

**FOR IMMEDIATE RELEASE**

## **iFAST Corp saw fifth consecutive quarter of record AUA levels, which reached S\$7.16 billion as at 30 Sep 2017; net profit increased 51.9% YoY in 9M2017**

- The Group's Assets Under Administration (AUA) increased 19.3% YoY to hit a record high of S\$7.16 billion as at 30 September 2017. The increase marked the fifth consecutive quarter of record AUA levels for the Group
- The Group's revenue and profitability improved significantly; net revenue increased 21.6% YoY to S\$36.14 million in 9M2017, while net profit rose 51.9% YoY to S\$6.53 million in 9M2017
- The Group believes that there is still a lot of room for growth as the current AUA level remains small relative to the size of the wealth management industry in Singapore and the other Asian markets it operates in
- Going forward, increasing focus will be channelled towards gaining scale as a platform, while ensuring continuing improvements in its service offerings
- The Directors have proposed a third interim dividend of 0.75 cents per ordinary share for 3Q2017. The dividend for 3Q2017 is 10% higher than the dividend for 2Q2017, which was at 0.68 cents per ordinary share

*SINGAPORE (28 October 2017)* – iFAST Corporation Ltd. (“iFAST Corp” and together with its subsidiaries, the “Group”) reported its financial results for the third quarter (3Q2017) and first nine months of 2017 (9M2017).

The Group's Assets Under Administration (AUA) increased 19.3% YoY to hit a record high of S\$7.16 billion as at 30 September 2017. The Group's revenue and profitability improved significantly; net revenue increased 21.6% YoY to S\$36.14 million in 9M2017, while net profit rose 51.9% YoY to S\$6.53 million. Excluding the China operation, the Group's net profit before tax and net profit after tax rose 45.7% YoY to S\$10.75 million and 38.2% YoY to S\$9.57 million in 9M2017 respectively.

Since listing on the SGX-ST Mainboard in December 2014, iFAST Corp's priorities have been to broaden the range of investment products and services on its platforms, and lay the infrastructure to kick-start its business in China, a market it believes to be key in the future. The Group's expenses have increased as a result of these investments.

The Group believes it has made significant progress in the last two to three years in becoming a more integrated wealth management platform to further strengthen its position as a key player in the wealth management industry. The initial start-up investments in China have also been important, as the Group believes that China will

eventually become the largest wealth management market in Asia.

The Group believes that there is still a lot of room for growth as the current AUA level remains small relative to the size of the wealth management industry in Singapore and the other Asian markets it operates in. Going forward, increasing focus will be channelled towards gaining scale as a platform, while ensuring continuing improvements in its service offerings.

In the next few years, the Group is targeting for net revenue to outgrow its operating expenses and this should lead to higher operating margins.

### **Analysis Across Geographical Segments**

Singapore's AUA grew 14.3% YoY (+4.0% QoQ) to a record high of S\$4.92 billion as at 30 September 2017. Net revenue grew 18.0% YoY to S\$25.48 million, while net profit before tax grew 32.0% YoY to S\$9.04 million in 9M2017. Growth in revenue was linked to increases in investment subscriptions into the various investment products distributed on the platform.

The Group believes that the more complete range of investment products and its fintech capabilities will continue to give B2B FA companies stronger wealth management capabilities in reaching out to more high net worth clients presently served by private banks. The Group sees itself as a partner to FA companies in the wealth management industry. In addition to its existing investment in two FA firms, namely Provident Holding Private Limited and PC iFAST Holding (SG) Pte Ltd, the Group acquired a minority stake in one more FA firm in Singapore, RAF Holdings Pte Ltd (RAF), in 3Q2017.

Hong Kong's AUA grew 25.4% YoY (+6.5% QoQ) to S\$1.61 billion as at 30 September 2017. Net revenue increased 23.8% YoY to S\$7.90 million and net profit before tax improved 255.6% to S\$1.26 million in 9M2017. Positive market sentiment and the increased range and depth of the products and services distributed, contributed to the significant improvement in AUA, sales and revenue. Following a couple of years of difficult market conditions, the Hong Kong operation has been experiencing good growth momentum in both its B2B and B2C segments, with sales in both unit trusts and bonds growing strongly.

