

FOR IMMEDIATE RELEASE

iFAST Corp: Tough 1H2022 Market Conditions and One-Off Impairment Impacted Profitability; Expects Revenue and Profitability to Reach New Highs in 2023

- The Group's assets under administration ("AUA") declined 5.1% QoQ to S\$17.68 billion as at 30 June 2022; AUA rose 0.8% on a YoY basis.
- Broad decline in the value of investment products has offset positive net inflows of S\$0.59 billion and S\$1.26 billion in 2Q2022 and 1H2022 respectively.
- The Group's net revenue grew 13.3% YoY to S\$29.86 million in 2Q2022, even as global financial markets have gone through a very difficult period.
- iFAST Corp has announced that iFAST India Holdings Pte Ltd ("iFAST India Holdings"), an associate company of the Company, has decided to exit its onshore platform service business in India and pivot to focus on providing global Fintech solutions. With this restructuring, iFAST Corp has provided a one-time estimated impairment allowance of S\$5.2 million. As a result, the Group reported a net loss of S\$2.69 million in 2Q2022.
- 2022 will be a year where the Group will see overall revenue continue to grow, but net profit will see a substantial decline. This happens as the Group incurs an impairment charge for the India business, initial operating losses for iFAST Global Bank and an increase in its overall operating expenses, which grew 22.3% YoY (excluding the bank) to S\$22.33 million.
- The Group's operating expenses are increasing even as revenue growth moderates in 2022, as the Group prepares for the ePension business which will become operational from 2023, and the Group is also positioning itself for opportunities arising from a more globalised wealth management and digital banking business model.
- The Group expects to see a robust ramp up in its profitability between 2023 to 2025 as its new ePension division in Hong Kong becomes a strong contributor, and the Group expects revenues and profitability to grow to new highs in 2023 as the ePension division starts to contribute more significantly from 3Q2023 onwards.
- For the second interim dividend for 2Q2022, the Directors declared a dividend of 1.10 cents per ordinary share (second interim dividend for 2Q2021: 1.10 cents per ordinary share).

SINGAPORE (23 July 2022) – iFAST Corporation Ltd. ("iFAST Corp" and together with its subsidiaries, the "Group") reported its financial results for the second quarter of 2022 (2Q2022).

The Group's assets under administration ("AUA") declined 5.1% QoQ to S\$17.68 billion as at 30 June 2022, though on a YoY basis, AUA rose 0.8%. A broad decline in the value of investment products has offset positive net inflows of S\$0.59 billion and S\$1.26 billion in 2Q2022 and 1H2022 respectively.

The Group's net revenue grew 13.3% YoY to S\$29.86 million in 2Q2022, even as global financial markets have gone through a very difficult period. 2Q2022 net revenue included an initial contribution of S\$3.92 million from iFAST Global Bank in UK.

Recently, iFAST India Holdings Pte Ltd ("iFAST India Holdings"), an associate company of the Company, has decided to exit its onshore platform service business in India and pivot to focus on providing global Fintech solutions. With the restructuring of the India business, iFAST Corp has provided a one-time estimated impairment allowance of S\$5.2 million. As a result, the Group reported a net loss of S\$2.69 million in 2Q2022.

2022 will be a year where the Group will see overall revenue continue to grow, but net profit will see a substantial decline. This happens as the Group incurs an impairment charge for the India business, initial operating losses for iFAST Global Bank and an increase in its overall operating expenses, which grew 22.3% YoY (excluding the bank) to S\$22.33 million.

The Group's operating expenses are increasing even as revenue growth moderates in 2022, because the Group is preparing for the ePension business which will become operational from 2023, and is positioning itself for opportunities arising from a more globalised wealth management and digital banking business model. The Group will continue to invest and prepare for its next phase of growth under its Four-Year Plan.

The Group expects to see a robust ramp up in its profitability between 2023 to 2025 as its new ePension division in Hong Kong becomes a strong contributor.

Beyond 2022, the Group expects its business to see accelerated growth momentum from 2023 onwards, and expects revenues and profitability to grow to new highs in 2023 as the ePension division starts to contribute more significantly from 3Q2023 onwards. The Group's target guidance provided on 23 April 2022 conservatively assumed the contribution from the ePension project would begin in 4Q2023.

