, clients get to enjoy upfront fee waiver on all switch transactions during their portfolio rebalancing exercises.
- iFAST China believes that any impact of the COVID-19 situation to its operation will be short-term and remains positive on its business outlook in 2020.

# Progress of Individual Markets



## INDIA

- As at 31 December 2019, iFAST Corp holds an effective 35.9% share in iFAST Financial India Pvt Ltd, the key business of the Group's India business, which engages in the distribution of investment products including unit trust in India.
- India's AUA grew to India Rupee 28.16 billion (equivalent to S\$532 million) as at 31 December 2019. The India business continues to be in the unique position as a platform that serves the growing fee-based advisory community, with continued growth seen in its Wrap AUA and recurring admin fee revenue in 2019.
- iFAST India undertook various initiatives in 4Q2019 to enhance its backend operation, including automating collections and payments to allow real time cash balance update, and introducing Internet-based trading that routes trades directly to the exchange, helping advisers to make quicker and more timely investment decisions for their clients.

# Progress of Individual Markets



## INDIA

- Following the launch of the web application with the new client login feature in 4Q2019, iFAST India is gearing up to launch the adviser login feature in 2Q2020. iFAST India is also planning to roll out customer relationship management and financial planning tools in the coming quarters to further cement its position as the best platform for advisory business in India.
- iFAST India held its annual partner event, the Wrap Summit, in January 2020. The three day event saw fund houses, the adviser community and speakers from Singapore and the US coming together to share on investment ideas and experiences.
- In view of the recent regulatory push to promote fee based advisory business model in India, iFAST India expects its Registered Investment Advisor (RIA) network to grow this year.

# Appendices



# Business Overview

- iFAST Corporation Ltd. is a wealth management fintech platform with assets under administration (AUA) of S\$10.00 billion as at 31 Dec 2019 (stock code: AIY).
- Main business divisions:
  - Business-to-Consumer (B2C) platform, Fundsupermart (including the new FSMOne multi-products account in Singapore, Hong Kong and Malaysia), targeted at DIY investors (AUA: S\$2.78 billion);
  - Business-to-Business (B2B) platform that caters to the specialised needs of over 400 financial advisory (FA) companies, financial institutions and banks (AUA: S\$7.22 billion), which in turn have more than 8,500 wealth advisers; and
  - Emerging Fintech Solutions / Business-to-Business-to-Consumer (B2B2C) Model: iFAST Fintech Solutions was launched in the recent years to provide customisable Fintech solutions for our B2B clients and business partners to empower them with B2C Fintech capabilities.
- The Group offers access to over 10,000 investment products including unit trusts, bonds and Singapore Government Securities (SGS), stocks, Exchange Traded Funds (ETFs), insurance products, and services including discretionary portfolios, research and investment seminars, financial technology (fintech) solutions, and investment administration and transaction services.
- Our mission statement is, “To help investors around the world invest globally and profitably”.
- iFAST Corp was consistently ranked within the top 15% among SGX-listed companies in the Singapore Governance and Transparency Index (SGTI) from 2016 to 2019.
- iFAST Corp was awarded the "Best Investor Relations – Silver Award" and “Best Investor Relations – Bronze Award” in the “Companies with less than S\$300 million in market capitalisation” category at the Singapore Corporate Awards held in 2018 and 2019 respectively.
- iFAST Corp was selected as one of the 36 listed companies to be included in 2019’s SGX Fast Track programme. The programme aims to affirm listed issuers that have been publicly recognised for high corporate governance standards and have maintained a good compliance track record.

# Milestones



## 2000

- Launch of Fundsupermart.com (B2C) in **Singapore**

## 2002

- Launch of iFAST Platform Services (B2B) in **Singapore**

## 2007

- Launch of Fundsupermart.com (B2C) in **Hong Kong**

## 2008

- Launch of iFAST Platform Services (B2B) in **Hong Kong**
- Launch of Fundsupermart.com (B2C) and iFAST Platform Services (B2B) in **Malaysia**

## 2011

- Launch of “FSM Mobile” iPhone application. The Android version of the “FSM Mobile” was launched in the following year

