

FOR IMMEDIATE RELEASE

## **iFAST Corp's AUA grew 17.3% YTD to a record high of S\$9.44 billion as at 30 September 2019; YoY decline in net profit narrowed in 3Q2019**

- Despite volatile financial market conditions and generally jittery investor sentiments in Asia in 9M2019, the Group's Assets under Administration (AUA) grew 17.3% year-to-date, to a record high of S\$9.44 billion as at 30 September 2019.
- The Group's net revenue has also continued to grow, hitting a record high of S\$16.85 million in 3Q2019.
- While net revenue has been growing healthily, there was a YoY decline in the Group's net profit that narrowed to 5.5% in 3Q2019. This resulted from the fact that in the last few years, the Group has been stepping up investments into its platform capabilities, particularly in its IT capabilities.
- In the last three years, the Group's AUA has increased 57.3% from S\$6.00 billion as at 30 September 2016 to S\$9.44 billion as at 30 September 2019. The Group's net revenue has also grown by 57.8% from S\$10.68 million in 3Q2016 to S\$16.85 million in 3Q2019. The Group's net profit has however not been very strong in the last few years, resulting from the fact that the Group has prioritised its efforts in ensuring that its platform capabilities will be more comprehensive.
- 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 over the next 12 months, the pace at which the Group's operating expenses will be increasing will moderate.
- 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.
- The Directors have declared a third interim dividend of 0.75 cents per ordinary share for 3Q2019 (third interim dividend for 3Q2018: 0.75 cents per ordinary share).

**SINGAPORE (31 October 2019)** – iFAST Corporation Ltd. ("iFAST Corp" and together with its subsidiaries, the "Group") reported its financial results for the third quarter and first nine months of 2019 (3Q2019 & 9M2019).

Despite volatile financial market conditions and generally jittery investor sentiments in Asia in 9M2019, the Group's Assets under Administration (AUA) grew 17.3% year-to-date, to a record high of S\$9.44 billion as at 30 September 2019.

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\$16.85 million in 3Q2019. While net revenue has been growing healthily, there was a YoY decline in the Group's net profit that narrowed to 5.5% in 3Q2019. This resulted from the fact that in the last few years, the Group has been stepping up investments into its platform capabilities, particularly in its IT capabilities.

In the last three years, the Group's AUA has increased 57.3% from S\$6.00 billion as at 30 September 2016 to S\$9.44 billion as at 30 September 2019. The Group's net revenue has also grown by 57.8% from S\$10.68 million in 3Q2016 to S\$16.85 million in 3Q2019. The Group's net profit, however, has not been very strong in the last few years, resulting from the fact that the Group has prioritised its efforts in ensuring that its platform capabilities will be more comprehensive.

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 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 5% to 9% YoY and amount to approximately S\$59.9 million to S\$62.1 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 planned application for the digital banking licence in Singapore, which may affect expenses starting 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.