Malaysia's AUA grew 46.4% YoY (+9.2% QoQ) to hit a record high of S\$508.37 million as at 30 September 2017. Net revenue grew 50.0% YoY to S\$2.47 million and net profit before tax grew by 181.9% YoY to S\$0.76 million in 9M2017. The Malaysia operation has been working towards enhancing its range of investment products and services. With the introduction of bonds and robo-advisory portfolios in 2Q2017, the Malaysia

operation has attracted more investors to open investment accounts in 3Q2017.

The China business was soft launched in March 2016 and remains in the early stages of building the iFAST brand among potential clients and investment practitioners in China's wealth management industry. Gross revenue in China operation decreased in both 3Q2017 and 9M2017, due to some ad-hoc contributions from institutional business in 2016 which have been negatively affected by local regulatory changes since the beginning of 2017. Nevertheless, net revenue continued to improve significantly, increasing by 174.5% and 184.5% in 3Q2017 and 9M2017 respectively, benefitting from improvements in the onshore and offshore China markets (via the Group's Hong Kong and Singapore operations).

As the China operation continues to ramp up its activities in China with additional headcounts and a new office in Shanghai (since 3Q2016), expenses increased 24.4% YoY in 9M2017, but increased by a more muted 5.2% in 3Q2017 (as the rental of the Shanghai office started in 3Q2016). The loss from the China operation increased by 3.7% to S\$1.03 million and 15.8% YoY to S\$3.04 million in 3Q2017 and 9M2017 respectively.

The China operation has signed up with more than 20 B2B partners (including Internet and financial services companies), which the Group foresees could boost future AUA and sales numbers. The China operation has continuously increased the range of fund house partners and the funds carried on the platform; as at 30 September 2017, the China operation has signed up over 65 fund houses, with over 2,300 funds on its platform. In 3Q2017, the Group acquired a minority stake in Beijing Financial Alliance Technology Co Ltd (BFAT / 北京理财联盟科技有限公司); BFAT provides consultancy and advisory services to financial practitioners and financial institutions to enhance their competitiveness and expertise in the wealth management industry. With this partnership, the China operation is able to tap on BFAT's network of financial planners, offering possible leads to boost its sales team as well as to sign up potential B2B companies.

### **Interim Dividend for 3Q2017**

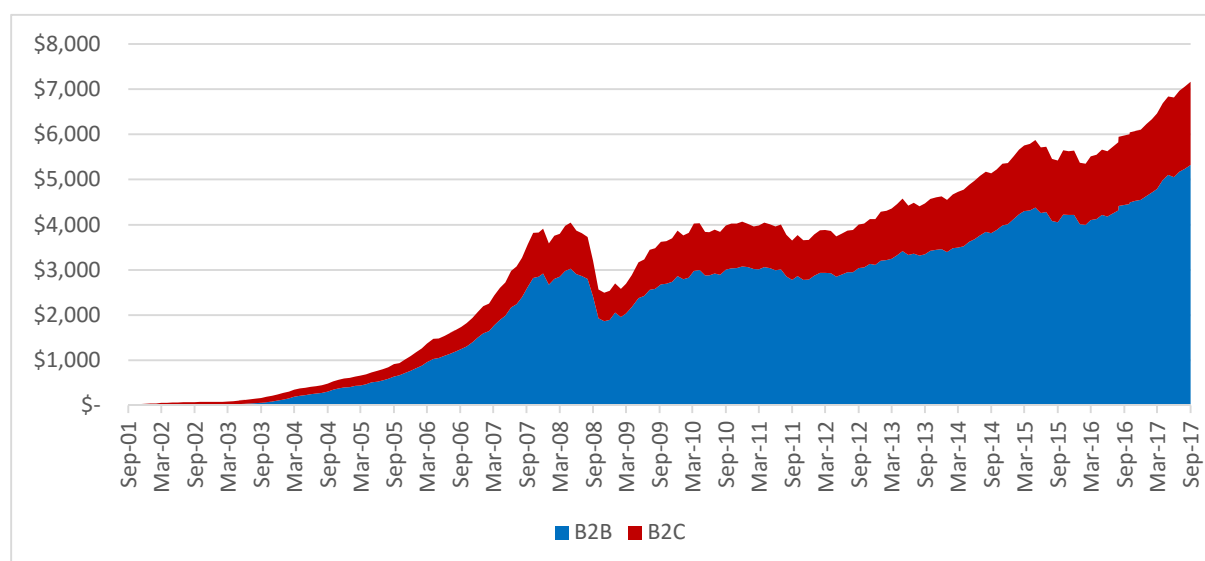
The Group's Dividend Guidance for FY2017 is: "For FY2017, our Directors intend to recommend and distribute dividends of 60% or more of our Group's net profit (excluding our China operation, and exceptional items)". The Directors have proposed a third interim dividend of 0.75 cents per ordinary share for 3Q2017. The dividend for 3Q2017 is 10% higher than the dividend for 2Q2017, which was at 0.68 cents per ordinary share. The dividend for 3Q2017 is equivalent to about 59.1% of the Group's net profit (excluding our China operation, and exceptional items) for the quarter.