## 2014

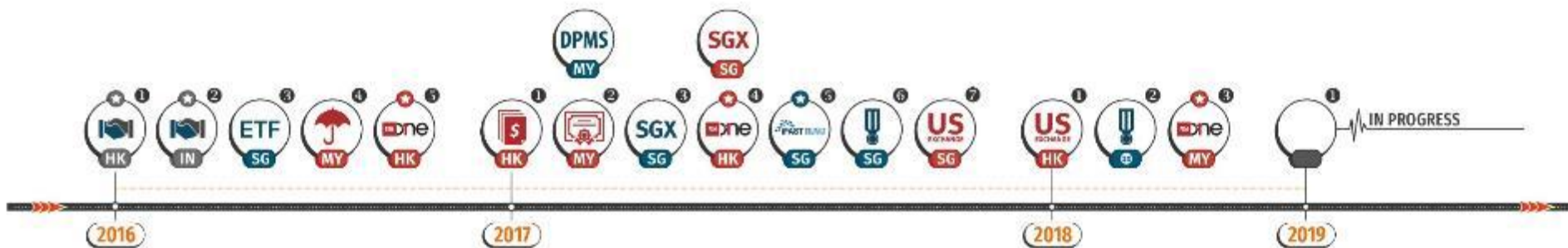
- Incorporation of iFAST Platform Services (Shenzhen) Qianhai in **China**
- Listing on SGX-ST

## 2015

- Distribution of bonds and ETFs in **Singapore**
- Launch of online discretionary portfolio management service (DPMS) in **Hong Kong**
- Received Funds Distributor Qualification in **China**



# Milestones Cont'd



## 2016

- Acquisition of a stockbroking company and an insurance brokerage firm in **Hong Kong**
- Acquisition of a stake in the holding company of iFAST India Business
- Launch of Stocks/ETFs on the B2B platform in **Hong Kong**
- Launch of Insurance on FSM **Malaysia**
- Launch of FSMOne in **Singapore**, including online DPMS (FSM MAPS), Bond Express and HKEX Stocks/ETFs

## 2017

- Launch of stocks & ETFs on FSM **Hong Kong**
- Launch of bonds on FSM **Malaysia** and online DPMS in **Malaysia**
- iFAST **Singapore** admitted as Trading Member of SGX-ST and Clearing Member of CDP; launch of SGX stockbroking services in **Singapore**
- Launch of FSMOne in **Hong Kong**
- Launch of iFAST Fintech Solutions
- iFAST Corp emerged first runner-up in the IR Magazine Awards South East Asia 2017" in the "Best in Sector - IT " category
- Launch of US stockbroking services on FSM **Singapore**

## 2018

- Launch of US stockbroking capabilities in **Hong Kong**
- 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 (SCA) 2018
- Launch of FSMOne in **Malaysia**

