



iFAST CORPORATION LTD.

# 2Q2023 & 1H2023 Results Presentation

25 July 2023

# Disclaimer

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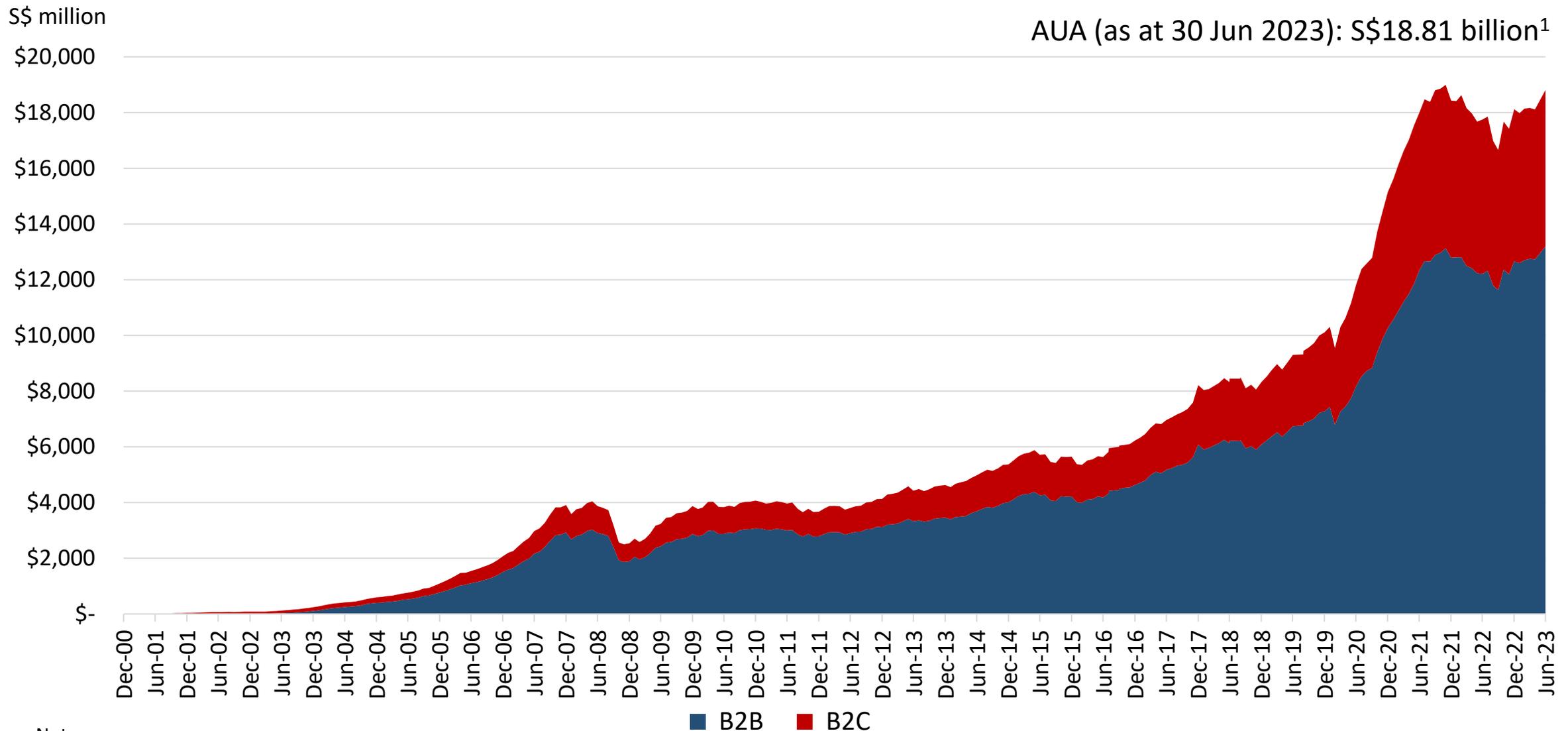
# Key Summary

- The Group's assets under administration ("AUA") grew 3.7% QoQ and 8.0% YTD to S\$18.81 billion as at 30 Jun 2023.
- While markets and investor sentiments remained volatile in 2Q2023, net inflows remained positive and improved as compared to 1Q2023, rising 78.6% QoQ to S\$559 million.
- In 2Q2023, the Group's Profit before Tax from its ongoing non-banking operations grew by 62.0% YoY to S\$7.41 million in 2Q2023. This came on the back of an 11.8% YoY increase in net revenue to \$28.98 million in 2Q2023.
- The increase reflected a steadily improving business trend for the Group's core wealth management platform business as financial markets conditions show more stable trends as compared to the very tough conditions in 2022.
- The banking business reported a loss of S\$2.23 million in 2Q2023, as the Bank is in the early stages of building up the Digital Transaction Banking (DTB) and Digital Personal Banking (DPB) Divisions.
- Overall, the Group's Net Profit increased by 115.9% YoY to S\$6.57 million in 1H2023.
- Going forward, the Group expects its overall revenue and profitability to show marked improvements, starting with 2H2023. With this, the Group expects profitability in 2023 to be substantially better than in 2022.
- The expected improvements will come about as the ePension division in Hong Kong starts to contribute more significantly, and as the core wealth management platform business continues to progress.

# Key Summary

- Contributions from iFAST Global Bank are expected to still be negative in 2H2023. However, the Group expects iFAST Global Bank to play a major role in the growth of the Group in the medium to long term, particularly beyond 2025.
- Following the DPB's launch in end-April, the division has received encouraging interest and responses from global customers, where customers over 30 countries have already opened accounts with iGB.
- The iFAST ePension division has been working closely with consortium partners and parties involved in the project to ensure that the timelines are adhered to for the ePension platform to be launched successfully. The Group also expects the newly launched ORSO ePension Services to start making sizeable contribution to Hong Kong's AUA from 1Q2025 onwards, bringing about material positive contribution to the revenues and profitability of the iFAST Hong Kong business.
- For the second interim dividend for 2Q2023, the Directors declared a dividend of 1.10 cents per ordinary share (second interim dividend for 2Q2022: 1.10 cents per ordinary share).

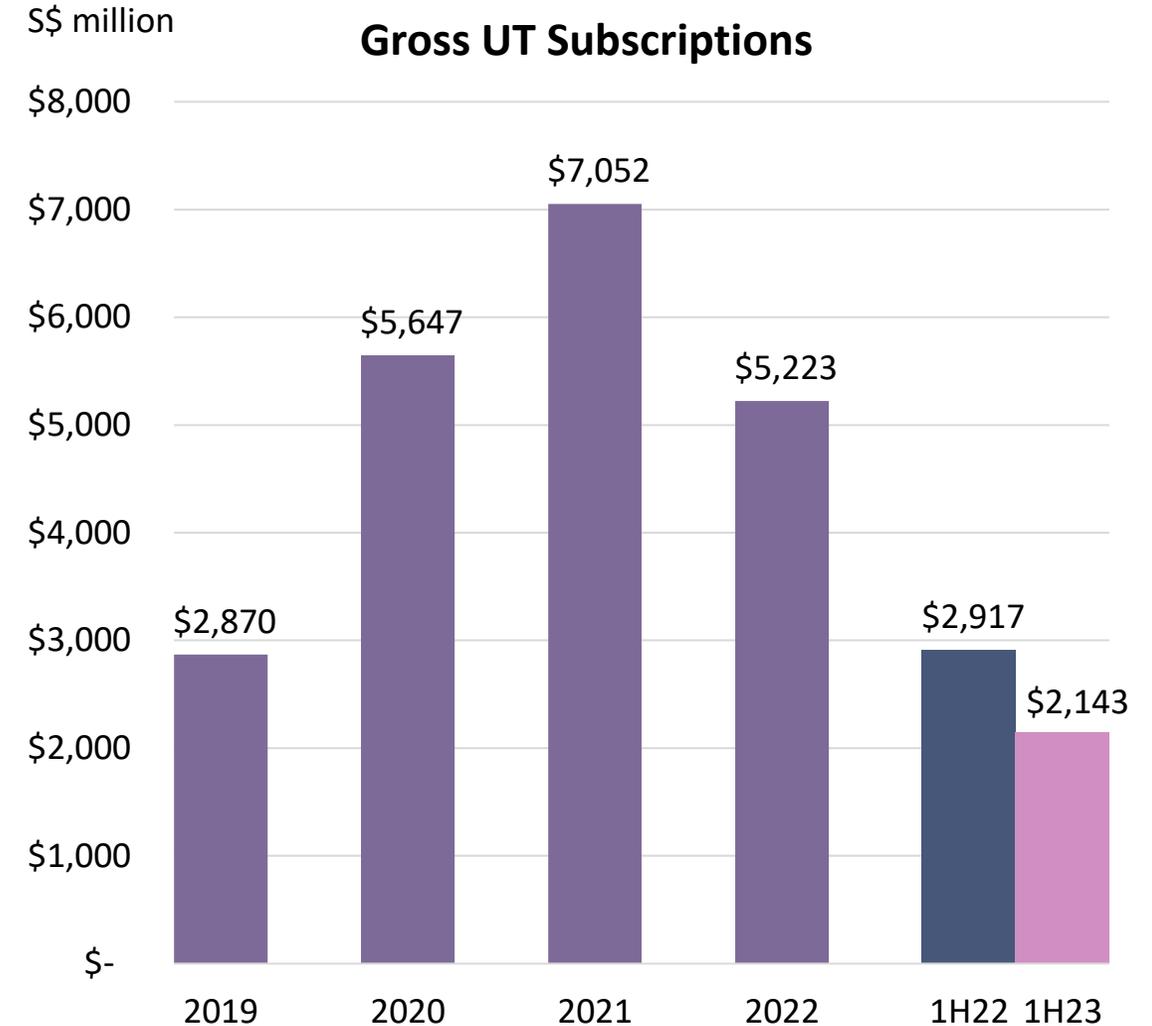
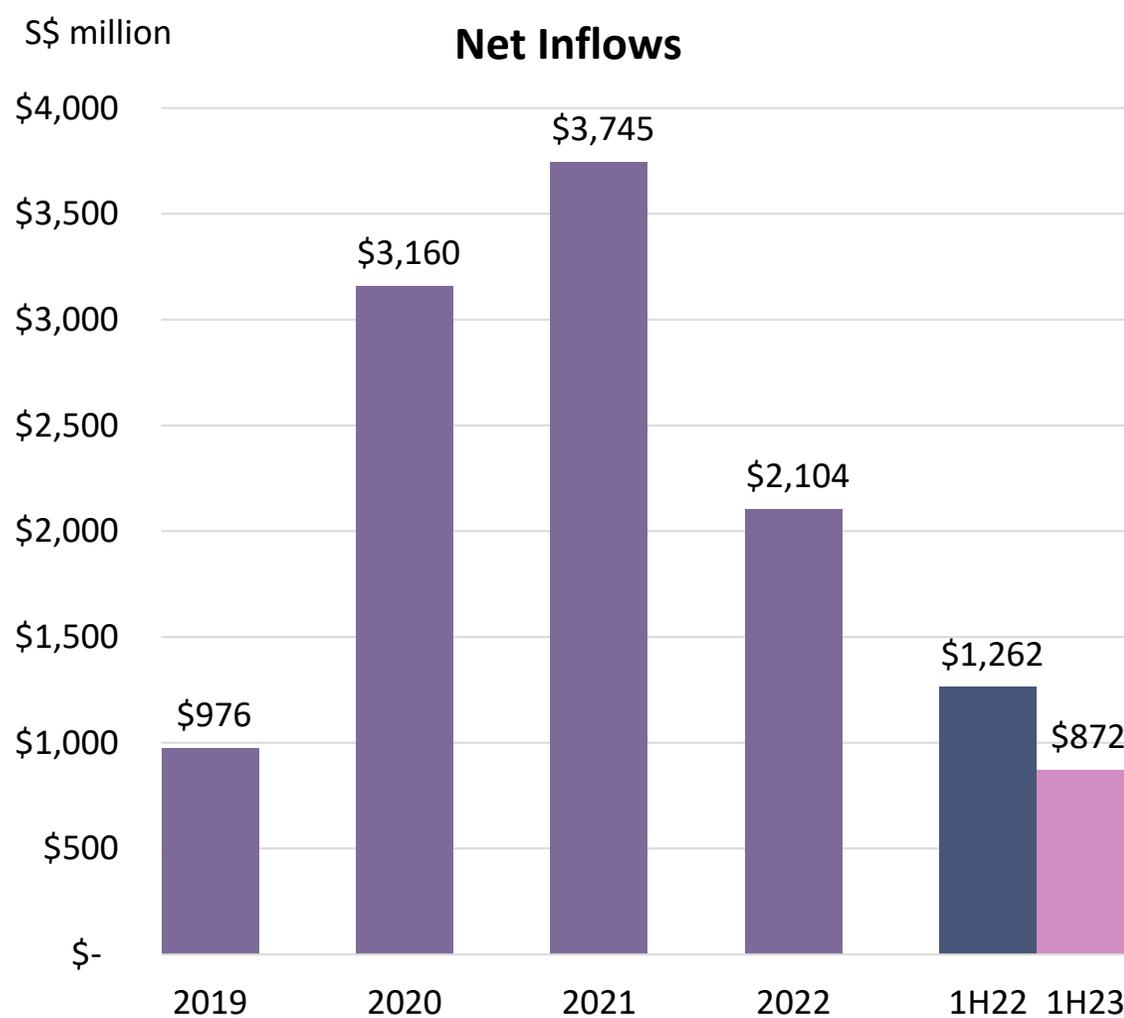
# Group AUA increased 3.7% QoQ and 8.0% YTD to S\$18.81 billion as at 30 Jun 2023



Note:

1. Following the exit of onshore platform business in India, the Group's AUA after Jun 2022 no longer includes the effective stake in iFAST India

# Net Inflows & Gross Unit Trusts (UT) subscription



**Notes:**

1. Net inflows stood at S\$0.31 billion and S\$0.56 billion in 1Q2023 and 2Q2023 respectively.
2. Gross UT Subscriptions stood at S\$1.01 billion in 2Q2023.

