

The logo for iFAST, featuring the word "iFAST" in white, lowercase letters with a dot over the 'i', set against a dark teal square background.

**iFAST**

**iFAST Corporation Ltd.  
and its Subsidiaries**

Company Registration No: 200007899C  
(Incorporated in the Republic of Singapore)

**Unaudited Second Quarter and Half Year 2021  
Financial Statements Announcement**

## Second Quarter and Half Year 2021 Financial Statements and Dividend Announcement

1(a)(i) An income statement and a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

### Consolidated income statement for the second quarter and half year ended 30 June 2021

	2Q21 \$'000	Group 2Q20 \$'000	Change %	1H21 \$'000	Group 1H20 \$'000	Change %
Revenue	50,785	38,552	31.7	106,121	77,030	37.8
Commission and fee paid or payable to financial advisers and securities brokerage expense	(24,601)	(18,713)	31.5	(51,441)	(38,371)	34.1
	<b>26,184</b>	<b>19,839</b>	<b>32.0</b>	<b>54,680</b>	<b>38,659</b>	<b>41.4</b>
Other income	487	1,821	(73.3)	1,442	2,381	(39.4)
Depreciation of plant and equipment	(588)	(461)	27.5	(1,154)	(984)	17.3
Depreciation of right-of-use assets	(1,781)	(1,789)	(0.4)	(3,602)	(3,425)	5.2
Amortisation of intangible assets	(2,061)	(1,630)	26.4	(4,081)	(3,179)	28.4
Staff costs	(10,226)	(9,117)	12.2	(21,101)	(17,122)	23.2
Other operating expenses	(3,596)	(2,896)	24.2	(7,446)	(6,276)	18.6
<b>Results from operating activities</b>	<b>8,419</b>	<b>5,767</b>	<b>46.0</b>	<b>18,738</b>	<b>10,054</b>	<b>86.4</b>
Finance income	167	185	(9.7)	361	550	(34.4)
Finance costs	(147)	(209)	(29.7)	(316)	(406)	(22.2)
Net finance income / (costs)	20	(24)	NM	45	144	(68.8)
Share of results of associates, net of tax	(40)	(3)	NM	(83)	(74)	12.2
<b>Profit before tax</b>	<b>8,399</b>	<b>5,740</b>	<b>46.3</b>	<b>18,700</b>	<b>10,124</b>	<b>84.7</b>
Tax expense	(1,431)	(1,258)	13.8	(2,972)	(2,047)	45.2
<b>Profit for the period</b>	<b>6,968</b>	<b>4,482</b>	<b>55.5</b>	<b>15,728</b>	<b>8,077</b>	<b>94.7</b>
<b>Profit attributable to:</b>						
<b>Owners of the Company</b>	<b>7,020</b>	<b>4,528</b>	<b>55.0</b>	<b>15,835</b>	<b>8,163</b>	<b>94.0</b>
Non-controlling interests	(52)	(46)	13.0	(107)	(86)	24.4
<b>Profit for the period</b>	<b>6,968</b>	<b>4,482</b>	<b>55.5</b>	<b>15,728</b>	<b>8,077</b>	<b>94.7</b>

NM denotes not meaningful.

FVOCI denotes fair value through other comprehensive income.

FVTPL denotes fair value through profit or loss.