## 2019

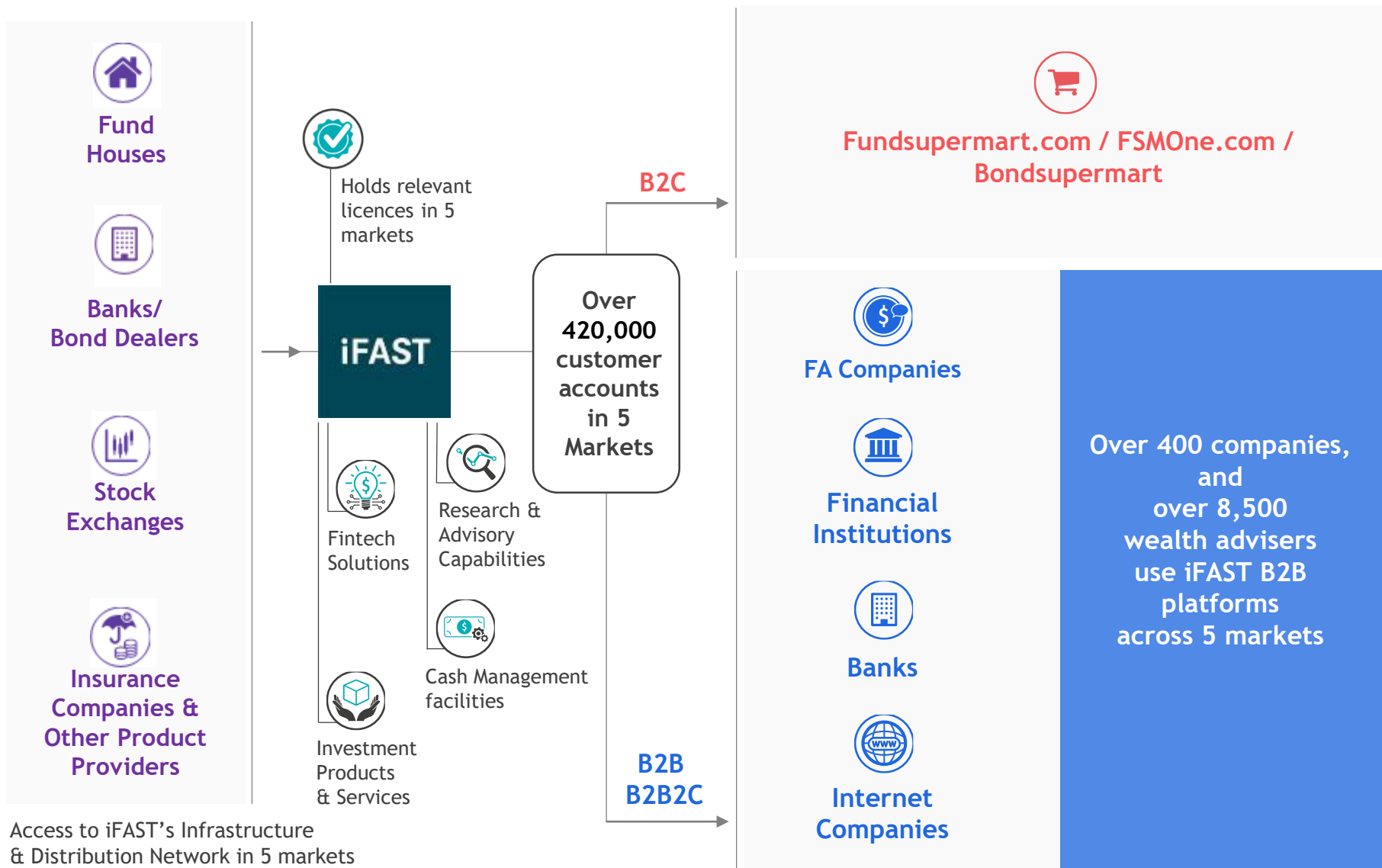
- iFAST **Singapore** clinched "Fastest Growing SGX-ST Member" Award at SGX Awards Night 2019
- iFAST **Malaysia** launched retail bonds under the Securities Commission Malaysia's new Seasoning Framework; launch of 24/7 Bond Express services on FSM **Malaysia**
- Launch of iFAST Global Markets (iGM) mobile app in **Singapore** and **Hong Kong**
- Launch of FSM Auto Sweep Account and Regular Savings Plan for selected ETFs on FSM **Singapore**
- iFAST Corp won the "Best Investor Relations - Bronze Award", while the Group's CFO was named "Best CFO" in the companies with less than S\$300 million in market capitalisation category at SCA 2019
- iFAST **China** and Raffles Family Office formed joint venture
- Launch of Wrap Account services on iGM **China**
- iFAST **Malaysia** received approval for additional regulated activity of financial planning to be included in its Capital Market Services Licence
- iFAST Corp was included in SGX Fast Track Programme in 2019

# iFAST Fintech Ecosystem



(as at 31 Dec 2019)

Connecting All to Help Investors Invest Globally and Profitably



# The iFAST Fintech Ecosystem

- Products and services:
  - Unit trusts (over 6,700 funds from over 260 fund houses)
  - Bonds (over 1,200 direct bonds)
  - Stocks & ETFs – in 3 markets (Singapore, Hong Kong and US)
  - Discretionary portfolio management services
- Over 400 financial institutions and other corporations and over 8,500 wealth advisers using the platform
- Over 420,000 customer accounts in five markets
- Leading wealth management Fintech platform in Asia's two international financial centres (Singapore and Hong Kong)
- Presence in Asia's two giants markets (China and India), with linkages to Singapore and Hong Kong increasingly strengthened

# The Revenue Drivers

- The iFAST business model predominantly involves growing the size of our assets under administration (AUA). Higher AUA will generally lead to higher revenues.
- Recurring income accounts for approximately 80% of our net revenue
- Sources of Non-Recurring Net Revenue
  - Transaction fees – unit trusts, bonds, stocks, ETFs
  - Forex conversions
  - Fintech solutions IT development fees
  - Insurance commissions
- Sources of Recurring Net Revenue
  - Trailer fees, platform fees, wrap fees
  - Net interest income
  - Fintech solutions IT maintenance fees
- In recent times, the sources of the Group's net revenue have broadened. The contributions from net interest income arising from clients' AUA and Fintech solutions IT fees have become more important.