# Financial Results



# Financial Indicators for Non-banking Operation (2Q2023 vs 2Q2022)

S\$ (Million)	2Q2022 <sup>1</sup>	2Q2023	YoY change (%)
Total revenue	48.04	49.97	+4.0
Total net revenue	25.94	28.98	+11.8
Operating expenses	22.33	22.23	-0.4
Profit before tax	4.57	7.41	+62.0
Profit after tax	3.39	5.75	+69.6
Net profit attributable to owners of the Company	3.46	5.82	+68.3
EBITDA	9.79	12.87	+31.5

Note:

1. Excluding impairment loss of S\$5.2 million related to India Business recognised in Jun 2022.

# Financial Indicators for Non-banking Operation (1H2023 vs 1H2022)

S\$ (Million)	1H2022 <sup>1</sup>	1H2023	YoY change (%)
Total revenue	100.97	99.87	-1.1
Total net revenue	54.49	57.06	+4.7
Operating expenses	43.45	44.76	+3.0
Profit before tax	11.97	13.55	+13.2
Profit after tax	9.07	10.37	+14.4
Net profit attributable to owners of the Company	9.20	10.51	+14.3
EBITDA	22.21	24.40	+9.9

Note:

1. Excluding impairment loss of S\$5.2 million related to India Business recognised in Jun 2022.

# Financial Results for Group

## (2Q2023 vs 2Q2022)

S\$ (Million)	2Q2022	2Q2023	YoY change (%)
Total revenue	53.91	54.21	+0.5
Total net revenue	29.86	31.81	+6.5
Other income	0.37	0.84	+129.4
Operating expenses	27.36	27.54	+0.7
Interest expenses on lease liabilities	0.15	0.26	+73.0
Share of results of associates, net of tax	0.67	(-) <sup>1</sup>	N.M.
Profit/(loss) before tax	-1.81	4.85	N.M.
Profit/(loss) after tax	-2.93	3.26	N.M.
Net profit/(loss) attributable to owners of the Company	-2.69	3.59	N.M.
EPS (cents)	-0.92	1.22	N.M.
Dividend Per Share (cents)	1.10	1.10	-

Note:

1. Amount less than S\$0.01 million

# Financial Results for Group

## (1H2023 vs 1H2022)

S\$ (Million)	1H2022	1H2023	YoY change (%)
Total Revenue	106.84	108.14	+1.2
Total net revenue	58.41	62.81	+7.5
Other income	0.66	1.24	+87.6
Operating expenses	48.48	54.92	+13.3
Interest expenses on lease liabilities	0.28	0.35	+27.6
Share of results of associates, net of tax	0.40	0.23	-43.9
Profit before tax	5.52	9.01	+63.3
Profit after tax	2.75	5.97	+117.6
Net profit attributable to owners of the Company	3.04	6.57	+115.9
EPS (cents)	1.04	2.23	+114.4
Dividend Per Share (cents)	2.10	2.10	-

# Results Overview for Group

S\$ (Million)	FY2019	FY2020	FY2021	FY2022 <sup>1</sup>	1H2023 <sup>1</sup>
Total revenue <sup>2</sup>	126.61	170.76	216.90	208.87	108.14
Total net revenue <sup>2</sup>	65.91	86.64	113.91	118.24	62.81
Other income	2.04	5.21	0.49	1.72	1.24
Operating expenses	56.06	65.29	77.68	103.84	54.92
Interest expenses on lease liabilities	0.77	0.76	0.56	0.45	0.35
Impairment loss related to an associate	-	-	-	-5.20	-
Share of results of associates, net of tax	-0.05	-0.41	-0.35	0.30	0.23
Profit before tax	11.07	25.39	35.82	10.76	9.01
Profit after tax	9.31	20.96	30.41	5.35	5.97
Net profit attributable to owners of the Company	9.52	21.15	30.63	6.42	6.57
Net profit (excluding one-off impairment loss) attributable to owners of the Company	9.52	21.15	30.63	11.62	6.57
EPS (cents)	3.55	7.80	11.10	2.20	2.23
Operating cashflows	19.38	41.56	46.53	47.40	17.77
Dividend per share (cents)	3.15	3.30	4.80	4.80	2.10

**Notes:**

1. Including the new banking operation from FY2022
2. Restated to include net interest revenue for FY2019, FY2020 and FY2021

# Second Interim Dividend for FY2023

Second Interim Dividend for FY2023 - Schedule	
Dividend per share	1.10 cents per ordinary share
Ex-dividend date	4 Aug 2023
Record date and time	7 Aug 2023 (5.00 pm)
Payment date	21 Aug 2023

- For the second interim dividend for 2Q2023, the Directors declared a dividend of 1.10 cents per ordinary share (second interim dividend for 2Q2022: 1.10 cents per ordinary share).

Section II

# Business Update



# Recap of iFAST's Three-Year Plan

- 1. Core Platform Business: Get Bigger, Better and More Profitable.** Continue to work on increasing the scale and quality of its Fintech wealth management platform in various markets, in line with the Group's target AUA of S\$100 billion by 2028. Improve operating margins and return on equity.
- 2. Accelerate Hong Kong Growth and Effectively Deliver on ePension Services.** Substantially accelerate the growth of the Group's overall Hong Kong business as it effectively executes its ePension business in Hong Kong, and continues to improve on its existing platform capabilities.
- 3. Effectively Develop iFAST Global Bank's Digital Banking services and Other Adjacent Capabilities.** Effectively develop digital banking capabilities as well as adjacent Fintech capabilities such as payment, while ensuring that wealth management will remain as its core service as a progressive Fintech player.
- 4. Truly Global Business Model.** Make tangible progress towards the Group's vision of being a top Fintech wealth management player with a truly global business model, which will be even more scalable.

# Updates on iFAST Three-Year Plan

## Updates on Wealth Management Business

- Across the Group, a number of business units achieved record high AUA in 2Q2023, including Singapore B2B division as well as the iFAST Global Markets (iGM) division in Singapore, Hong Kong and Malaysia. AUA for Singapore and Malaysia operations also reached record high in 2Q2023.
- Fixed Income products continued to do well in 1H2023, with AUA hitting record high as at end June 2023. The AUA for stocks and ETFs also reached a new record high in 2Q2023.
- The Group has plans for further products and services launches in 2H2023.
- As financial markets conditions have shown more stable trends as compared to the very tough conditions in 2022, the Group's core wealth management platform business has also seen steadily improving business trends.
- With better management and control over expenses, performance for the wealth management business has improved in 1H2023.

# Updates on iFAST Three-Year Plan

## Updates on iFAST Global Bank

- Following the launch of Digital Personal Banking (DPB) platform on iFAST Global Bank (iGB) in late April 2023, the bank has received encouraging interest and responses from global customers.
- In line with the banks' vision to enable consumers from around the world to open a UK digital bank account conveniently online without having to be physically present in UK, iGB has received bank account opening applications from over 30 different countries.
- Current product offerings on the DPB comprise a basic bank account, fixed term and notice deposit accounts across multiple currencies with the ability to switch balances between currencies.
- iGB has also made progress for the Digital Transaction Banking (DTB) platform, offering Safeguarding Accounts to UK corporate customers, including fully authorised payment institutions and electronic money institutions that are regulated and supervised by the Financial Conduct Authority.

# Updates on iFAST Three-Year Plan

## Updates on iFAST ePension Division

- A blog entry titled “eMPF Platform targets full operation in 2025” published on the MPFA website on 16 July 2023 has provided insights into the progress of ePension platform launch.
- According to the blog entry, the authority has indicated that they will continue to “meet the target of full operation of the Platform by 2025”. The blog entry also indicated that the software development has been “largely completed” in June 2023, and that various tests are expected to be completed by the end of this year, and that the migration and onboarding process is “expected to commence in the second quarter of 2024, with the whole onboarding process to be completed in 2025”.
- The iFAST ePension division has been working closely with partners and all parties involved in the project to ensure that the timelines are adhered to for the platform to be launched successfully.
- On 28 June 2023, iFAST Corp’s Hong Kong-based subsidiary iFAST ePension Services Limited launched ORSO ePension Services, a one-stop digital pension solution for Hong Kong Occupational Retirement Schemes Ordinance (“ORSO”) Pension schemes. The Group expects the ORSO ePension Services to start making sizeable contribution to Hong Kong’s AUA from 1Q2025 onwards, bringing about material positive contribution to the revenues and profitability of the iFAST Hong Kong business.
- The Group expects that the expected improvements for its overall revenue and profitability starting 2H2023 will come about as the Hong Kong ePension division starts to contribute more substantially.

# Guidance on Hong Kong Targets (Updated in Apr 2022)

- On 23 April 2022, the Group updated the targeted revenue and Profit Before Tax (PBT) for its overall Hong Kong business in 2023, 2024 and 2025:
  - **Gross Revenue Targets**
    - Target to achieve Gross Revenue of >HKD400 million in 2023
    - Target to achieve Gross Revenue of >HKD1.1 billion in 2024
    - Target to achieve Gross Revenue of >HKD1.6 billion in 2025
  - **Net Revenue Targets**
    - Target to achieve Net Revenue of >HKD280 million in 2023
    - Target to achieve Net Revenue of >HKD900 million in 2024
    - Target to achieve Net Revenue of >HKD1.3 billion in 2025
  - **PBT Targets**
    - Target to achieve PBT of >HKD100 million in 2023
    - Target to achieve PBT of >HKD250 million in 2024
    - Target to achieve PBT of >HKD500 million in 2025

**Notes:**

It should be noted that the above are the Group's targets, and should not be taken to mean a firm set of projections. The targets may change if there are unforeseen circumstances, or if there are material changes in the operating environment in the next few years.

# Performance Trend



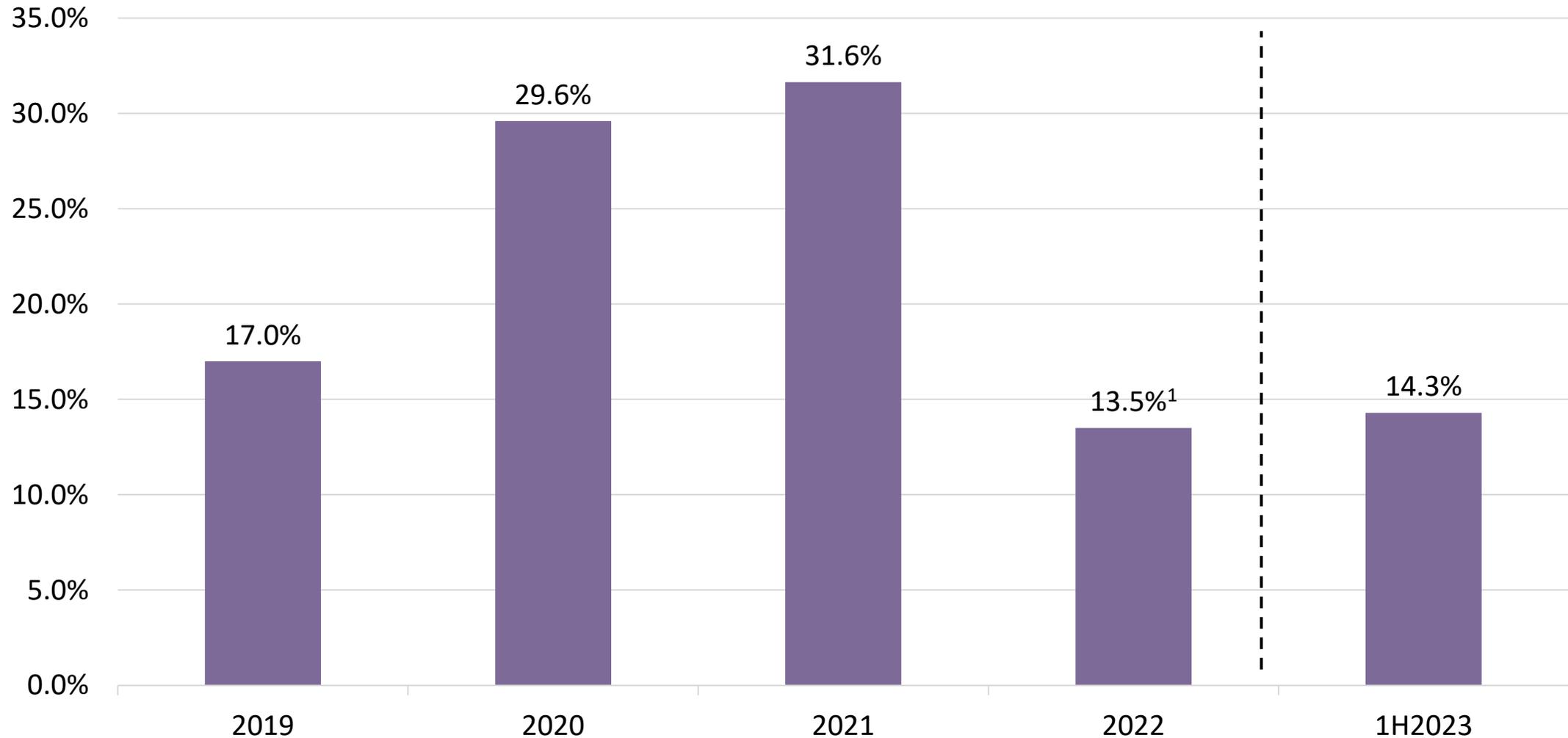
# Financial Indicators

S\$ (Million)	FY2019	FY2020	FY2021	FY2022	1H2023
EBITDA <sup>4</sup>	25.53	42.04	54.79	37.64 <sup>3</sup>	24.40
Operating Cashflows <sup>4</sup>	19.38	41.56	46.53	35.29	17.35
Net Cash Position <sup>1</sup>	40.15	53.28	59.29	84.09	60.79
Capital Expenditure <sup>2</sup>	11.90	12.63	21.62	17.87	6.11
Net Current Assets	49.86	58.35	68.03	108.45	104.14
Shareholders' Equity	90.06	104.11	128.65	222.49	230.05