**1(a)(i) An income statement and a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year. (Cont'd)**

**Consolidated statement of comprehensive income for the second quarter and half year ended 30 June 2021**

	Group			Group		
	2Q21	2Q20	Change	1H21	1H20	Change
	\$'000	\$'000	%	\$'000	\$'000	%
<b>Profit for the period</b>	<b>6,968</b>	<b>4,482</b>	<b>55.5</b>	<b>15,728</b>	<b>8,077</b>	<b>94.7</b>
<b>Other comprehensive income</b>						
<b>Items that are or may be reclassified subsequently to profit or loss:</b>						
Net change in fair value of financial assets-debt investments at FVOCI	-	(95)	NM	(4)	(103)	(96.1)
Net change in fair value of financial assets-debt investments at FVOCI reclassified to profit or loss	-	133	NM	-	133	NM
Foreign currency translation differences for foreign operations	13	(677)	NM	318	741	(57.1)
Share of other comprehensive income of associates	(8)	(32)	(75.0)	2	(26)	NM
	<u>5</u>	<u>(671)</u>	<u>NM</u>	<u>316</u>	<u>745</u>	<u>(57.6)</u>
<b>Items that will not be reclassified subsequently to profit or loss:</b>						
Net change in fair value of financial assets-equity investments at FVOCI	(38)	499	NM	(231)	(729)	(68.3)
	<u>(38)</u>	<u>499</u>	<u>NM</u>	<u>(231)</u>	<u>(729)</u>	<u>(68.3)</u>
Other comprehensive income for the period, net of tax	<u>(33)</u>	<u>(172)</u>	<u>(80.8)</u>	<u>85</u>	<u>16</u>	<u>431.3</u>
<b>Total comprehensive income for the period</b>	<b><u>6,935</u></b>	<b><u>4,310</u></b>	<b><u>60.9</u></b>	<b><u>15,813</u></b>	<b><u>8,093</u></b>	<b><u>95.4</u></b>
<b>Attributable to:</b>						
<b>Owners of the Company</b>	<b>6,983</b>	<b>4,362</b>	<b>60.1</b>	<b>15,912</b>	<b>8,185</b>	<b>94.4</b>
Non-controlling interests	(48)	(52)	(7.7)	(99)	(92)	7.6
<b>Total comprehensive income for the period</b>	<b><u>6,935</u></b>	<b><u>4,310</u></b>	<b><u>60.9</u></b>	<b><u>15,813</u></b>	<b><u>8,093</u></b>	<b><u>95.4</u></b>

## 1(a)(ii) Breakdown and explanatory notes to income statement.

	Group			Group		
	2Q21	2Q20	Change	1H21	1H20	Change
	\$'000	\$'000	%	\$'000	\$'000	%
<u>Profit for the period is arrived at after charging / (crediting) the following:</u>						
Other income						
- Net investment income	(279)	(797)	(65.0)	(663)	(696)	(4.7)
- Government grant	(194)	(1,009)	(80.8)	(752)	(1,655)	(54.6)
- Miscellaneous income	(14)	(15)	(6.7)	(27)	(30)	(10.0)
	(487)	(1,821)	(73.3)	(1,442)	(2,381)	(39.4)
Finance income						
- Interest income from cash and cash equivalents	(54)	(48)	12.5	(97)	(99)	(2.0)
- Interest income from clients trade settlement bank accounts	(107)	(130)	(17.7)	(251)	(440)	(43.0)
- Interest income from investment in financial assets	(2)	(6)	(66.7)	(4)	(8)	(50.0)
- Interest income from receivables	(4)	(1)	300.0	(9)	(3)	200.0
	(167)	(185)	(9.7)	(361)	(550)	(34.4)
Finance costs						
- Interest expense on bank loans	-	16	NM	1	38	(97.4)
- Interest expense on lease liabilities	147	193	(23.8)	315	368	(14.4)
	147	209	(29.7)	316	406	(22.2)
Tax expense						
Current tax expense	1,675	1,166	43.7	3,300	1,896	74.1
Deferred tax (credit) / expense	(244)	92	NM	(328)	151	NM
	1,431	1,258	13.8	2,972	2,047	45.2
Lease expense	10	10	-	20	20	-
Foreign exchange loss / (gain), net	39	31	25.8	27	(120)	NM
Equity-settled share-based payment transactions, included in staff costs	1,440	806	78.7	2,492	1,496	66.6
Equity-settled share-based payment transactions, included in other operating expenses	164	49	234.7	226	72	213.9
Impairment loss on investment in financial assets at FVOCI, included in other operating expenses	-	133	NM	-	133	NM
Dividend income on investment in financial assets at FVOCI, included in investment income	(139)	(137)	1.5	(267)	(282)	(5.3)
Net gain on investment in financial assets at FVTPL, included in investment income	(131)	(651)	(79.9)	(378)	(396)	(4.5)
Dividend income on investment in associates	(9)	(9)	-	(18)	(18)	-