# Licences Held and Products and Services Available (as at 31 December 2019)



# Our Value Proposition

iFAST

## PRODUCT PROVIDERS

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

## B2B CUSTOMERS

- One platform, multiple investment products
- Adoption of recurring revenue business model based on Assets Under Administration (“AUA”)
- Platform performs efficient collection of fees
- IT solutions and backroom functions managed by platform
- Competitive fee-sharing structure
- Research into investment products
- Adoption of a wrap account which seamlessly combines multiple investment product categories into one account
- Online discretionary portfolio management services (DPMS)

## B2C DIY INVESTORS

- One platform, multiple investment products
- Competitive and transparent fee structure Award-winning websites and mobile applications
- Availability of Investment Advisers if advice is required
- Online discretionary portfolio management services (DPMS)

# iFAST's Fintech Footprint: Past and Present

## PAST: Building the Foundation (2000-2013)

*Focus on building Fintech capabilities in-house to efficiently and effectively deliver innovative solutions to our customers and business partners:*

- In-house IT teams developing proprietary IT systems, leveraging on the Internet trends to bring UT transactional process online
- Dedicated B2B and B2C platforms catering to specific needs of Financial Advisers and DIY investors respectively
- Developing innovative and robust IT capabilities, and user-friendly interface, while continuously working to improve the ease of navigation and user experience of the platforms
- Mobile applications developed in-house for both DIY investors (FSM Mobile) and B2B FAs (iFAST Central) on both iOS and Android operating systems
- Emphasis on: information transparency + independent research + relevant product information + investment tools (charting tools)

## PRESENT: Stepping Up the Game (2014-2019)

*Focus on broadening the range and depth of investment products and asset classes available on our platforms*

- Launch of FSMOne.com to streamline and enable transactions of various products with one account and to enhance user experience, alluding to our “Many Ways to Invest, One Place To Do It”
- New tools launched together with the new services (e.g. Stock Screener and Stock Calculator, as well as comparison tools for insurance plans, and portfolio simulators)
- Discretionary portfolio solutions: all-in-one online investment advisory service that builds, monitors and rebalances portfolios on-behalf of clients

**IT Partnership** – encourage innovation and to attract and retain talents; around 25% of the work force in iFAST is in IT-related roles to maintain our competitive edge in terms of technological innovation