## Notes:

1. Comprising cash and cash equivalents and investments in financial assets (categorised as other investments under current assets) net of bank loans, and deposits and balances of customers 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.
3. Excluding impairment loss of S\$5.2 million related to India Business recognised in 2Q2022.
4. Excluding UK banking operation

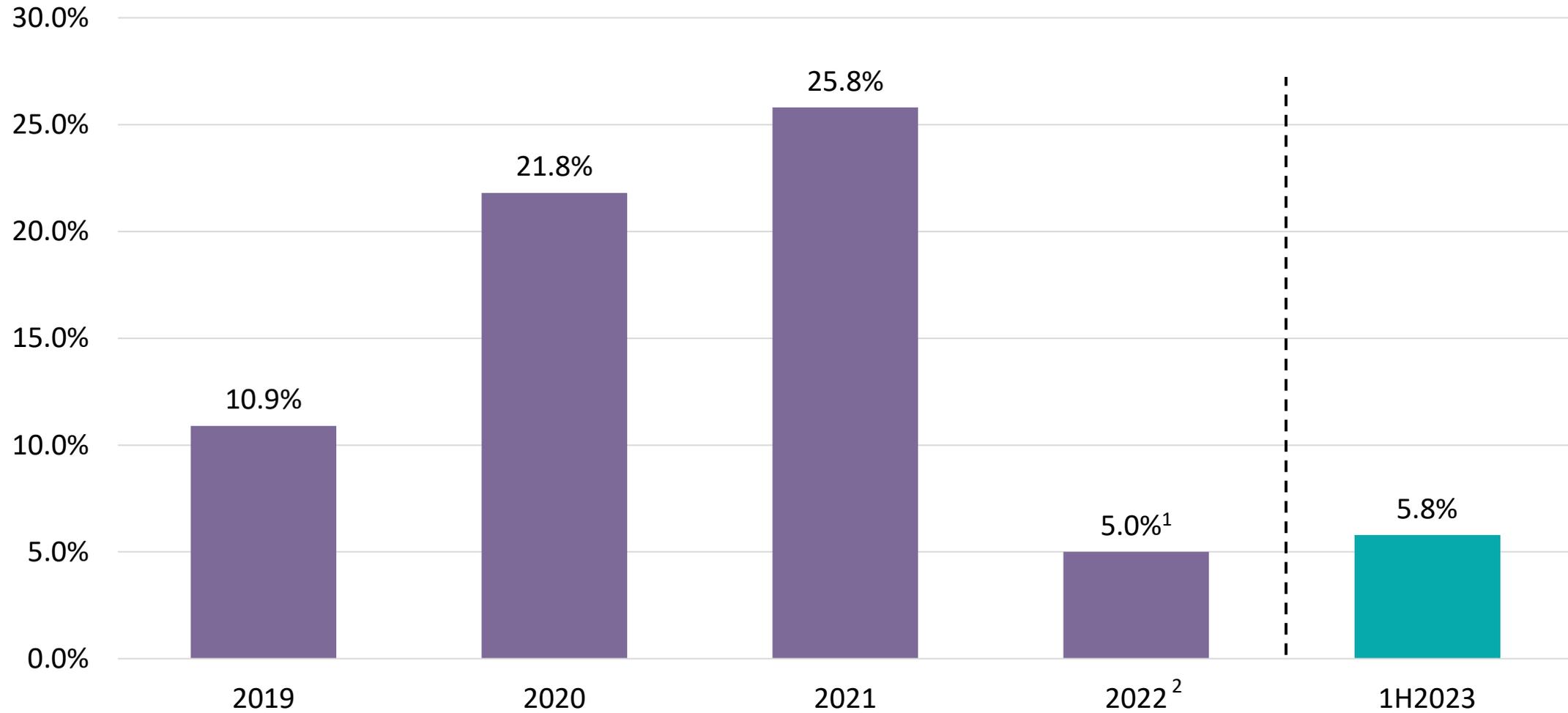
# PBT Margin for Group (Based on Total Net Revenue)



**Notes:**

1. Includes the new banking operation for FY2022 and excludes impairment loss of S\$5.2 million related to India Business recognised in 2Q2022.

# Return on Equity



**Notes:**

1. Excluding impairment loss of S\$5.2 million related to India Business recognised in 2Q2022.
2. The Group conducted a S\$103 million share placement exercise in January 2022.

# Net Cash Position

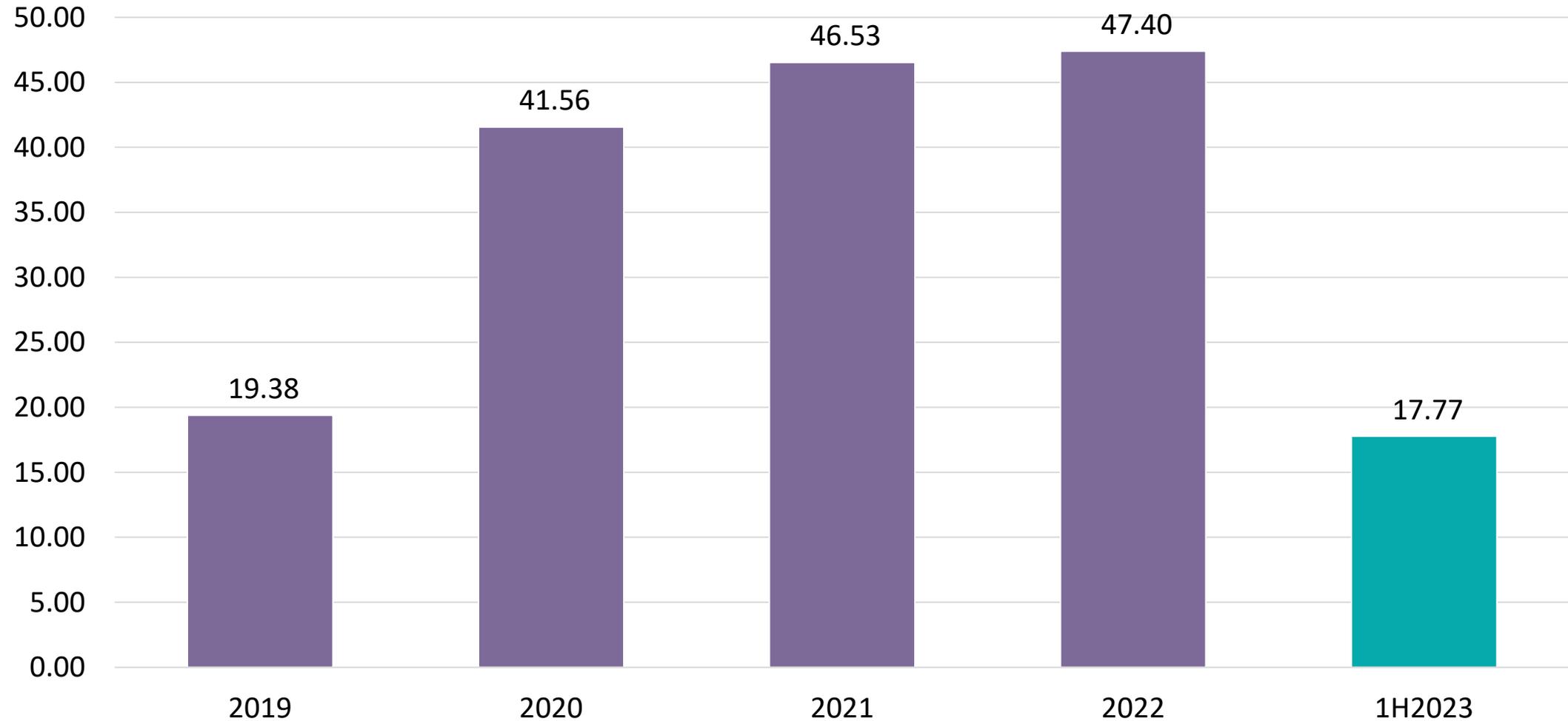
	As at 31 Dec 2022 (S\$ million)	As at 30 Jun 2023 (S\$ million)
Cash and Cash Equivalents	151.13	134.15
Other Investments <sup>1</sup>	41.71	61.05
Less: Customers' Deposits	(96.54)	(119.25)
Total Cash	96.30	75.95
Less: Bank Loans	(12.21)	(15.16)
Net Cash Position	84.09	60.79
Gross Debt-to-Equity Ratio	5.49%	6.59%
Net Debt-to-Equity Ratio	Net Cash Position	Net Cash Position

**Note:**

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

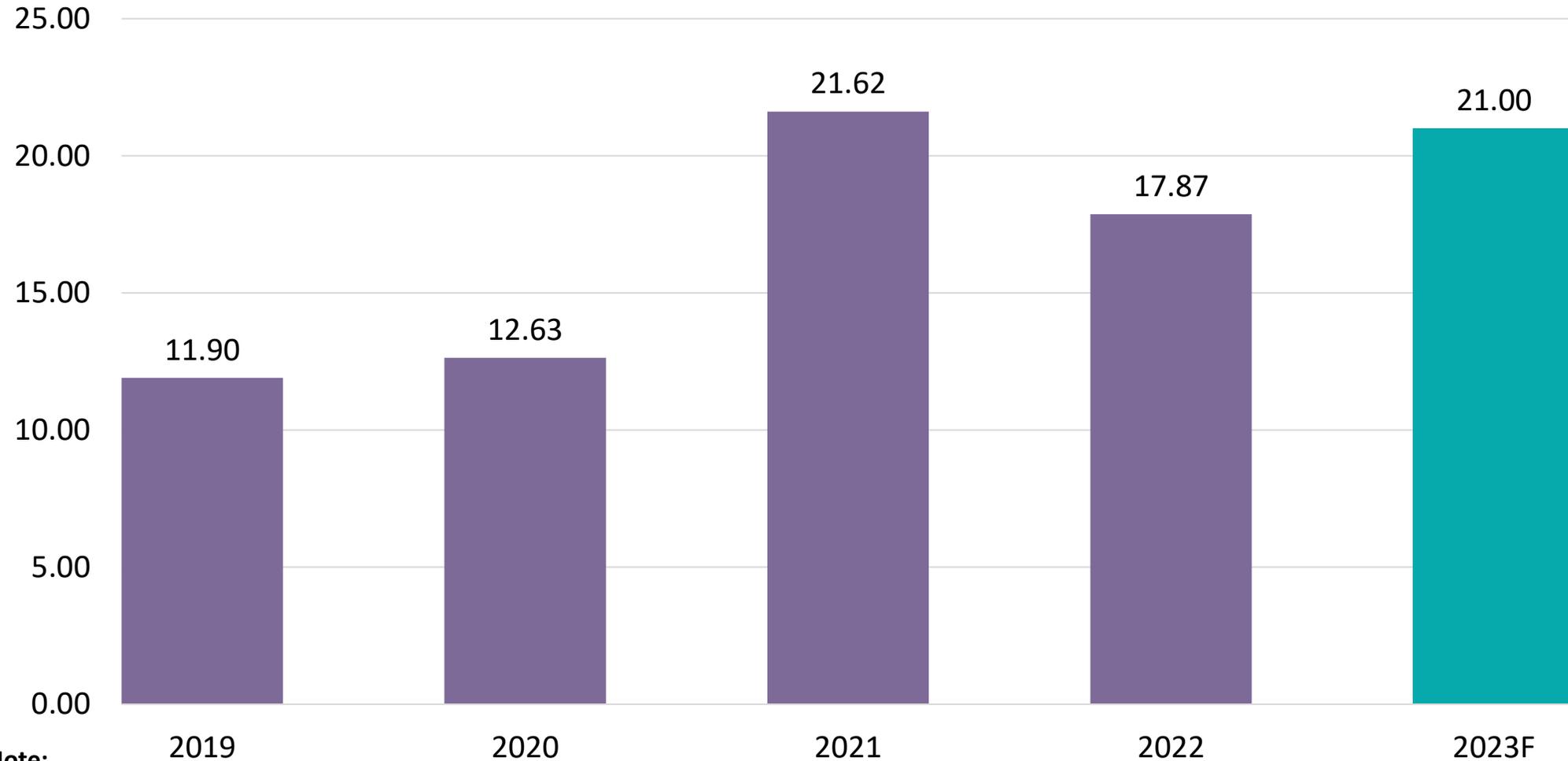
# Group Operating Cashflows

S\$ million



# Capital Expenditure

S\$ million



**Note:**

1. Capital Expenditure for 1H2023 stood at S\$6.11 million.

# Number of Issued Shares

	As at 31 Dec 2022	As at 30 Jun 2023
Total number of issued shares (excluding treasury shares and subsidiary holdings)	293,045,941	295,267,941