### **Third Interim Dividend for 3Q2019**

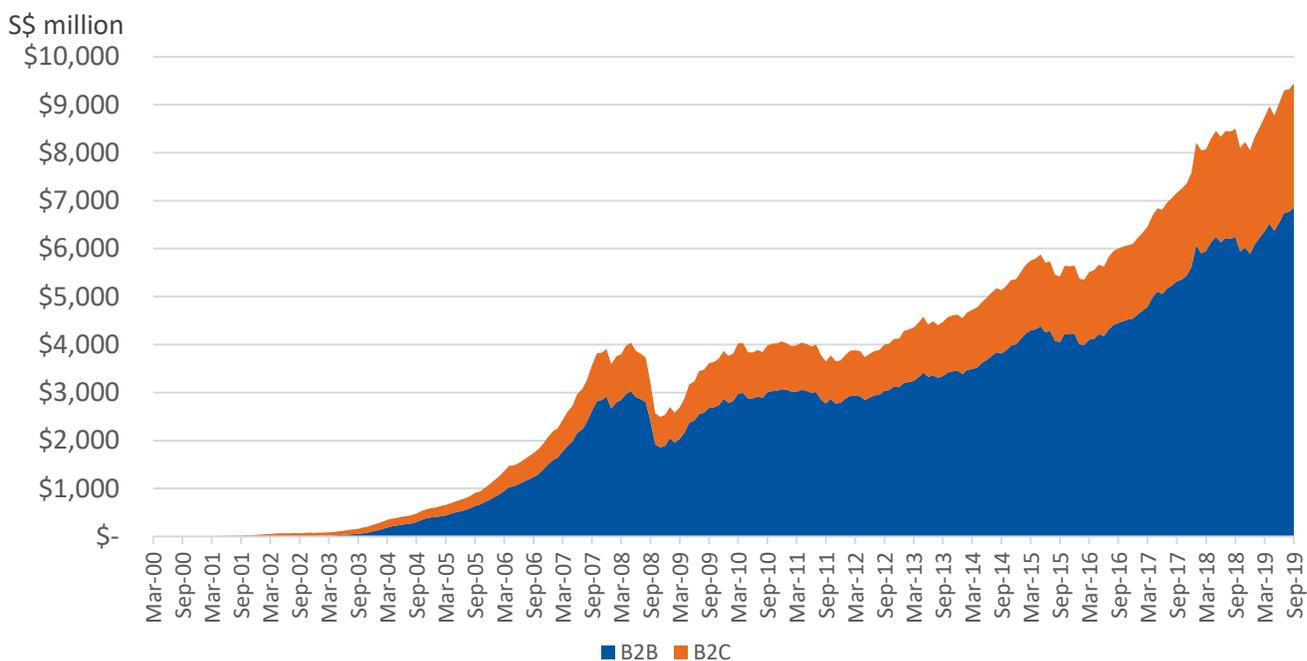
For the third interim dividend for 3Q2019, the Directors declared a dividend of 0.75 cents per ordinary share (third interim dividend for 3Q2018: 0.75 cents per ordinary share)

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

| Profit/Loss<br>(S\$ Million)                        | FY2015 | FY2016 | FY2017 <sup>2</sup> | FY2018 | 9M2019 |
|---|--------|--------|---------------------|--------|--------|
| Singapore   | 11.82  | 9.07   | 10.62               | 11.86  | 7.53   |
| Hong Kong   | 1.65   | 0.53   | 1.77                | 3.42   | 2.82   |
| Malaysia  | 0.28   | 0.38   | 1.07                | 1.37   | 1.23   |
| Other <sup>1</sup>                                  | (0.02) | (0.16) | (0.33)              | 0.52   | (0.16) |
| Profit before tax<br>(excluding China operation)    | 13.73  | 9.82   | 13.13               | 17.17  | 11.42  |
| Tax expense   | (0.65) | (0.76) | (1.26)              | (1.66) | (1.33) |
| Net profit after tax<br>(excluding China operation) | 13.08  | 9.06   | 11.87               | 15.51  | 10.09  |
| China operation                                     | (0.98) | (3.61) | (4.17)              | (4.60) | (3.58) |
| Net profit after tax<br>(including China operation) | 12.10  | 5.45   | 7.70                | 10.91  | 6.51   |