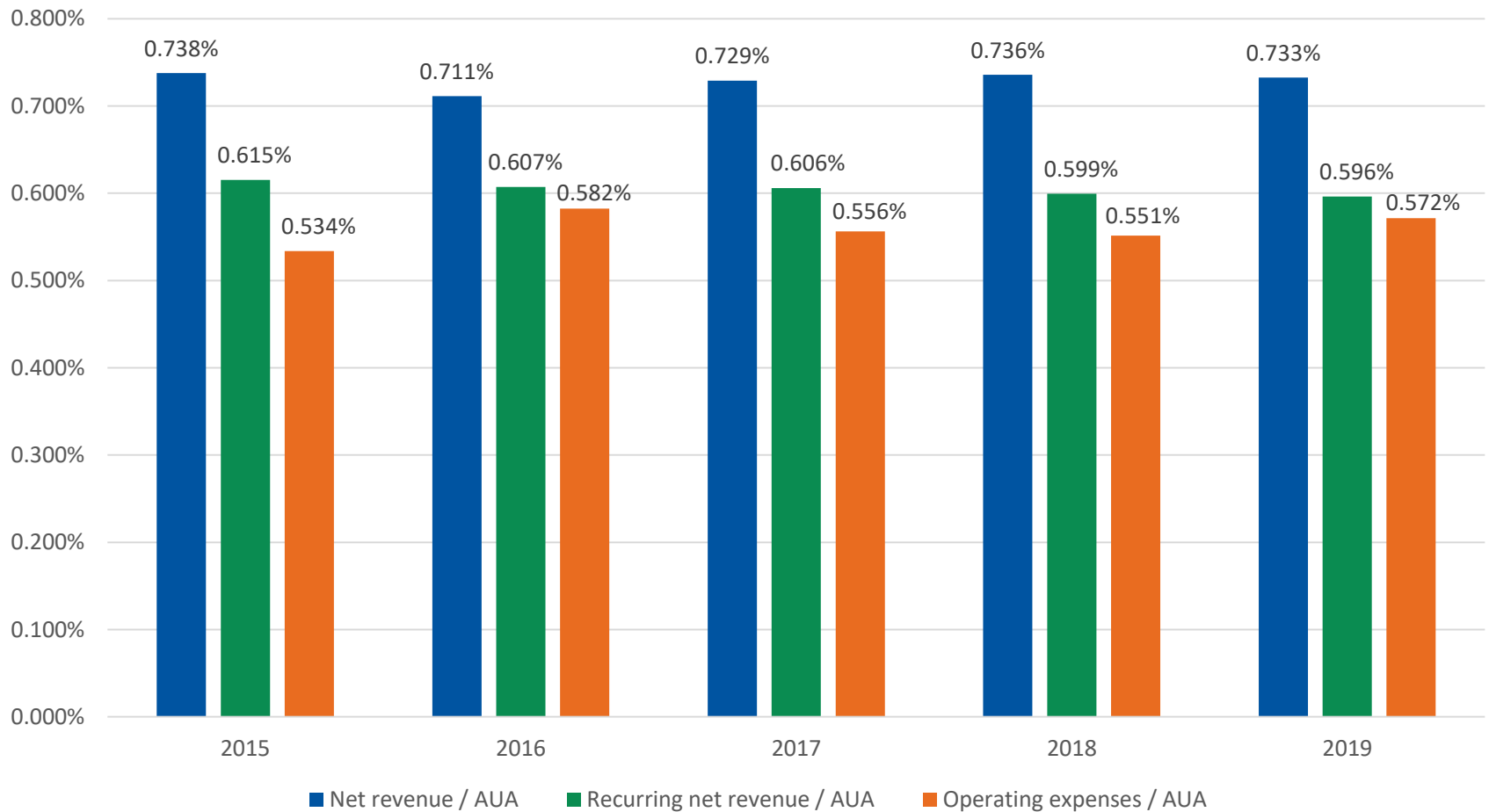
**iFAST Fintech Solutions** – new business division to empower business partners, leveraging on our IT expertise and platform operations experiences (B2B2C strategy)