# Our Consolidated Financial Position

	As at 31 Dec 22 S\$'000	As at 30 Jun 23 S\$'000
<b>ASSETS</b>		
Plant and Equipment	5,962	7,511
Right-of-use Assets	10,391	18,667
Intangible Assets and Goodwill	73,993	74,301
Associates	3,479	417
Other Investments	23,034	29,060
Deferred Tax Assets	2,380	2,220
Contract Costs	10,117	14,943
Prepayments & Others	1,055	516
<b>TOTAL NON-CURRENT ASSETS</b>	<b>130,411</b>	<b>147,635</b>
Current Tax Receivables	323	188
Other Investments	41,711	61,050
Contract Costs	48	-
Prepayments and Others	5,031	5,117
Trade & Other Receivables	78,601	99,659
Uncompleted Contracts - Buyers	51,281	77,080
Money Market Funds	14,165	16,647
Cash at Bank and In Hand	136,965	117,501
<b>TOTAL CURRENT ASSETS</b>	<b>328,125</b>	<b>377,242</b>
<b>TOTAL ASSETS</b>	<b>458,536</b>	<b>524,877</b>

# Our Consolidated Financial Position

	As at 31 Dec 22 S\$'000	As at 30 Jun 23 S\$'000
<b>EQUITY</b>		
Share Capital	171,059	171,103
Reserves	51,429	58,950
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	<b>222,488</b>	<b>230,053</b>
Non-Controlling Interests	8,229	8,011
<b>TOTAL EQUITY</b>	<b>230,717</b>	<b>238,064</b>
<b>LIABILITIES</b>		
Deferred Tax Liabilities	2,867	2,427
Lease Liabilities	5,280	11,287
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>8,147</b>	<b>13,714</b>
Current Tax Payables	2,859	3,580
Lease Liabilities	5,919	8,237
Bank Loans	12,210	15,161
Deposits and Balances of Customers	96,545	119,250
Trade & Other Payables	51,863	49,861
Uncompleted Contracts - Sellers	50,276	77,010
<b>TOTAL CURRENT LIABILITIES</b>	<b>219,672</b>	<b>273,099</b>
<b>TOTAL LIABILITIES</b>	<b>227,819</b>	<b>286,813</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>458,536</b>	<b>524,877</b>

# Held under Trust

	As at 31 Dec 22 S\$'000	As at 30 Jun 23 S\$'000
<b>HELD UNDER TRUST</b>		
Client monies maintained in bank deposit accounts	933,368	1,021,644
Client monies maintained in government debt securities treasury accounts	-	911
Client ledger balances	(933,368)	(1,022,555)
	-	-

- Certain non-banking subsidiaries in the Group receive and hold monies deposited by clients and other institutions in the course of the conduct of the regulated activities of dealing in securities.
- These clients' monies are maintained in one or more trust bank accounts which are maintained in one or more trust bank deposit accounts or treasury accounts holding government debt securities allowed by regulators in the markets these subsidiaries operate in, which are separately maintained from the bank or treasury accounts of these subsidiaries in the Group.

# Regulatory Ratios – iFAST Global Bank

Regulatory Ratios	As at 30 Jun 2023	Minimum Regulatory Requirement	Average Ratio of 3 Singapore local banks
Liquidity Coverage Ratio (“LCR”)	803%	100%	151%
Net Stable Funding Ratio (“NSFR”)	293%	100%	120%
Total Capital Ratio	39%	12.91%	18%

The Group has started to disclose the regulatory ratios for iFAST Global Bank, including the Liquidity Coverage Ratio (LCR), Net Stable Funding Ratio (“NSFR”) and Total Capital Ratio, which are at 803%, 293% and 39% respectively as at 30 June 2023, at levels exceeding the minimum regulatory requirement.

iFAST Global Bank intends to maintain capital and liquidity ratios that are well above minimum regulatory requirements. Despite this, in the years ahead we expect the Group as a whole to be able to target for very healthy levels of return on equity as the revenues derived from the core platform business and the ePension division are essentially fee-based income.

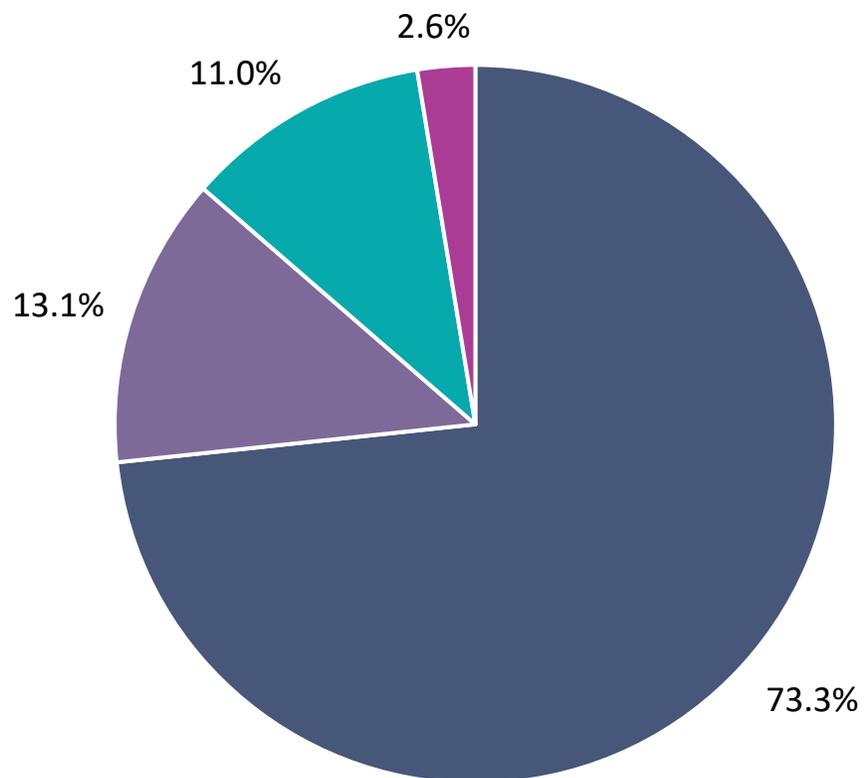
Note:

<sup>1</sup> Singapore local banks include DBS, OCBC and UOB.

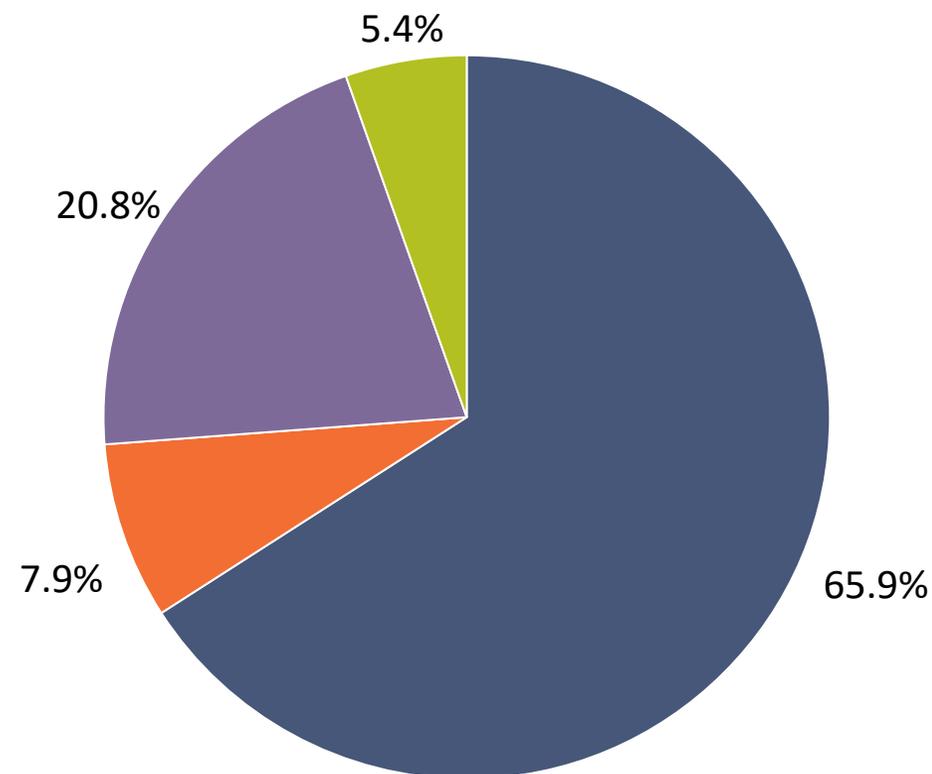
# AUA Breakdown: Markets & Products

(as at 30 Jun 2023)

## AUA Breakdown By Markets



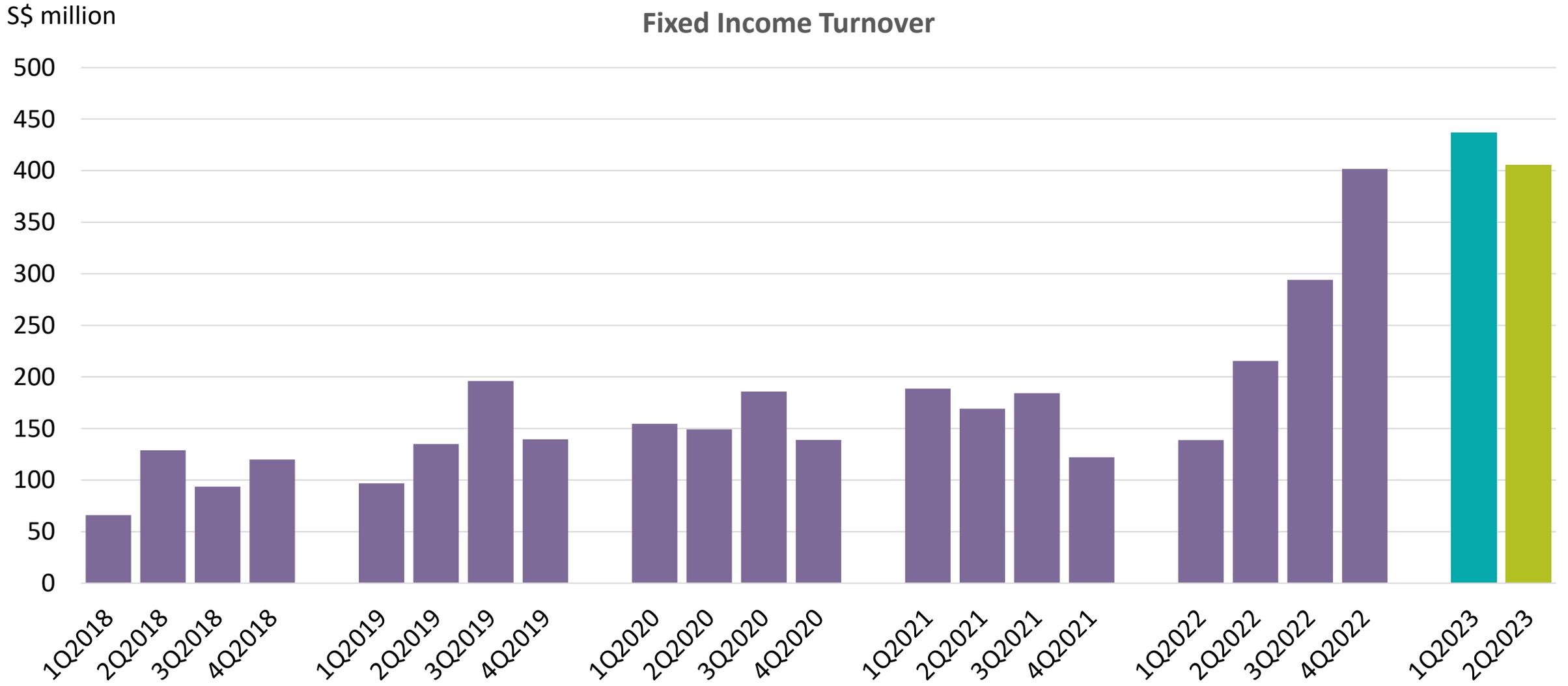
## AUA Breakdown By Products



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

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

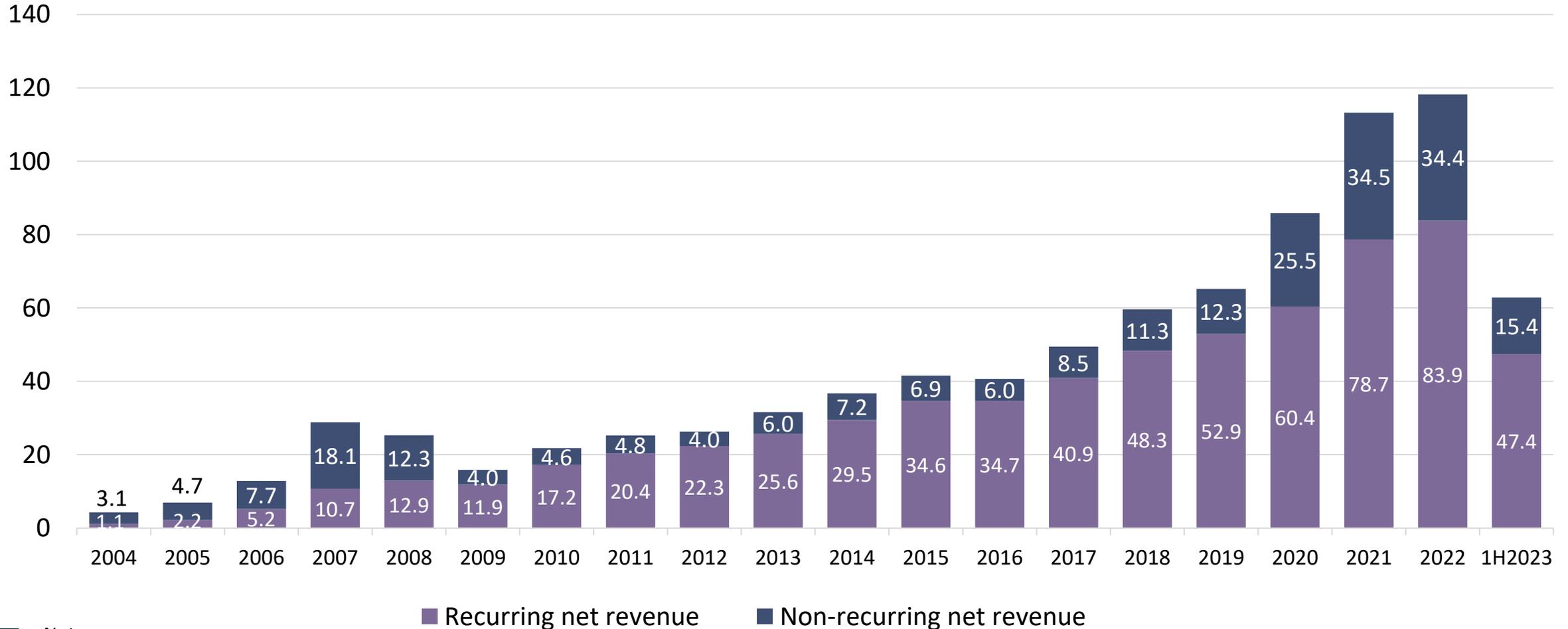
# Fixed Income: Strong Turnover Continued in 2Q2023