Second Interim Dividend for 2Q2022

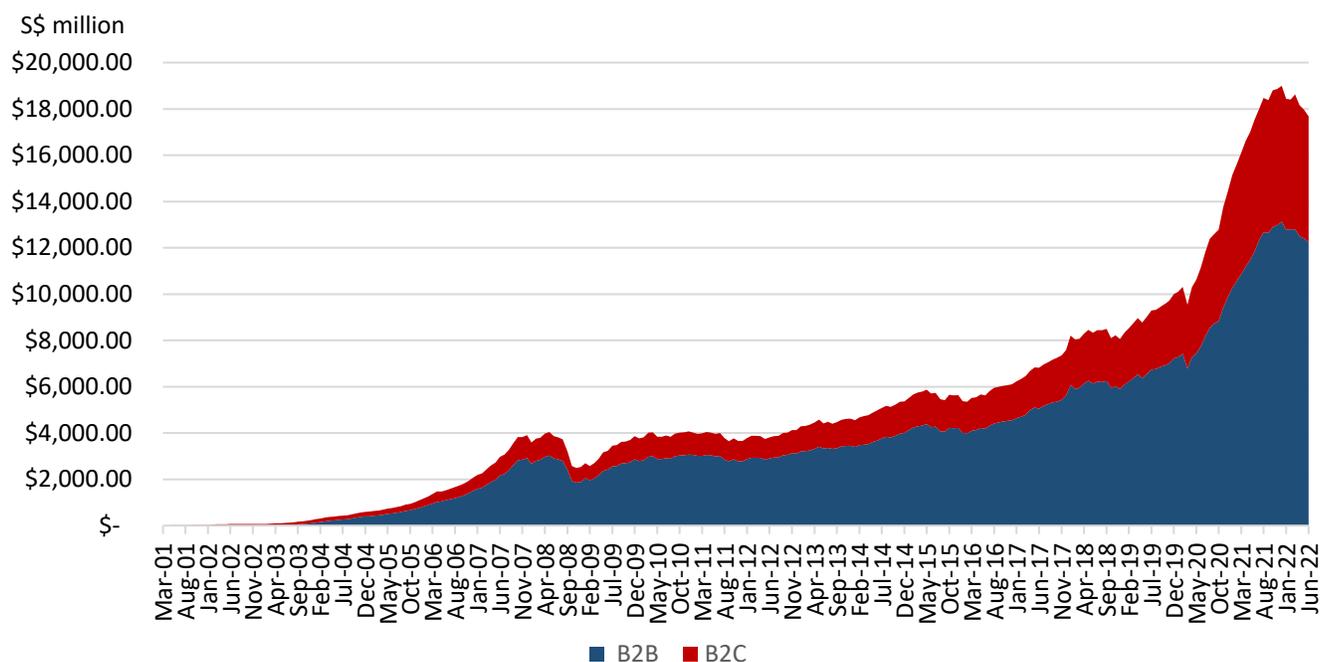
For the second interim dividend for 2Q2022, the Directors declared a dividend of 1.10 cents per ordinary share (second interim dividend for 2Q2021: 1.10 cents per ordinary share).

Table 1: Profit / Loss - Geographical Segment

Profit/Loss (S\$ Million)	FY2018	FY2019	FY2020	FY2021	1H2022
Singapore	11.86	9.96	21.32	28.43	8.93
Hong Kong	3.42	4.42	5.79	8.39	3.88
Malaysia	1.37	1.76	3.75	5.39	2.25
China	(4.60)	(4.82)	(4.88)	(5.82)	(3.50)
UK	-	-	-	-	(0.95)
Other ¹	0.52	(0.05)	(0.41)	(0.35)	0.40
Profit before tax ^{2/3}	12.57	11.27	25.57	36.04	11.01
Tax expense	(1.66)	(1.76)	(4.42)	(5.41)	(2.77)
Net profit after tax ^{2/3}	10.91	9.52	21.15	30.63	8.24

Notes:

1. Representing share of results of associates.
2. Attributable to owners of the Company.
3. Excluding impairment loss of S\$5.2 million related to India Business recognised in Jun 2022

Chart 1: Group AUA declined 5.1% QoQ but grew 0.8% YoY to S\$17.68 billion as at 30 June 2022

Note:

1. The Group's AUA as at 30 June 2022 includes its effective 39.6% share of the India Business.

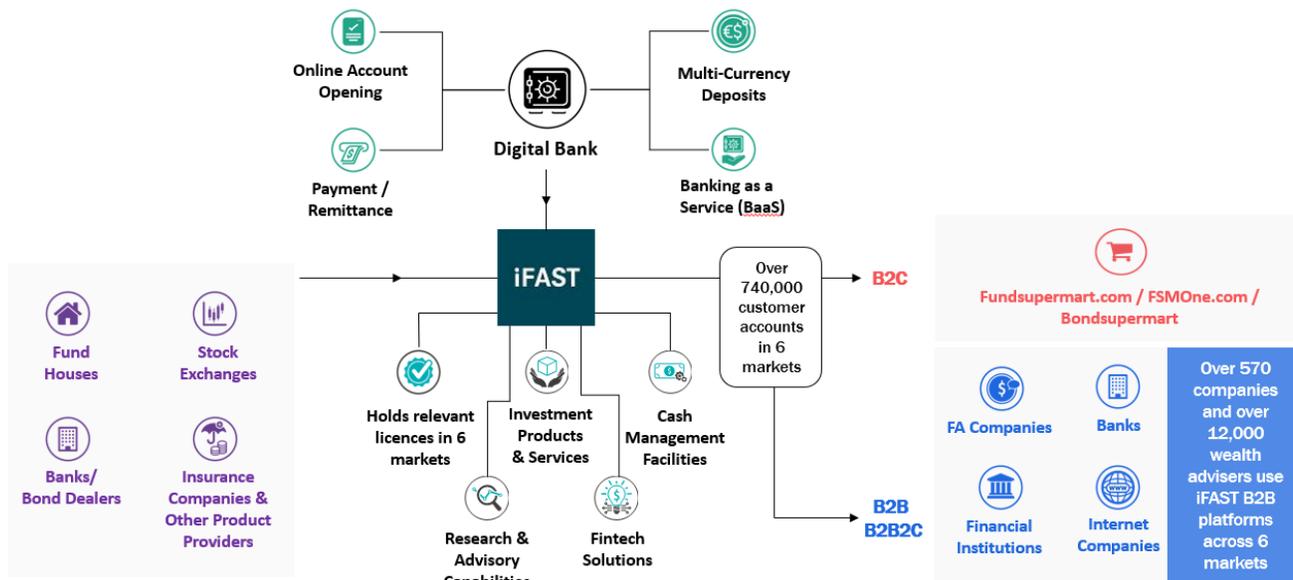
About iFAST Corp

iFAST Fintech Ecosystem

Connecting All to Help Investors Invest Globally and Profitably



(as at 30 June 2022)



Access to iFAST's Infrastructure & Distribution Network in 6 markets

iFAST Corp (stock code: AIY) is a wealth management Fintech platform, with assets under administration (AUA) of S\$17.68 billion as at 30 June 2022.

Incorporated in the year 2000 in Singapore and listed on the SGX-Mainboard in December 2014, the Group is also present in Hong Kong, Malaysia, China, and UK. Through the years, the Group has built a well-established Fintech ecosystem connecting its product providers and clients.

iFAST Corp holds the requisite licences in the various jurisdictions it operates in to provide a wide range of products and services. As at end June 2022, the Group offers access to over 16,000 investment products including over 10,500 funds from over 290 fund houses, over 1,600 bonds, stocks and ETFs listed on the Singapore, Hong Kong, US, Malaysia, China A stock exchanges, as well as services including online discretionary portfolio management services, research and investment seminars, Fintech solutions, and investment administration and transaction services.

The main business divisions of the Group include the Business-to-Consumer (“B2C”) division, the Business-to-Business (“B2B”) division, and the Fintech Solutions/Business-to-Business-to-Consumer (“B2B2C”) model. The B2C platform, FSMOne.com (formerly known as FundsUPERMART.com), is a multi-products transactional platform that caters to investors who prefer to do their own investments online. The B2B platforms cater to the specialised needs of more than 570 financial advisory companies, financial institutions, banks and internet companies with over 12,000 wealth advisers. iFAST Fintech Solutions, the Fintech Solutions/B2B2C model, was launched in recent years to provide innovative and customisable Fintech solutions for the B2B clients and business partners to empower them with their own B2C Fintech capabilities.

The iFAST Global Bank is a licenced UK bank that aspires to provide global banking connectivity to customers, corporates and financial institutions.

The Group's mission statement is, "To help investors around the world invest globally and profitably". In the Investors' Choice Awards 2021 organised by the Securities Investors Association Singapore (SIAS), iFAST Corp was awarded Runner-Up for the "Most Transparent Company Award 2021 - Financials" and "Shareholder Communication Excellence Award 2021 - Mid Cap". In addition, the Group was accorded the Corporate Excellence and Resilience Award for companies with market capitalisation of S\$300 million to less than S\$1 billion (as at 31 December 2020) at the Singapore Corporate Awards (SCA) (Special Edition) 2020/2021.

For more information, please visit www.ifastcorp.com

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