# iFAST Fintech Solutions

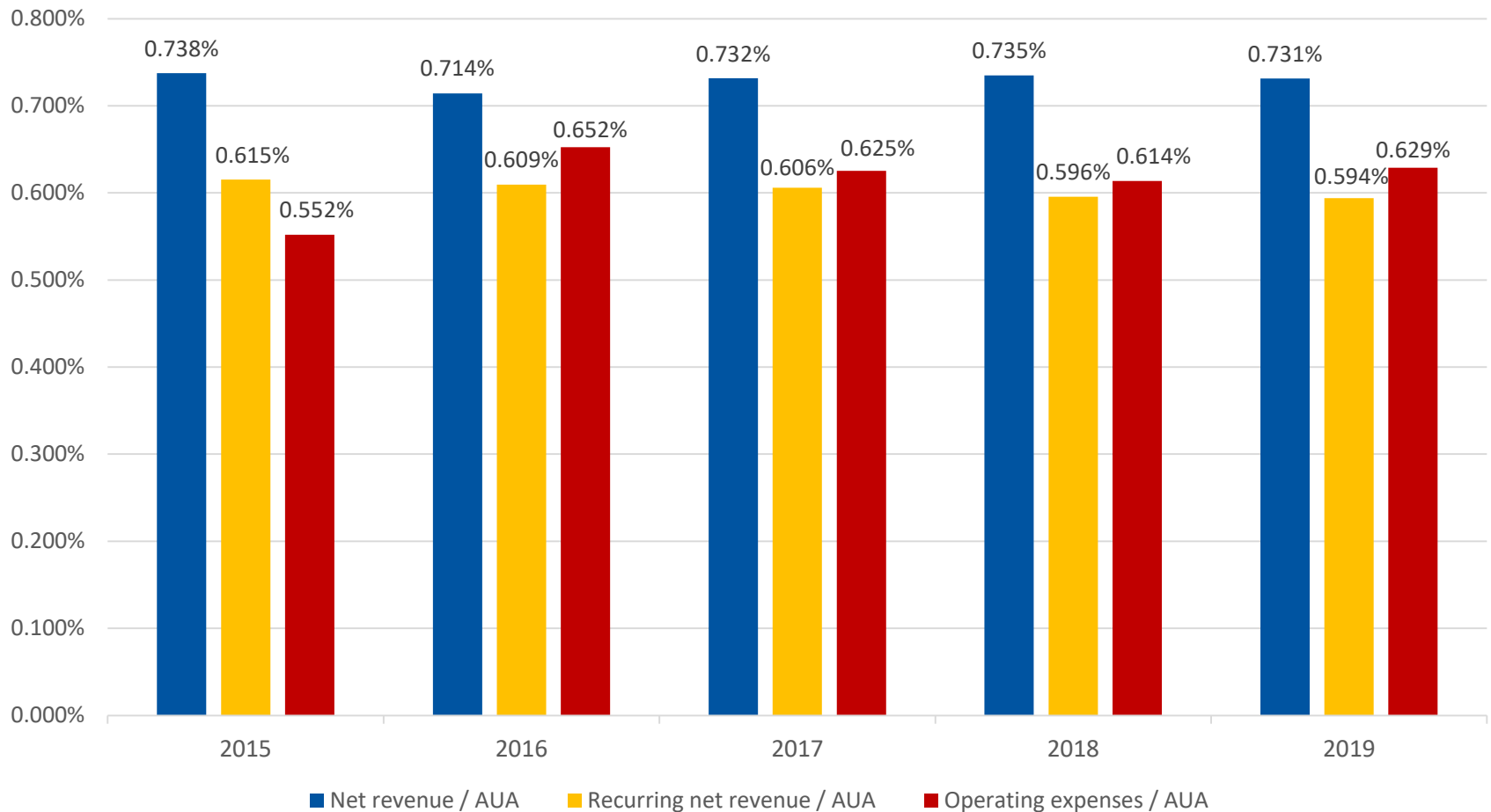
- The iFAST Fintech Solutions business division was set up in 2017, with the objectives to empower our business partners in advancing their wealth management business by delivering innovative fintech solutions that can better suit their clients' needs, while combining business and industry insights with Fintech Solutions created in-house to propel their business forward. The business division is currently available in Hong Kong, Singapore, and Malaysia.
- Building on the strong foundation established since the beginning of the company's operations to bring the unit trust transactional process online, our in-house IT teams have over the past few years come up with newer proprietary systems and capabilities to cope with the wider range products and services on iFAST platforms, including bonds, stocks, ETFs, discretionary portfolio management service and etc., enabling and streamlining the transactional processes for the various new asset classes brought on board.
- Services offered to our B2B business partners include iFAST API and customised B2B2C solutions, white-label discretionary portfolio solutions, iFAST Touch 2FA security tools, and bespoke Fintech solutions.
- Our objective is to empower our B2B partners with the Fintech capabilities to access a wide range of product data, research content, and also transaction channels for the different investment products iFAST offers, not just for customers under their advisory model, and also for them to establish their B2C business
- The industry-specific knowledge and years of experience in operating a B2C platform allows us to efficiently provide customisable and reliable B2B2C solutions to assist our business partners to start their own DIY B2C business quickly and at a competitive cost. White-label solutions also empowers our business partners to launch their own services in a shorter period of time, allowing them to focus on their business, without having to worry about the technology and other back-office issues