# Total Net Revenue<sup>1</sup> Breakdown between Recurring and Non-recurring Sources

Average contribution from recurring net revenue as opposed to non-recurring net revenue in the period from 2022 to 1H2023 was **73.2%**

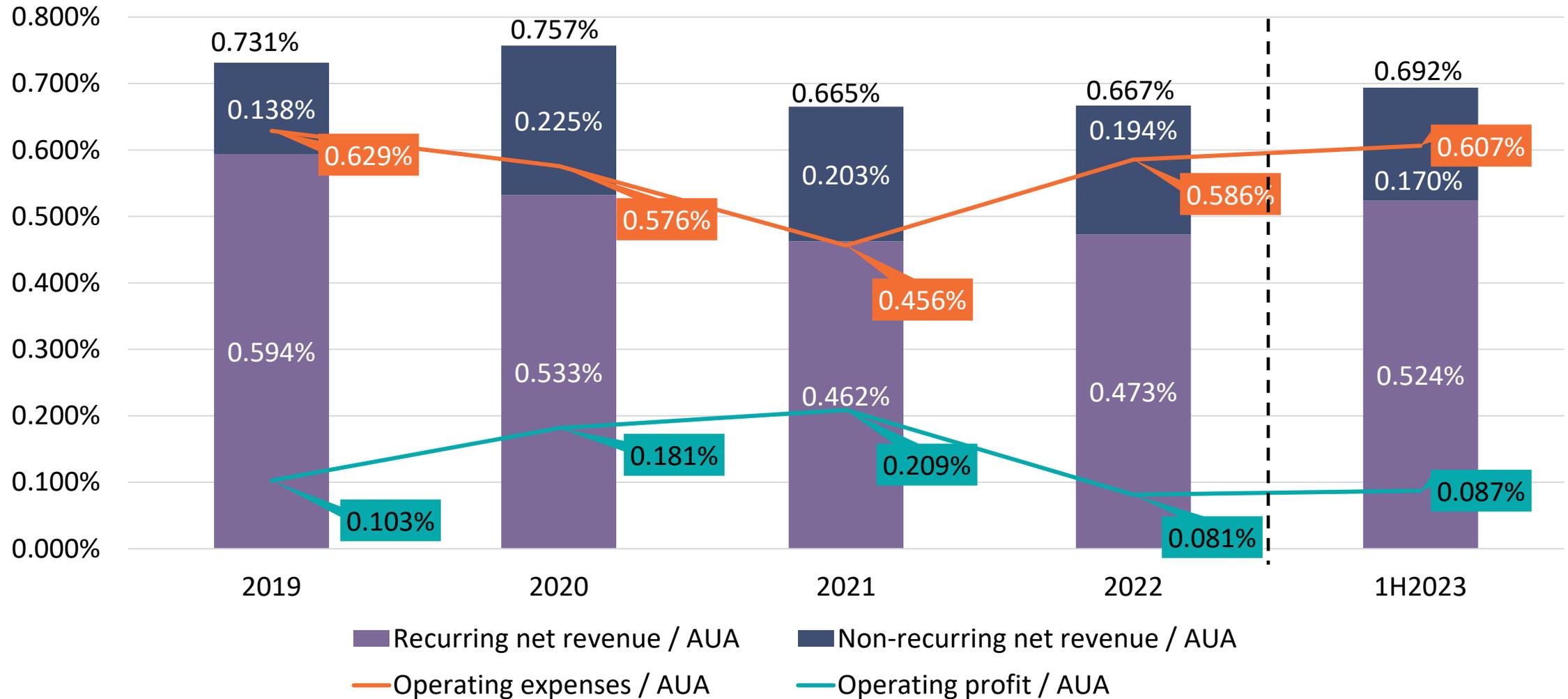
S\$ million



■ Recurring net revenue    ■ Non-recurring net revenue

Note  
1. Including the new banking operation

# Total Net Revenue<sup>1</sup>, Operating Expenses and Operating Profit as a Ratio of Average AUA



Note

1. Including the new banking operation

# Profit/Loss - Geographical Segment

Profit/Loss (S\$ Million)	YoY Change			YoY Change		
	2Q2022	2Q2023	(%)	1H2022	1H2023	(%)
Singapore	3.56	6.22	+74.7	8.93	10.76	+20.4
Hong Kong	1.69	1.76	+4.1	3.88	4.05	+4.3
Malaysia	0.49	1.25	+153.8	2.25	2.10	-6.8
China	(1.85)	(1.83)	-0.8	(3.50)	(3.59)	+2.5
Other <sup>1</sup>	0.67	(-) <sup>3</sup>	NM	0.40	0.23	-43.9
Non-banking operations	4.57	7.41	+62.0	11.97	13.55	+13.2
UK banking operation	(0.95)	(2.23)	134.2	(0.95)	(3.94)	+313.3
Profit before tax <sup>2</sup>	3.62	5.18	+43.0	11.01	9.61	-12.8
Impairment loss related to an associate	(5.20)	-	NM	(5.20)	-	N.M.
Tax expense	(1.12)	(1.59)	42.2	(2.77)	(3.04)	+9.6
Net profit after tax <sup>2</sup>	(2.69)	3.59	NM	3.04	6.57	+115.9

**Notes:**

1. Representing share of results of associates
2. Attributable to owners of the Company
3. Amount is less than S\$0.01 million

# Profit/Loss - Geographical Segment

Profit/Loss (S\$ Million)	FY2019	FY2020	FY2021	FY2022	1H2023
Singapore	9.96	21.32	28.43	16.57	10.76
Hong Kong	4.42	5.79	8.39	8.07	4.05
Malaysia	1.76	3.75	5.39	4.25	2.10
China	(4.82)	(4.88)	(5.82)	(7.12)	(3.59)
Other <sup>1</sup>	(0.05)	(0.41)	(0.35)	0.30	0.23
Non-banking operations	11.27	25.57	36.04	22.07	13.55
UK banking operation	-	-	-	(5.04)	(3.94)
Profit before tax <sup>2</sup>	11.27	25.57	36.04	17.03	9.61
Impairment loss related to an associate	-	-	-	(5.20)	-
Tax expense	(1.76)	(4.42)	(5.41)	(5.41)	(3.04)
Net profit after tax <sup>2</sup>	9.52	21.15	30.63	6.42	6.57

**Notes:**

1. Representing share of results of associates
2. Attributable to owners of the Company

## Total Net Revenue - Geographical Segment

S\$ (Million)	FY2019	FY2020	FY2021	FY2022	1H2023
Singapore	42.35	56.79	73.50	70.49	37.56
Hong Kong	16.81	19.26	24.43	24.15	11.82
Malaysia	6.15	8.77	13.43	13.64	6.84
China	0.60	1.82	2.55	1.77	0.83
UK	-	-	-	8.19	5.76
Group	65.91	86.64	113.91	118.24	62.81
YoY Change (%)	FY2019	FY2020	FY2021	FY2022	1H2023
Singapore	+6.2	+34.1	+29.4	-4.1	+8.9
Hong Kong	+17.3	+14.6	+26.8	-1.2	-2.0
Malaysia	+12.8	+42.8	+53.1	+1.6	-1.6
China	-23.2	+210.2	+40.5	-30.6	-15.3
UK	-	-	-	N.M.	+46.8
Group	+9.0	+31.5	+31.5	+3.8	+7.5

**Note:**

Restated to include net interest revenue for FY2019, FY2020 and FY2021

# Recurring and Non-recurring Total Net Revenue (Include Banking Operation)

S\$ (Million)	FY2019	FY2020	FY2021	FY2022 <sup>1</sup>	1H2023 <sup>1</sup>
Recurring net revenue <sup>2</sup>	53.65	61.17	79.38	83.86	47.41
Non-recurring net revenue	12.26	25.47	34.53	34.38	15.40
Total net revenue <sup>2</sup>	65.91	86.64	113.91	118.24	62.81
YoY Change (%)	FY2019	FY2020	FY2021	FY2022 <sup>1</sup>	1H2023 <sup>1</sup>
Recurring net revenue	+9.2	+14.0	+29.8	+5.6	+17.7
Non-recurring net revenue	+8.5	+107.7	+35.6	-0.4	-15.0
Total net revenue	+9.0	+31.5	+31.5	+3.8	+7.5

**Note:**

1. Including the new banking operation
2. Restated to include net interest revenue for FY2019, FY2020 and FY2021

# Recurring and Non-recurring Total Net Revenue (Exclude Banking Operation)

S\$ (Million)	FY2019	FY2020	FY2021	FY2022 <sup>1</sup>	1H2023 <sup>1</sup>
Recurring net revenue <sup>2</sup>	53.65	61.17	79.38	83.61	46.27
Non-recurring net revenue	12.26	25.47	34.53	26.44	10.79
Total net revenue <sup>2</sup>	65.91	86.64	113.91	110.05	57.06
YoY Change (%)	FY2019	FY2020	FY2021	FY2022 <sup>1</sup>	1H2023 <sup>1</sup>
Recurring net revenue	+9.2	+14.0	+29.8	+5.3	+15.1
Non-recurring net revenue	+8.5	+107.7	+35.6	-23.4	-24.5
Total net revenue	+9.0	+31.5	+31.5	-3.4	+4.7

**Note:**

1. Excluding the new banking operation
2. Restated to include net interest revenue for FY2019, FY2020 and FY2021

# Net Revenue<sup>1</sup> - B2B Business Segment

B2B Net Revenue (S\$ Million)	FY2019	FY2020	FY2021	FY2022	1H2023
Recurring net revenue	37.12	42.34	55.73	58.05	31.59
Non-recurring net revenue	7.19	10.88	16.42	16.66	7.10
Total B2B net revenue	44.31	53.22	72.15	74.72	38.68
YoY Change (%)	FY2019	FY2020	FY2021	FY2022	1H2023
Recurring net revenue	+9.6	+14.1	+31.6	+4.2	+10.6
Non-recurring net revenue	-0.5	+51.4	+50.9	+1.5	-17.2
Total B2B net revenue	+7.8	+20.1	+35.6	+3.6	+4.2

**Note:**

1. Exclude the banking operation and interest revenue

# Net Revenue<sup>1</sup> - B2C Business Segment

B2C Net Revenue (S\$ Million)	FY2019	FY2020	FY2021	FY2022	1H2023
Recurring net revenue	15.81	18.04	22.96	22.99	12.54
Non-recurring net revenue	5.08	14.60	18.11	9.78	3.70
Total B2C net revenue	20.89	32.64	41.07	32.77	16.24
YoY Change (%)	FY2019	FY2020	FY2021	FY2022	1H2023
Recurring net revenue	+9.5	+14.0	+27.3	+0.1	+16.3
Non-recurring net revenue	+24.3	+187.5	+24.0	-46.0	-35.4
Total B2C net revenue	+12.8	+56.2	+25.9	-20.2	-1.6

**Note:**

1. Exclude the banking operation and interest revenue



# Progress of Individual Markets

## SINGAPORE

- Net revenue for the Singapore operation increased 14.1% YoY to S\$19.30 million in 2Q2023 and increased 8.9% YoY to S\$37.56 million in 1H2023.
- AUA of the Singapore operation rose 4.4% QoQ and 9.8% YoY to S\$13.79 billion as at 30 Jun 2023.
- The AUA of the B2B business (excluding iGM division) hit a record high in 2Q2023, growing by 13.2% YoY and 5.5% QoQ.
- Positive net inflows was seen across all product types, and growth was strongest for bonds and cash. Net inflows into both product types were at a record high in 2Q2023.
- The B2B platform also finalised a number of business discussions with potential partners in 2Q2023, leading to a record 10% increase in the number of business partners utilising the B2B ecosystem.
- The B2B platform will continue its growth strategy across two dimensions - by facilitating more inflows from existing platform users, and by signing up more business partners.
- The iGM Singapore division ended the quarter with AUA of S\$1.14 billion, a 10.8% YoY increase and a new record quarterly high. On a QoQ basis, AUA rose a more modest 1.3%, as the division saw a moderation in positive market effects on AUA, while net inflows were also weaker in the quarter.
- With the addition of new wealth advisers, the division's advisory strength increased 3.3% QoQ, while the average AUA per adviser stood at S\$18.4 million. With the division's continued focus on fixed income, bond sales rose 47.3% QoQ, bolstered by healthy bond maturity reinvestment activity, while short duration and money market funds saw stronger client interest over the quarter as short-term yields remained elevated.