**1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

	Group		Company	
	As at 30-Jun-21 \$'000	As at 31-Dec-20 \$'000	As at 30-Jun-21 \$'000	As at 31-Dec-20 \$'000
<b>Assets</b>				
Plant and equipment	4,392	4,283	358	122
Right-of-use assets	14,773	18,538	5,908	7,571
Intangible assets and goodwill	25,488	25,500	20,194	21,662
Subsidiaries	-	-	55,248	53,623
Associates	6,276	5,982	6,747	6,372
Other investments	3,955	3,944	1,735	1,840
Deferred tax assets	1,444	1,099	-	-
Prepayments and others	1,038	330	11	11
<b>Total non-current assets</b>	<b>57,366</b>	<b>59,676</b>	<b>90,201</b>	<b>91,201</b>
Current tax receivable	24	203	-	-
Other investments	19,325	16,838	17,507	15,811
Prepayments and others	3,866	1,813	127	60
Trade and other receivables	47,260	44,990	27,721	24,819
Uncompleted contracts - buyers	98,346	94,318	-	-
Money market funds	5,604	4,833	-	-
Cash at bank and in hand	35,984	31,608	4,420	5,259
<b>Total current assets</b>	<b>210,409</b>	<b>194,603</b>	<b>49,775</b>	<b>45,949</b>
<b>Total assets</b>	<b>267,775</b>	<b>254,279</b>	<b>139,976</b>	<b>137,150</b>
<b>Equity</b>				
Share capital	67,323	66,976	67,323	66,976
Reserves	51,678	37,133	34,641	24,072
<b>Equity attributable to owners of the Company</b>	<b>119,001</b>	<b>104,109</b>	<b>101,964</b>	<b>91,048</b>
Non-controlling interests	(808)	(709)	-	-
<b>Total equity</b>	<b>118,193</b>	<b>103,400</b>	<b>101,964</b>	<b>91,048</b>
<b>Liabilities</b>				
Deferred tax liabilities	2,610	2,616	1,836	1,902
Lease liabilities	8,637	12,013	2,565	4,149
<b>Total non-current liabilities</b>	<b>11,247</b>	<b>14,629</b>	<b>4,401</b>	<b>6,051</b>
Current tax payables	3,764	3,078	-	-
Lease liabilities	6,948	7,205	3,297	3,268
Trade and other payables	29,375	31,735	30,314	36,783
Uncompleted contracts - sellers	98,248	94,232	-	-
<b>Total current liabilities</b>	<b>138,335</b>	<b>136,250</b>	<b>33,611</b>	<b>40,051</b>
<b>Total liabilities</b>	<b>149,582</b>	<b>150,879</b>	<b>38,012</b>	<b>46,102</b>
<b>Total equity and liabilities</b>	<b>267,775</b>	<b>254,279</b>	<b>139,976</b>	<b>137,150</b>
<b>Held under trust</b>				
Client bank accounts	983,189	943,960	-	-
Client ledger balances	(983,189)	(943,960)	-	-
	-	-	-	-

## 1(b)(ii) Aggregate amount of group's borrowings and debt securities.

### Amount repayable in one year or less, or on demand

	As at 30-Jun-21 \$'000		As at 31-Dec-20 \$'000	
	Secured	Unsecured	Secured	Unsecured
Bank loans	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The Group uses its revolving bank loan facilities to facilitate its cash management from time to time. The revolving bank loans bore interest at rates ranging from 1.51% to 1.58% (2020: 1.30% to 2.72%) per annum in the period. The revolving bank loans drawn down in 1Q21 were fully repaid within the quarter.

### Amount repayable after one year

No any amount of the Group's borrowings and debt securities is repayable after one year from the reporting date.