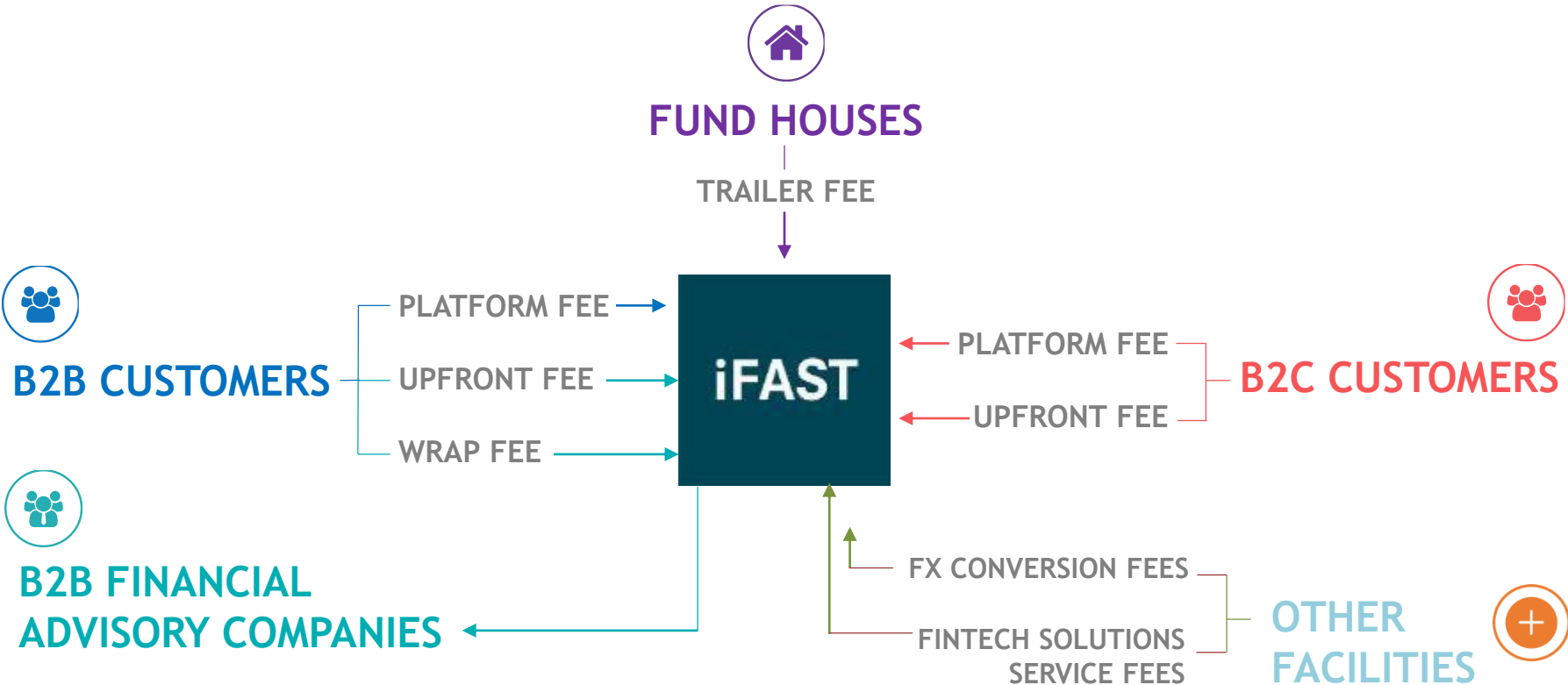
# Net revenue and operating expenses as a ratio of average AUA for Group (excluding China operation)



# Net revenue and operating expenses as a ratio of average AUA for Group (including China operation)



# Fees Illustration



# FY2019: Activities & Achievements



From left to right: A press conference was held in Hong Kong to announce the joint venture between iFAST China and Raffles Family Office in October; iFAST Corp showcased its Fintech capabilities at the Singapore Fintech Festival 2019 in November.



From left to right: The annual iFAST Global Wealth Advisers Symposium was held in Berlin, Germany in October; FSMOne.com Singapore hosted the Bonds Appreciation Dinner for its top bonds clients in November.



23 employees from iFAST Singapore took their time out to volunteer at the warehouse of Food From The Heart in December.



TO HELP INVESTORS AROUND THE WORLD  
INVEST GLOBALLY AND PROFITABLY



# *Thank You.*

FOR MORE INFORMATION,  
PLEASE VISIT [www.ifastcorp.com](http://www.ifastcorp.com)