# Progress of Individual Markets

## SINGAPORE

- The iGM division launched the iFAST Digital Term insurance solution over the quarter, and iGM clients can now purchase affordable term life insurance cover of up to S\$1 million by answering just three simple health questions. In the spirit of making insurance more affordable, iGM clients also receive commission rebates on this new insurance solution, in alignment with the division's commission rebate policy on other life insurance products. The launch of the iFAST Digital Term solution is yet another important milestone which encapsulates the iGM vision of helping clients to build wealth with simple investment products, a philosophy which also extends to how clients are served on their insurance needs.
- AUA for Singapore B2C division FSMOne.com as at 30 June 2023 grew 3.9% YoY and 3.2% QoQ.
- Net inflows were positive across all product categories, with the strongest performers being unit trusts and stocks.
- In line with its focus on financial education, FSMOne completed two major events: FSM ETFestival (on 6 May) and iFAST Mid-Year Review (on 8 July). Both events gave opportunities for investors to stay in tune with investment views from iFAST research team and its various fund house partners.
- The USD Auto-Sweep was recently launched on the FSMOne platform, giving investors an attractive yield on their idle USD cash, swift redemption within the same day, no lock-in period and no minimum balance fee.
- The FSMOne website saw new changes to its website layout, including greater prominence to financial education video content on iFAST TV channel and a revamped Shopping Cart and Live Trading experience meant to make it even more seamless for investors to trade in unit trusts, stocks, ETFs and bonds.



# Progress of Individual Markets

## HONG KONG

- Net revenue for the Hong Kong operation rose 0.5% YoY to S\$5.70 in 2Q2023, though declining 2.0% YoY to S\$11.83 million in 1H2023.
- AUA of the Hong Kong operation grew 1.2% QoQ and 0.9% YoY to S\$2.50 billion as at 30 Jun 2023. The Hong Kong operation continued to see positive net inflows in 2Q2023.
- Unit Trusts sales on the Hong Kong B2B division showed a 45.9% QoQ decrease in 2Q2023 due to a challenging investment environment in Hong Kong and China, though it rose 38.6% YoY in 2Q2023.
- The Hong Kong B2B division's net sales across all investment products remained positive in the quarter, with bonds and ETFs contributing the most to positive inflows recorded in 2Q2023.
- During the quarter, advisers in the B2B platform addressed client concerns on financial stress in the banking sector while highlighting sector-specific opportunities. There were more queries on deposit alternatives, with short-duration bonds and certificate deposits being popular among investors seeking to reduce risk.



# Progress of Individual Markets

## HONG KONG

- The Hong Kong iGM division achieved record high AUA again in 2Q2023, increasing 6.4% QoQ and 47.7% YoY. The increment was mainly due to net inflows and transfer-in, which were supported by the income-focused product strategy and competitive cash solutions. The division has continued to generate positive net inflow as of June 2023.
- The AUA of Hong Kong B2C division FSMOne.com saw a 0.5% QoQ increase and 8.1% YoY decrease in 2Q2023.
- Due to the weak sentiment of local investors, a decline in sales and turnover was seen across all product types on a QoQ basis.
- The division's bond turnover fell 42.9% QoQ but rose 12.7% YoY in 2Q2023, aided by a rebound in net sales for bonds as compared to the same period last year. The division recorded positive net inflow in the quarter. During the quarter, the division has further expanded the list of sovereign bonds as well as bonds denominated in GBP and AUD, which have received more interest from retail investors as yields picked up.



# Progress of Individual Markets

## MALAYSIA

- Net revenue for the Malaysia operation increased 23.6% YoY in 2Q2023 to S\$3.60 million, but fell 1.6% YoY in 1H2023 to S\$6.84 million.
- The Malaysia operation AUA rose 1.6% QoQ and 9.2% YoY to S\$2.07 billion as at 30 Jun 2023, achieving another record high AUA in 2Q2023.
- Bonds AUA for the Malaysia operation surpassed 1 billion RM mark in 2Q2023, where the bond business has seen strong inflows across the B2B, B2C and iGM divisions, and the Malaysia operation is expected to continue to strengthen services and features for bond transactions.
- The Malaysia B2B division has seen steady growth in its AUA in 2Q2023, increasing 2.1% QoQ and 2.4% YoY.
- Overall, the B2B division in 2Q2023 recorded positive net inflow, supported by strong bonds sales which showed a tremendous YoY growth of 86.7%.
- Improved sentiments from both individual and corporate account investors also led to a rebound in Unit Trust and DPMS sales as compared to previous quarters.
- The Malaysia B2B division will continue to execute its growth plan by signing up more business partners and developing more innovative products and services which are expected to roll out in the coming quarters.



# Progress of Individual Markets

## MALAYSIA

- The Malaysia iGM division has continued to see decent AUA growth in 2Q2023, where AUA grew 2.8% QoQ and 36.3% YoY, achieving another record high AUA quarter in 2Q2023.
- iGM Malaysia continued to record positive net inflow in 2Q2023, mainly led by bond and Unit Trust inflows, which are partially contributed by corporate investment accounts. The iGM division will continue to recruit experienced and like-minded candidates to further grow the business across Malaysia.
- The Malaysia B2C division FSMOne.com has set another new record AUA in local currency terms, benefitting from positive market environment and positive net inflow. Though in SGD terms, while AUA rose 3.1% YoY, it fell 0.7% QoQ in 2Q2023.
- Market volatilities have led investors to adopt more conservative positioning during 2Q2023, with a shift in investment preferences towards Money Market Funds and Fixed Income asset class.
- The trend in bond sales remains positive, marked by a growing number of retail investors who have invested and transacted in bonds over the quarter, bringing about a 64.5% YoY increase in bonds turnover and a 15.2% YoY increase in bonds AUA.
- While Stocks and ETFs turnovers have shown that investors are more interested in US markets, the division continues to provide clients with global investment opportunities and diversified portfolio ideas.



# Progress of Individual Markets

## CHINA

- Net revenue for China operation fell 12.9% YoY to S\$0.39 million in 2Q2023. On a YoY basis, net revenue fell 12.9% to S\$0.83 million.
- The AUA of China operations fell -1.2% QoQ and -15.2% YoY to 1.96 billion RMB (approximately S\$366 million) as of 30 Jun 2023.
- While losses for the China operations increased by 4.4% QoQ in 2Q2023, expenses also fell 4.5% QoQ in 2Q2023.
- As economic recovery for China in a post-Covid restricted environment remains slow, domestic investors have remained cautious, and this has been reflected in the transactional volume on the China platform.
- Cost management remains a long-term key priority for the China business as market uncertainty and geopolitical tensions continues.

# Progress of Individual Markets



## UK

- iFAST Global Bank (iGB) saw Net Revenue increasing 46.8% YoY in 1H2023, though it fell 28.1% YoY to S\$2.82 million in 2Q2023. The UK operations also incurred a 2Q2023 and 1H2023 loss of S\$2.23 million and S\$3.94 million respectively.
- The EzRemit business remains the key contributor to the Bank's income and continues to expand its activities through onboarding new originating counterparties in Middle Eastern countries including making inroads in the new market of Saudi Arabia.
- The Bank has launched its digital banking platform (Digital Personal Banking (DPB)) in April 2023 and continues to actively market the product to retail customers. The product offering comprises a basic bank account, fixed term and notice deposit accounts across multiple currencies with the ability to switch balances between currencies. Product enhancements are also planned for the second half of 2023.
- The Digital Transaction Banking (DTB) business unit continues to onboard UK Corporate customers. During 2Q2023, DTB saw a continued growth in customers onboarded and increased inflow into its Safeguarding Accounts. The DTB expects the growth of this product offering to generate net interest margin for the Bank.