**Table 1: Profit / Loss - Geographical Segment**

| Profit/Loss<br>(S\$ Million)                        | FY2013              | FY2014              | FY2015 | FY2016            | 9M2017 |
|---|---------------------|---------------------|--------|-------------------|--------|
| Singapore   | 8.39 <sup>1</sup>   | 9.37 <sup>2</sup>   | 11.82  | 9.76 <sup>□</sup> | 9.04   |
| Hong Kong   | 0.40                | 2.10                | 1.65   | 0.53              | 1.26   |
| Malaysia  | (0.36) <sup>□</sup> | (0.04) <sup>□</sup> | 0.28   | 0.38              | 0.76   |
| Others <sup>3</sup>                                 | -                   | (0.01)              | (0.02) | (0.16)            | (0.31) |
| Profit before tax<br>(excluding China operation)    | 8.43                | 11.42               | 13.73  | 10.51             | 10.75  |
| Tax expense   | (0.57)              | (0.39)              | (0.65) | (0.76)            | (1.18) |
| Net profit after tax<br>(excluding China operation) | 7.86                | 11.03               | 13.08  | 9.75              | 9.57   |
| China operation                                     | -                   | (0.52)              | (0.98) | (3.62)            | (3.04) |
| Net profit<br>(including China operation)           | 7.86                | 10.51               | 12.10  | 6.13              | 6.53   |

**Notes:**

1. Excluding a one-off gain of S\$0.62 million on distribution to owners of the Company in October 2013
2. Excluding IPO expenses of S\$1.95 million in December 2014
3. Representing share of results of associates
4. Excluding impairment loss on investment in financial assets amounting to S\$0.68 million in 4Q2016
5. Excluding shares of non-controlling interest in FY2013 and FY2014

**Chart 1: Group AUA grew 19.3% YoY to record S\$7.16 billion**

**Note:**

1. The Group's AUA as at 30 Sept 2017 includes its effective 16.3% share of the India Business

## About iFAST Corp

iFAST Corp (stock code: AIY) is an Internet-based investment products distribution platform, with assets under administration (AUA) of approximately S\$7.16 billion as at 30 September 2017.

Incorporated in the year 2000 in Singapore and listed on the SGX-Mainboard in December 2014, iFAST Corp is also present in Hong Kong, Malaysia, China and India. The Group provides a comprehensive range of investment products and services, to financial advisory (FA) firms, banks, financial institutions, multinational companies, as well as retail and high net worth (HNW) investors in Asia.

The Group offers access to over 5,800 investment products including funds, bonds and Singapore Government Securities (SGS), stocks, Exchange Traded Funds (ETFs), as well as insurance products, and services including robo-advisory portfolio management services which are known as MAPS (My Assisted Portfolio Solution), research and investment seminars, financial technology (fintech) solutions, and investment administration and transaction services.

iFAST Corp has two main business divisions, namely its Business-to-Consumer (B2C) website, Fundsupermart (including its new FSMOne multi-products account in Singapore), targeted at DIY investors; and its Business-to-Business (B2B) platform that caters to the specialised needs of FA companies, banks and financial institutions. Over 6,500 wealth advisers from more than 285 FA companies, banks and financial institutions, use the iFAST B2B platform.

The Group's mission statement is, "To help investors around the world invest globally and profitably". The Group won the "Most Transparent Company Award 2015, New Issues Category" at the SIAS Investors' Choice Awards 2015, as well as the "Best Investor Relations - Merit Award" for First-Year Listed Companies at the Singapore Corporate Awards 2015. In the Singapore Governance and Transparency Index (SGTI) released in 2016 and 2017, iFAST Corp ranked within the top 15% among SGX-listed companies. For more information, please visit [www.ifastcorp.com](http://www.ifastcorp.com)

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