**1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Group		Group	
	2Q21 \$'000	2Q20 \$'000	1H21 \$'000	1H20 \$'000
<b>Cash flows from operating activities</b>				
Profit for the period	6,968	4,482	15,728	8,077
Adjustments for:				
Depreciation of plant and equipment	588	461	1,154	984
Depreciation of right-of-use assets	1,781	1,789	3,602	3,425
Amortisation of intangible assets	2,061	1,630	4,081	3,179
Equity-settled share-based payment transactions	1,604	855	2,718	1,568
Dividend income on investment in financial assets at FVOCI	(139)	(137)	(267)	(282)
Net gain on investment in financial assets at FVTPL	(131)	(651)	(378)	(396)
Dividend income on investment in associates	(9)	(9)	(18)	(18)
Share of results of associates, net of tax	40	3	83	74
Foreign exchange loss / (gain), net	39	31	27	(120)
Plant and equipment written off	(1)	-	(1)	-
Impairment loss on investment in financial assets at FVOCI	-	133	-	133
Net finance (income) / cost	(20)	24	(45)	(144)
Tax expense	1,431	1,258	2,972	2,047
	14,213	9,869	29,657	18,527
Change in uncompleted contracts and trade and other receivables	(12,426)	969	(6,830)	(43,173)
Change in uncompleted contracts and trade and other payables	11,362	715	3,510	44,420
<b>Cash generated from operations</b>	<b>13,149</b>	<b>11,553</b>	<b>26,337</b>	<b>19,774</b>
Tax paid	(1,819)	(74)	(2,440)	(455)
Interest received	167	185	361	550
Interest paid on bank loans	-	-	(1)	-
Interest paid on lease liabilities	(147)	(193)	(315)	(368)
<b>Net cash from operating activities</b>	<b>11,350</b>	<b>11,471</b>	<b>23,942</b>	<b>19,501</b>
<b>Cash flows from investing activities</b>				
Purchase of plant and equipment	(670)	(118)	(1,256)	(759)
Purchase of intangible assets	(2,421)	(1,750)	(7,174)	(6,306)
Additional investment in associates	-	(118)	(375)	(731)
Dividend from associates	-	-	18	18
Purchase of investment in financial assets	(58,045)	(34,207)	(98,325)	(66,634)
Proceeds from redemption of investment in financial assets	60,079	36,006	96,830	63,904
Dividends received from investment in financial assets at FVOCI	1	2	2	3
<b>Net cash used in investing activities</b>	<b>(1,056)</b>	<b>(185)</b>	<b>(10,280)</b>	<b>(10,505)</b>
<b>Cash flows from financing activities</b>				
Proceeds from exercise of share options	67	32	347	178
Purchase of treasury shares	-	(196)	-	(475)
Drawdown of bank loans	-	-	5,000	-
Repayment of bank loans	-	-	(5,000)	-
Principal element of lease payments	(1,802)	(1,778)	(3,483)	(3,385)
Dividends paid to owners of the Company	(5,530)	(4,473)	(5,530)	(4,473)
<b>Net cash used in financing activities</b>	<b>(7,265)</b>	<b>(6,415)</b>	<b>(8,666)</b>	<b>(8,155)</b>
<b>Net increase in cash and cash equivalents</b>	<b>3,029</b>	<b>4,871</b>	<b>4,996</b>	<b>841</b>
Cash and cash equivalents at beginning of the period	38,568	21,676	36,441	24,811
Effect of exchange rate fluctuations on cash held	(9)	(550)	151	345
<b>Cash and cash equivalents at end of the period</b>	<b>41,588</b>	<b>25,997</b>	<b>41,588</b>	<b>25,997</b>