# Appendices

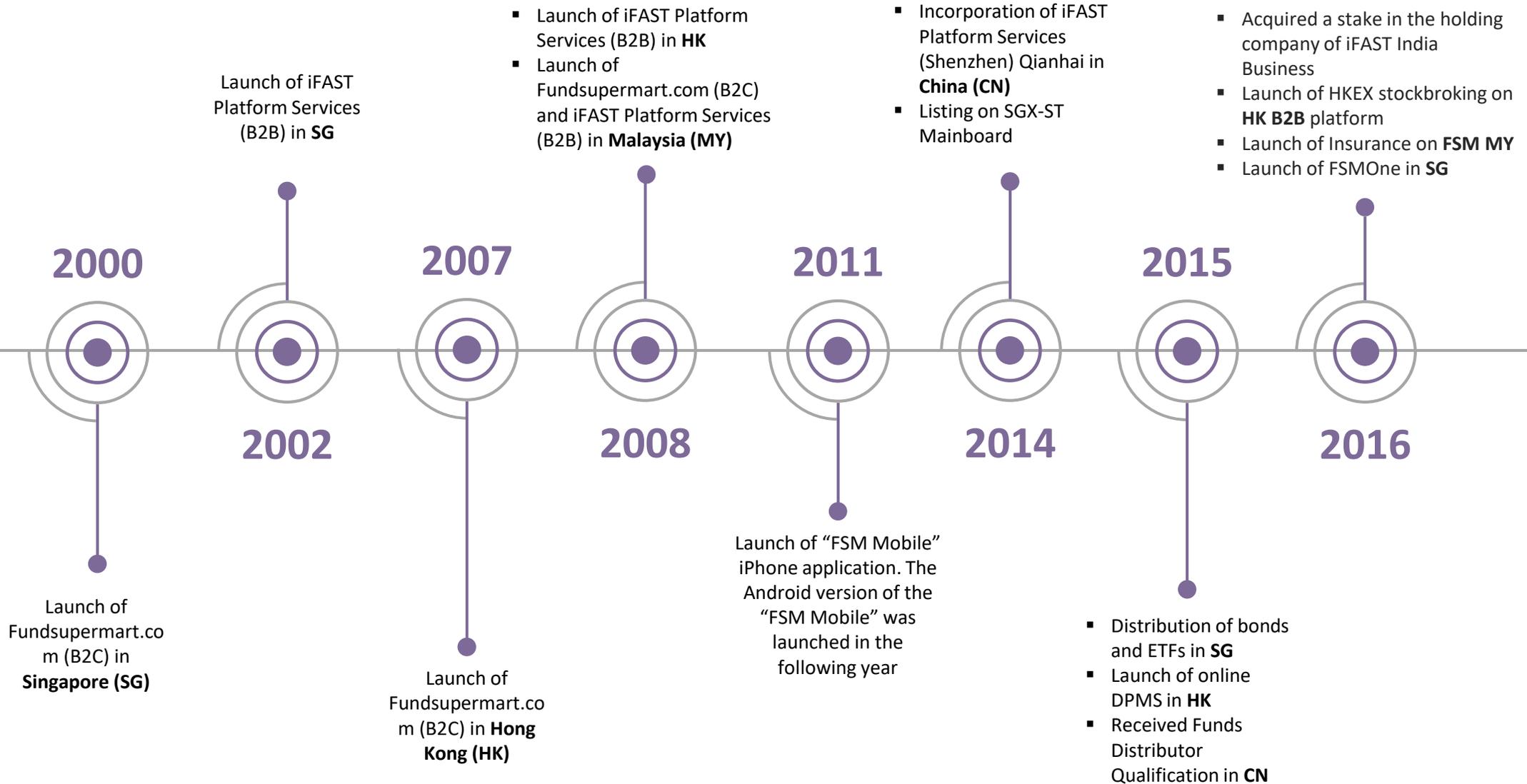


# Business Overview

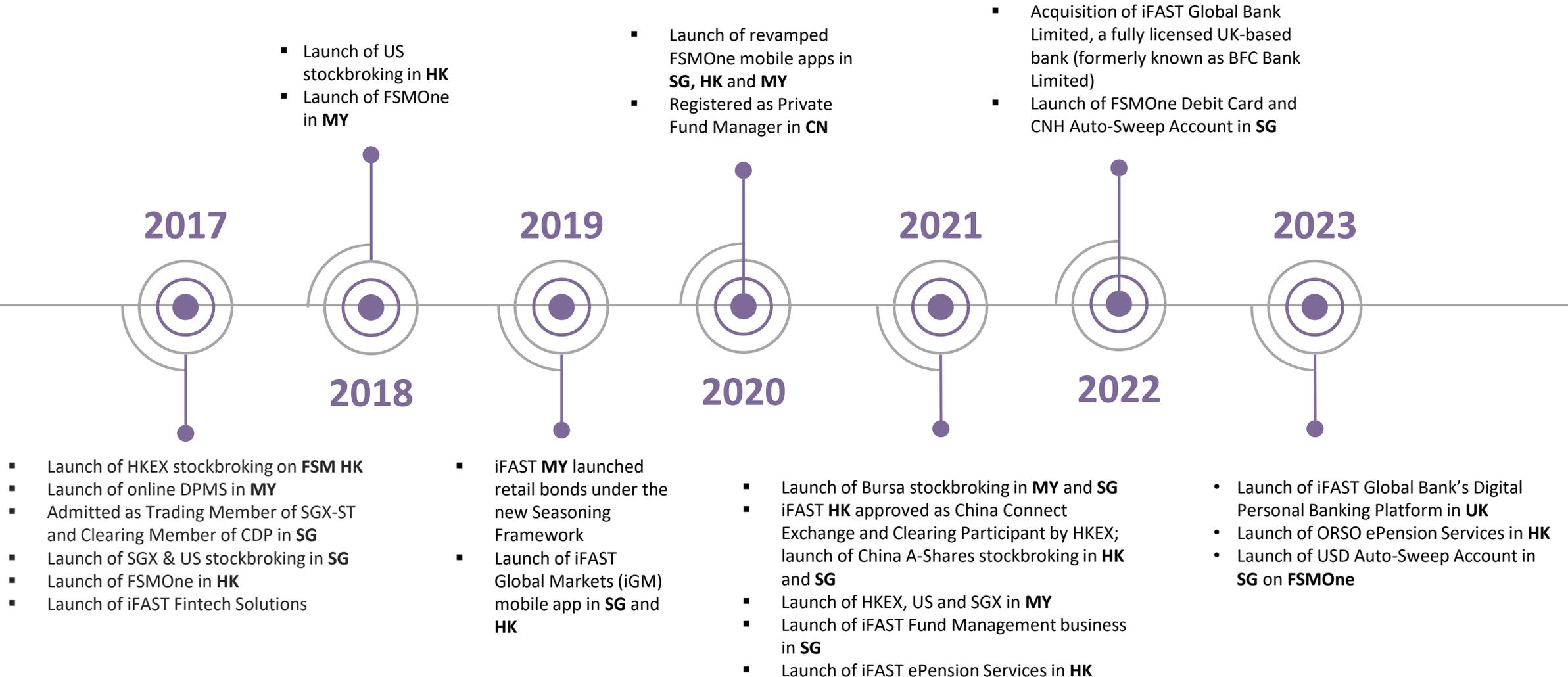
- iFAST Corporation Ltd. is a digital banking and wealth management fintech platform with assets under administration (AUA) of S\$18.81 billion as at 30 Jun 2023 (stock code: AIY).
- Main business divisions:
  - **Business-to-Consumer (B2C):** FSMOne.com (formerly “FundsUPERmart”) a multi-product online wealth management platform targeted at DIY investors (AUA: S\$5.62 billion);
  - **Business-to-Business (B2B):** Caters to the specialised needs of over 630 financial advisory (FA) companies, financial institutions and banks (AUA: S\$13.19 billion), which in turn have more than 12,400 wealth advisers;
  - **Fintech Solutions:** iFAST Fintech Solutions was launched to provide customisable Fintech solutions for our B2B clients and business partners to empower them with B2C Fintech capabilities; and
  - **iFAST Global Bank:** licensed UK bank aspiring to provide global banking connectivity to customers, corporates and financial institutions.
- The Group offers access to over 18,000 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, fintech solutions, banking, pension management, and investment administration and transaction services.
- Our mission statement is, “To help investors around the world invest globally and profitably”.



# Milestones



# Milestones

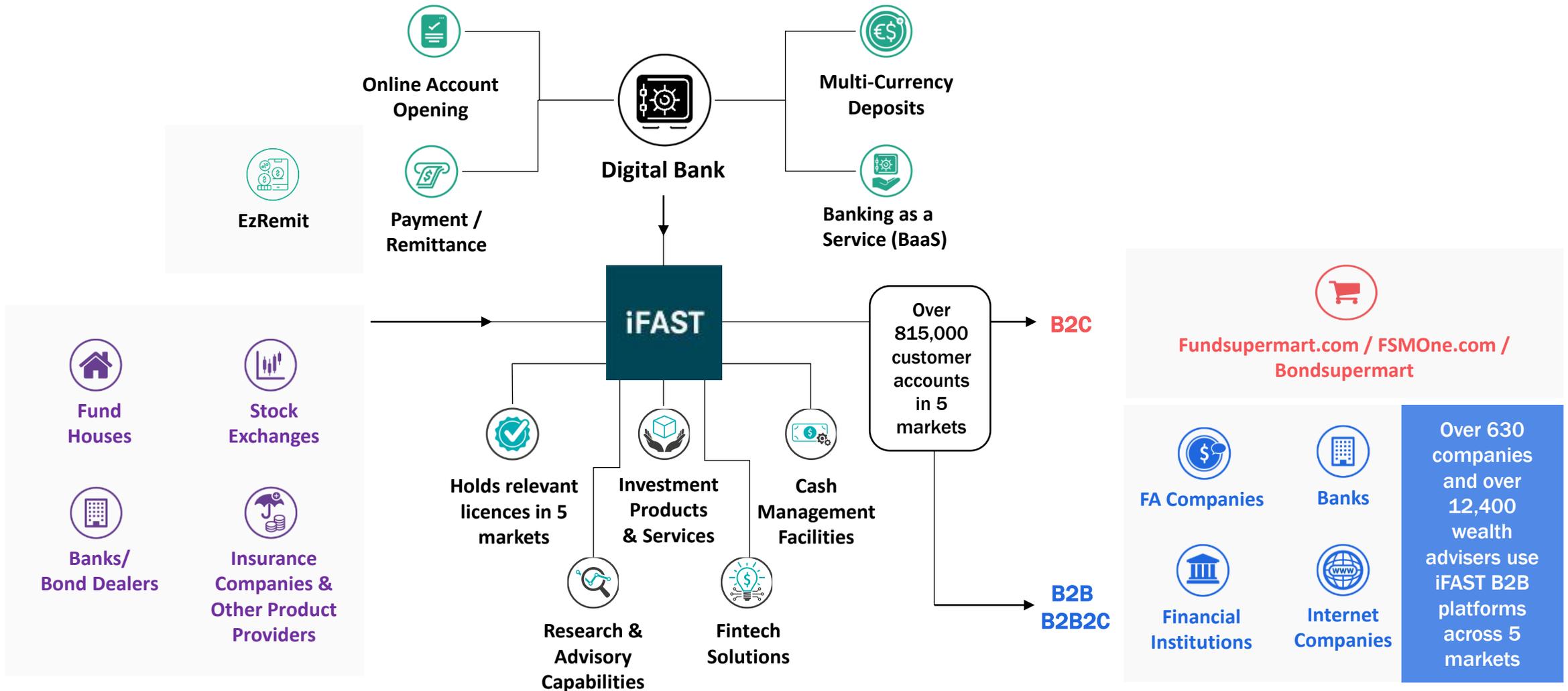


# iFAST Fintech Ecosystem

Connecting All to Help Investors Invest Globally and Profitably



(as at 30 Jun 2023)



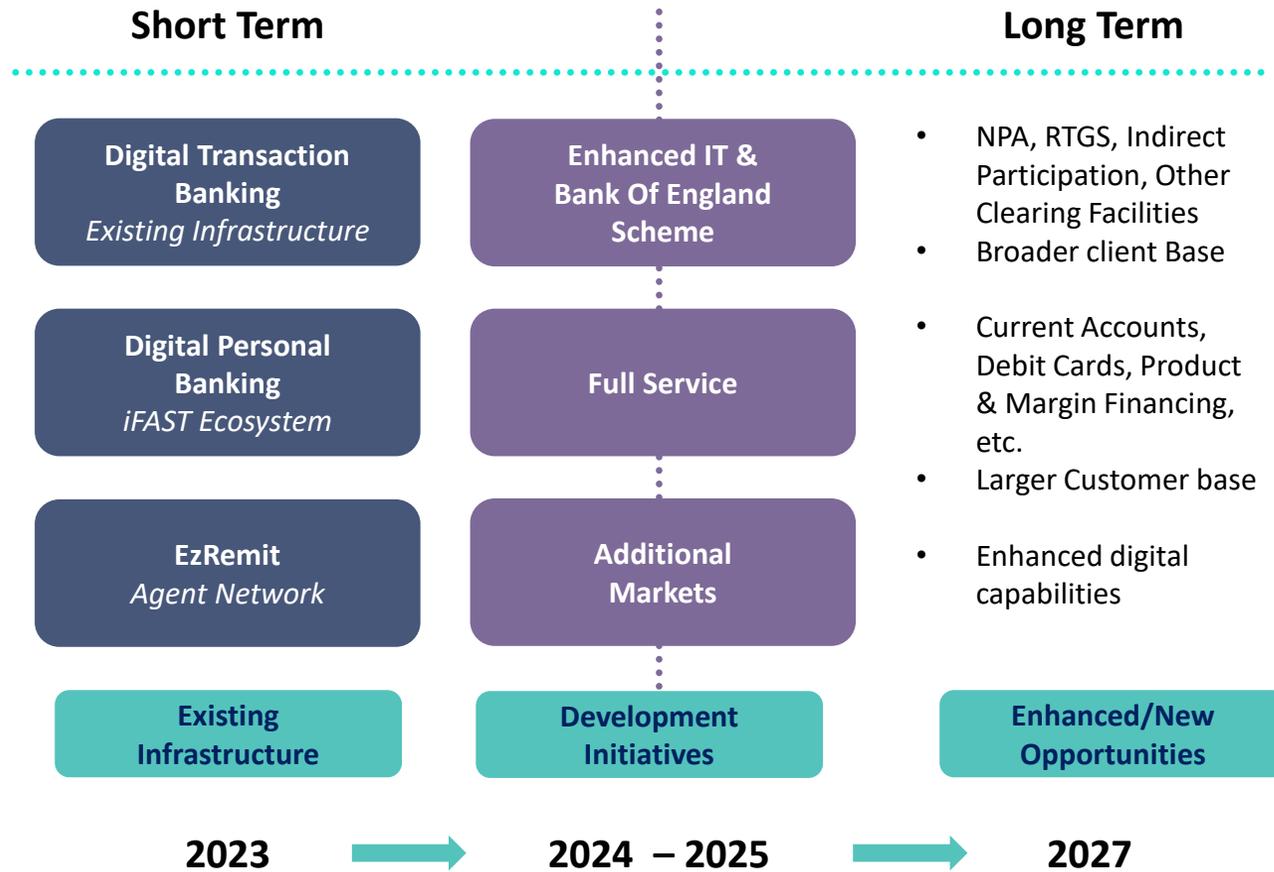
Access to iFAST's Infrastructure & Distribution Network in 5 markets

# The iFAST Fintech Ecosystem

- Products and services:
  - Unit trusts (over 12,000 funds from over 310 fund houses)
  - Bonds (over 2,000 direct bonds)
  - Stocks & ETFs – in 5 markets (Singapore, Hong Kong, US, Malaysia & China A Shares)
  - Discretionary portfolio management services
- Over 630 financial institutions and other corporations and over 12,400 wealth advisers using the platform
- Over 815,000 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 giants markets including China, with linkages to Singapore and Hong Kong increasingly strengthened
- Presence in UK, a trusted jurisdiction and top financial centre with strong connectivity to the world
  - The EzRemit business under iFAST Global Bank offers money transfer and foreign exchange services for customers in over 20 currencies with over 50 terminating partners across the world