**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

**Chart 1: Group AUA grew 17.3% YTD to a record high of S\$9.44 billion as at 30 September 2019**

**Note:**

1. The Group's AUA as at 30 September 2019 includes its effective 33.3% share of the India Business

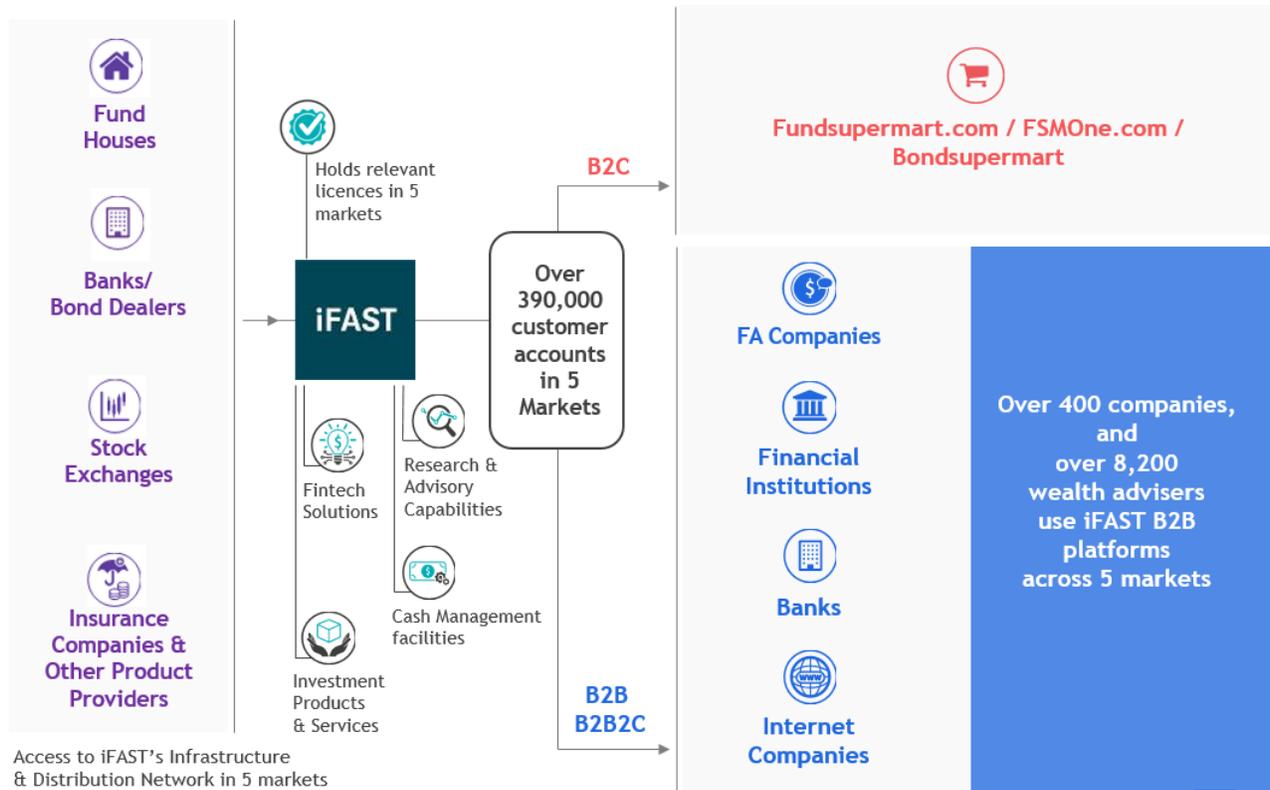
About iFAST Corp

# iFAST Fintech Ecosystem

Connecting All to Help Investors Invest Globally and Profitably



(as at 30 Sep 2019)



iFAST Corp (stock code: AIY) is a wealth management Fintech platform, with assets under administration (AUA) of S\$9.44 billion as at 30 September 2019.

Incorporated in the year 2000 in Singapore and listed on the SGX-Mainboard in December 2014, iFAST Corp is also present in Hong Kong, Malaysia, China and India. Through the years, the Group has built a well-established Fintech ecosystem 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 September 2019, the Group offers access to over 10,000 investment products including over 6,700 funds from over 260 fund houses, over 1,200 bonds, stocks and ETFs (Singapore, Hong Kong and US stock exchanges), as well as services including online discretionary portfolio management services, research and investment seminars, Fintech solutions, and investment administration and transaction services to financial advisory (“FA”) firms, financial institution, banks, multinational companies, as well as retail and high net worth (“HNW”) investors in Asia.

The main business divisions of the Group include the Business-to-Consumer (“B2C”) division, the Business-to-Business (“B2B”) division, and the emerging Fintech Solutions/Business-to-Business-to-Consumer (“B2B2C”) model. The B2C website, FSMOne.com/Fundsupermart.com, caters to investors who prefer to do their own investments online. The new FSMOne multi-products transactional platform is currently available in Singapore, Hong Kong and Malaysia. The B2B platforms cater to the specialised needs of more than 400 FA companies, financial institutions, banks and internet companies with over 8,200 wealth advisers. iFAST Fintech Solutions, the emerging Fintech Solutions/B2B2C model, was launched in Singapore, Hong Kong and Malaysia in recent years to provide innovative and customisable Fintech solutions for our B2B clients and business partners to empower them with their own B2C Fintech capabilities.

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

The Group’s mission statement is, “To help investors around the world invest globally and profitably”. In the Singapore Governance and Transparency Index (SGTI) released from 2016 to 2018, iFAST Corp has been ranked within the top 15% among SGX-listed companies. iFAST Corp was awarded first runner-up in the "IR Magazine Awards South East Asia 2017" in the "Best in Sector – IT" category. iFAST Corp won the "Best Investor Relations - Silver Award" 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. The Group’s Chief Financial Officer, Mr Leung Fung Yat David, was also awarded “Best Chief Financial Officer” in the Companies with less than S\$300 million in market capitalisation category at the Singapore Corporate Awards 2019.

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

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