(1) Amount less than \$1,000

**1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Group											
	Attributable to owners of the Company										Non-controlling interests	Total equity
	Share capital	Fair value reserve	Foreign currency translation reserve	Share option reserve	Performance share reserve	Equity reserve	Reserve for own shares	Accumulated profits	Total			
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		
At 1 January 2021	66,976	(2,873)	(1,927)	2,825	7,058	(2,010)	(357)	34,417	104,109	(709)	103,400	
<b>Total comprehensive income for the period</b>												
Profit / (Loss) for the period	-	-	-	-	-	-	-	15,835	15,835	(107)	15,728	
<b>Other comprehensive income</b>												
Net change in fair value of financial assets at FVOCI	-	(241)	-	-	-	-	-	-	(241)	6	(235)	
Net change in fair value of financial assets at FVOCI reclassified to profit or loss	-	-	-	-	-	-	-	-	-	-	-	
Net change in fair value on disposal of financial assets at FVOCI transferred between reserves	-	106	-	-	-	-	-	(106)	-	-	-	
Foreign currency translation differences for foreign operations	-	-	316	-	-	-	-	-	316	2	318	
Share of other comprehensive income of associates	-	(1)	2	-	-	-	-	-	2	-	2	
Total other comprehensive income	-	(135)	318	-	-	-	-	(106)	77	8	85	
<b>Total comprehensive income for the period</b>	-	<b>(135)</b>	<b>318</b>	-	-	-	-	<b>15,729</b>	<b>15,912</b>	<b>(99)</b>	<b>15,813</b>	
<b>Transactions with owners, recorded directly in equity</b>												
<b>Contributions by and distributions to owners</b>												
Share options exercised	347	-	-	-	-	-	-	-	347	-	347	
Treasury shares re-issued	-	-	-	-	-	-	197	1,415	1,612	-	1,612	
One-tier tax-exempt 2020 final dividend paid of 1.00 cents per share	-	-	-	-	-	-	-	(2,765)	(2,765)	-	(2,765)	
One-tier tax-exempt interim dividend paid of 1.00 cents per share	-	-	-	-	-	-	-	(2,765)	(2,765)	-	(2,765)	
Equity-settled share-based payment transactions	-	-	-	134	2,417	-	-	-	2,551	-	2,551	
Total contributions by and distribution to owners	347	-	-	134	2,417	-	197	(4,115)	(1,020)	-	(1,020)	
<b>Total transactions with owners</b>	<b>347</b>	<b>-</b>	<b>-</b>	<b>134</b>	<b>2,417</b>	<b>-</b>	<b>197</b>	<b>(4,115)</b>	<b>(1,020)</b>	<b>-</b>	<b>(1,020)</b>	
At 30 Jun 2021	67,323	(3,008)	(1,609)	2,959	9,475	(2,010)	(160)	46,031	119,001	(808)	118,193	

(1) Amount less than \$1,000



**1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (Cont'd)**

	Group										
	Attributable to owners of the Company										Total equity
	Share capital	Fair value reserve	Foreign currency translation reserve	Share option reserve	Performance share reserve	Equity reserve	Reserve for own shares	Accumulated profits	Total	Non-controlling interests	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
At 1 January 2020	66,180	(1,134)	(1,453)	2,549	4,257	(2,010)	(199)	21,867	90,057	(421)	89,636
<b>Total comprehensive income for the period</b>											
Profit / (Loss) for the period	-	-	-	-	-	-	-	8,163	8,163	(86)	8,077
<b>Other comprehensive income</b>											
Net change in fair value of financial assets at FVOCI	-	(825)	-	-	-	-	-	-	(825)	(7)	(832)
Net change in fair value of financial assets at FVOCI reclassified to profit or loss	-	133	-	-	-	-	-	-	133	-	133
Net change in fair value on disposal of financial assets at FVOCI transferred between reserves	-	(1)	-	-	-	-	-	-	(1)	-	-
Foreign currency translation differences for foreign operations	-	-	740	-	-	-	-	-	740	1	741
Share of other comprehensive income of associates	-	(1)	(26)	-	-	-	-	-	(26)	-	(26)
Total other comprehensive income	-	(692)	714	-	-	-	-	-	22	(6)	16
<b>Total comprehensive income for the period</b>	-	(692)	714	-	-	-	-	8,163	8,185	(92)	8,093
<b>Transactions with owners, recorded directly in equity</b>											
<b>Contributions by and distributions to owners</b>											
Share options exercised	178	-	-	-	-	-	-	-	178	-	178
Purchase of treasury shares	-	-	-	-	-	-	(475)	-	(475)	-	(475)
Treasury shares re-issued	-	-	-	-	-	-	317	82	399	-	399
One-tier tax-exempt 2019 final dividend paid of 0.90 cents per share	-	-	-	-	-	-	-	(2,440)	(2,440)	-	(2,440)
One-tier tax-exempt interim dividend paid of 0.75 cents per share	-	-	-	-	-	-	-	(2,033)	(2,033)	-	(2,033)
Equity-settled share-based payment transactions	-	-	-	164	1,332	-	-	-	1,496	-	1,496
Total contributions by and distribution to owners	178	-	-	164	1,332	-	(158)	(4,391)	(2,875)	-	(2,875)
<b>Total transactions with owners</b>	178	-	-	164	1,332	-	(158)	(4,391)	(2,875)	-	(2,875)
At 30 June 2020	66,358	(1,826)	(739)	2,713	5,589	(2,010)	(357)	25,639	95,367	(513)	94,854