# iFAST Global Bank: Strategic Growth Target

## STRATEGIC GROWTH TARGET



## SUSTAINABLE MODEL

Distinct geographic presence, market sectors leading to financial resilience



*Overlapping elements of 3 businesses bring it together*

# Truly Global Business Model

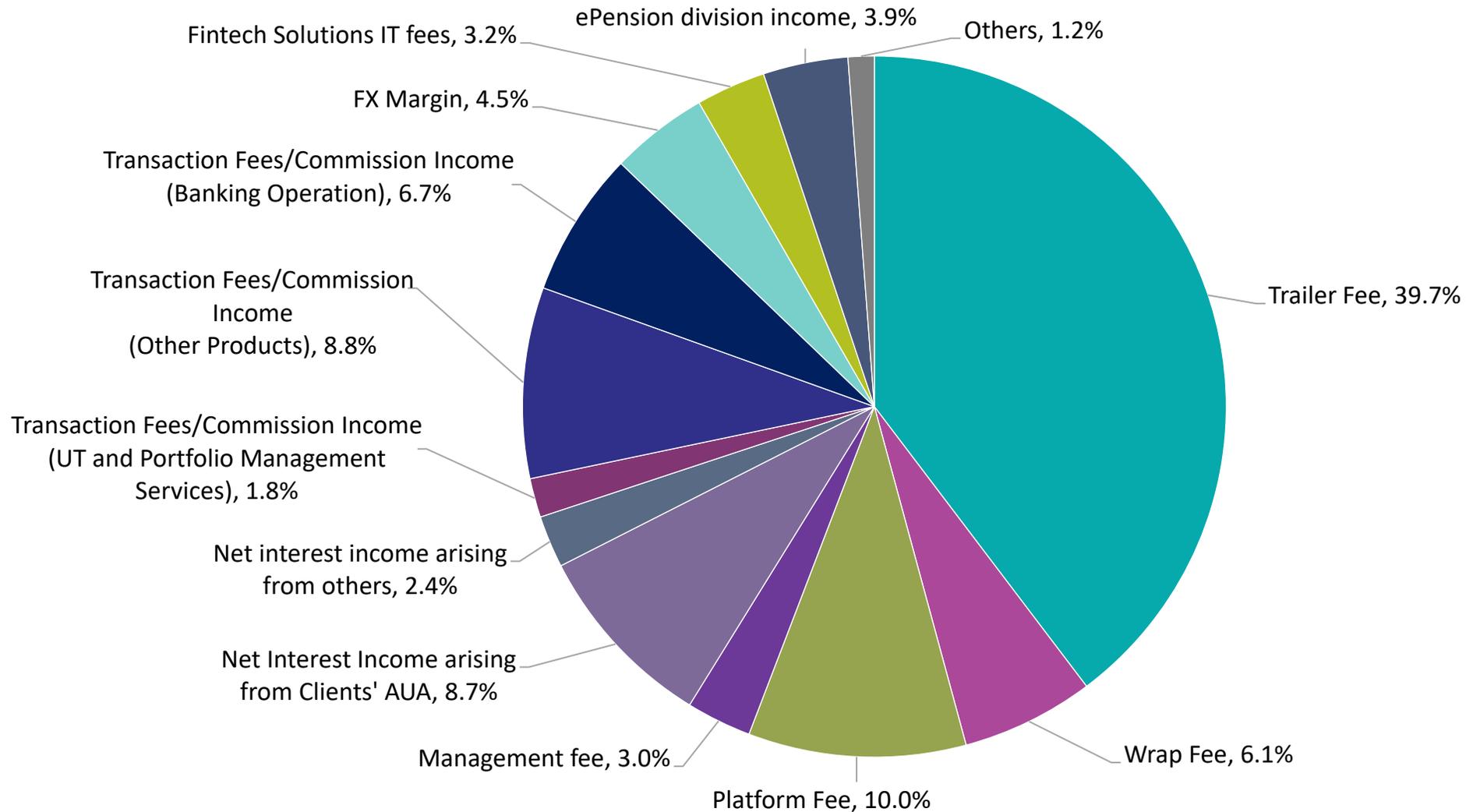
- **The Future Of Wealth Management.** The Group believes that the future of wealth management is one where many investors from various emerging markets will be looking for the best wealth management platforms across the world that can provide them seamless access and connectivity to global products and global exchanges.
- **Wealth Management Platforms And Digital Banking Seamless Links.** Wealth management platforms with seamless links to good digital banking services that allow consumers and investors to manage payment flows seamlessly across borders while getting attractive deposit rates in various currencies, will have strong advantages.
- **Private Banking As An Example of Truly Global Business Model.** The private banking industries of Singapore and Hong Kong as examples of a successful ‘truly global business model’. Operating from just Singapore or Hong Kong, private banks have been able to tap into customers from around the world. However, the private banks only cater to high net worth individuals.
- **Opportunities For A Digital and Mass Market Player.** We believe that a strong opportunity exists for a wealth management and digital banking player which targets the mass affluent or the mass market, and which uses digital capabilities as the key enabler.

# 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 more than two thirds of our net revenue
- Sources of Recurring Net Revenue
  - Trailer fees, platform fees, wrap fees
  - Net interest income
  - Fintech solutions IT maintenance fees
- Sources of Non-Recurring Net Revenue
  - Transaction fees – unit trusts, bonds, stocks, ETFs
  - Forex conversions
  - Fintech solutions IT development fees
  - Insurance commissions
- 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.



# Breakdown of Net Revenue (FY2022)



# Licences Held and Products and Services Available

(as at 30 June 2023)

## SINGAPORE

### LICENCES & REGISTRATION HELD:

- Capital Markets Services Licence [MAS]
- Financial Adviser Licence [MAS]
- Exempt Insurance Broker [MAS]
- SGX Trading Member [SGX]
- CDP Depository and Clearing Agent [CDP]
- Central Provident Fund Investment Scheme (CPFIS) registered Investment Administrator

### PRODUCTS & SERVICES AVAILABLE:

UT / Bonds / Stocks / ETFs / DPMS / Insurance

## CHINA

### LICENCES & REGISTRATION HELD :

- Fund Distributor Qualification [CSRC]
- Associate Member of AMAC
- Member of SZAMC
- Registered Private Fund Manager [AMAC]
- Qualified Domestic Limited Partnership Pilot Manager of Shanghai Municipal Financial Regulatory Bureau (SMFRB).

### PRODUCTS & SERVICES AVAILABLE :

UT

## HONG KONG

### LICENCES & REGISTRATION HELD:

- Type 1: Dealing in Securities [SFC]
- Type 4: Advising on Securities [SFC]
- Type 9: Asset Management [SFC]
- MPFA
- SEHK Participant
- HKSCC Participant
- China Connect Exchange and Clearing Participant [HKEX]
- Licensed Insurance Broker with Insurance Authority

### PRODUCTS & SERVICES AVAILABLE :

UT / Bonds / Stocks / ETFs / DPMS

## MALAYSIA

### LICENCES & REGISTRATION HELD :

- Capital Market Services Licence [SC]
- Registered IUTA and IRPA [FIMM]
- Financial Advisers Licence [BNM] [SC]
- Participating Organisation, Clearing Participant and Authorised Depository Agent of Bursa Malaysia [SC]

### PRODUCTS & SERVICES AVAILABLE :

UT / Bonds / Stocks / ETFs / DPMS / Insurance

## UK

### LICENCES & REGISTRATION HELD :

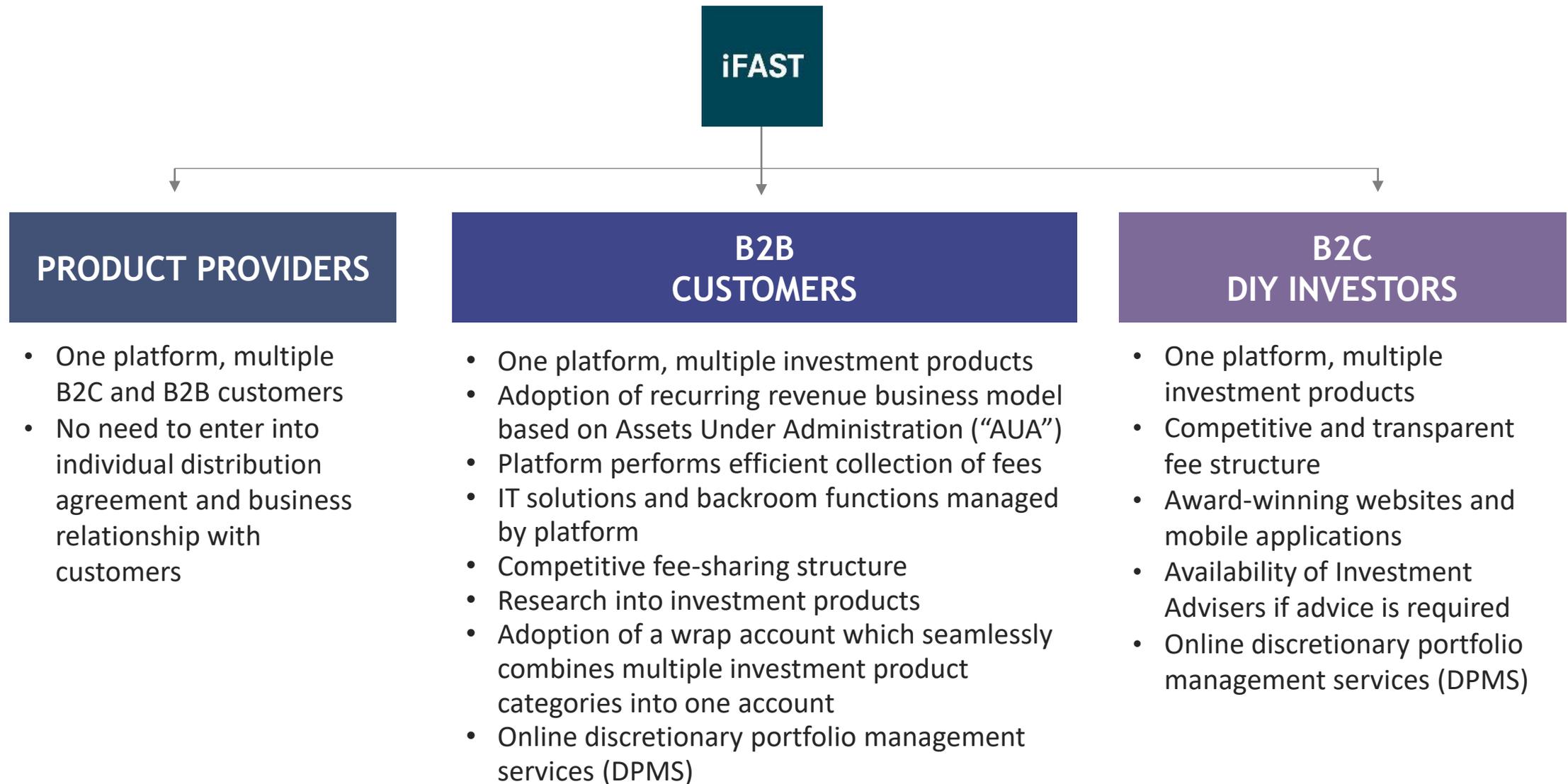
- Financial Services Compensation Scheme (FSCS) member
- Authorised and regulated by Prudential Regulation Authority
- Regulated by Financial Conduct Authority
- HM Revenue & Customs
- Information Commissioner's Office
- Clearing House Automated Payment System (CHAPS)

### PRODUCTS & SERVICES AVAILABLE :

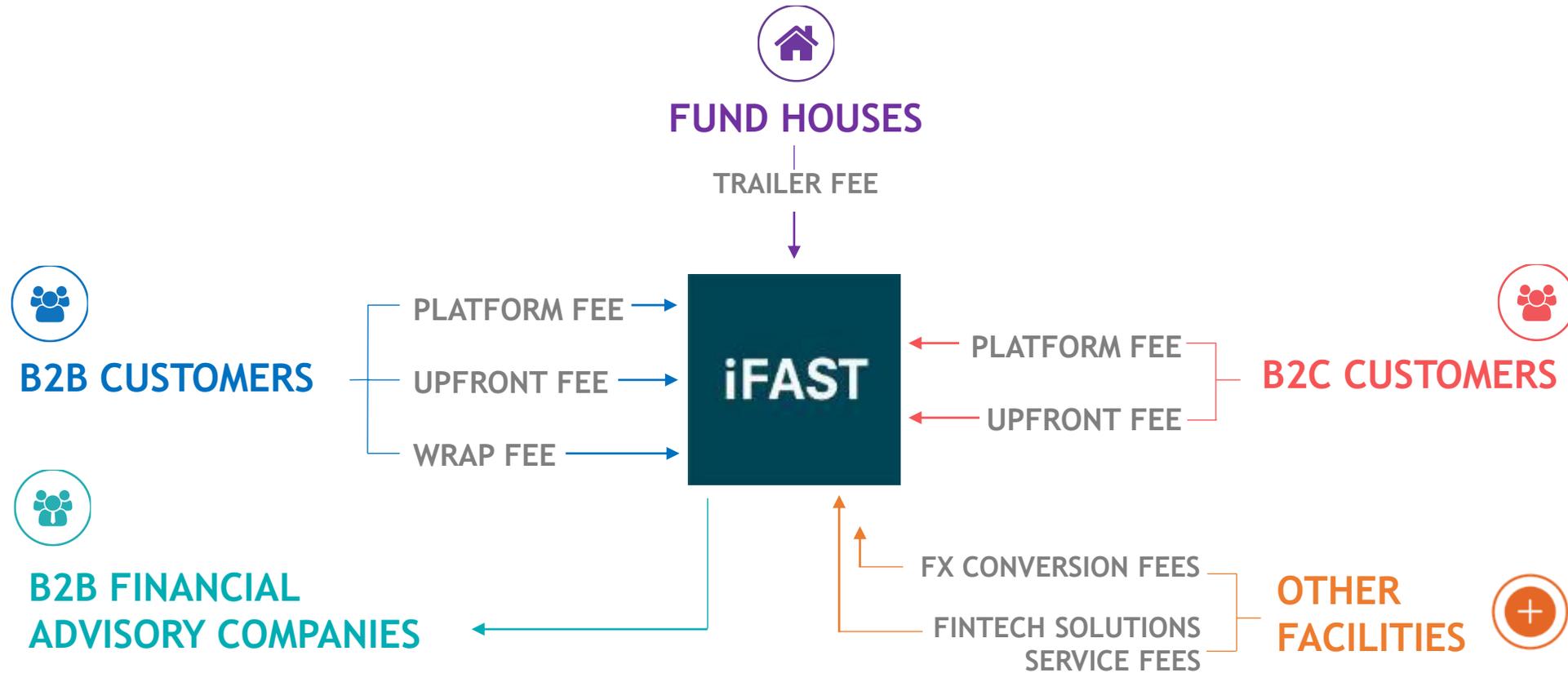
Consumer remittance / Digital Personal Banking / Digital Transaction Banking



# Our Value Proposition



# Fees Illustration



# 2Q2023: Activities & Achievements



iFAST Corp Annual General Meeting 2023 (Hybrid)



Investor events held in 2Q2023: Singapore FSM ETFestival 2023 (May 2023)



New Products / Services Launch Events:

iFAST Global Bank Digital Personal Banking launch in **UK** and **Singapore**;

iFAST ORSO ePension Services launch in **Hong Kong**



iFAST B2B Division activities: iFAST Awards Night in **Singapore** and **Hong Kong**;  
iFAST Symposium 2023 – Visit to iFAST Global Bank in **UK**.



iFAST

TRANSCENDING BOUNDARIES:  
POISED FOR GROWTH

THANK YOU!

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