(1) Amount less than \$1,000

**1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (Cont'd)**

	Company						
	Attributable to owners of the Company						Total equity
	Share capital	Fair value reserve	Share option reserve	Performance share reserve	Reserve for own shares	Accumulated profits	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
<b>At 1 January 2021</b>	<b>66,976</b>	<b>(939)</b>	<b>1,718</b>	<b>7,058</b>	<b>(357)</b>	<b>16,592</b>	<b>91,048</b>
<b>Total comprehensive income for the period</b>							
Profit for the period	-	-	-	-	-	12,360	12,360
<b>Other comprehensive income</b>							
Net change in fair value of financial assets at FVOCI	-	(350)	-	-	-	-	(350)
Net change in fair value of financial assets at FVOCI reclassified to profit or loss	-	-	-	-	-	-	-
Net change in fair value on disposal of financial assets at FVOCI transferred between reserves	-	106	-	-	-	(106)	-
Total other comprehensive income	-	(244)	-	-	-	(106)	(350)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>(244)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,254</b>	<b>12,010</b>
<b>Transactions with owners, recorded directly in equity</b>							
<b>Contributions by and distributions to owners</b>							
Share options exercised	347	-	-	-	-	-	347
Treasury shares re-issued	-	-	-	-	197	1,415	1,612
One-tier tax-exempt 2020 final dividend paid of 1.00 cents per share	-	-	-	-	-	(2,765)	(2,765)
One-tier tax-exempt interim dividend paid of 1.00 cents per share	-	-	-	-	-	(2,765)	(2,765)
Equity-settled share-based payment transactions	-	-	60	2,417	-	-	2,477
Total contributions by and distribution to owners	<b>347</b>	<b>-</b>	<b>60</b>	<b>2,417</b>	<b>197</b>	<b>(4,115)</b>	<b>(1,094)</b>
<b>Total transactions with owners</b>	<b>347</b>	<b>-</b>	<b>60</b>	<b>2,417</b>	<b>197</b>	<b>(4,115)</b>	<b>(1,094)</b>
<b>At 30 Jun 2021</b>	<b>67,323</b>	<b>(1,183)</b>	<b>1,778</b>	<b>9,475</b>	<b>(160)</b>	<b>24,731</b>	<b>101,964</b>

**1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (Cont'd)**

	Company						
	<u>Attributable to owners of the Company</u>						Total equity
	Share capital	Fair value reserve	Share option reserve	Performance share reserve	Reserve for own shares	Accumulated profits	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
<b>At 1 January 2020</b>	<b>66,180</b>	<b>(1,132)</b>	<b>1,613</b>	<b>4,257</b>	<b>(199)</b>	<b>14,830</b>	<b>85,549</b>
<b>Total comprehensive income for the period</b>							
Loss for the period	-	-	-	-	-	8,825	8,825
<b>Other comprehensive income</b>							
Net change in fair value of financial assets at FVOCI	-	(684)	-	-	-	-	(684)
Net change in fair value of financial assets at FVOCI reclassified to profit or loss	-	133	-	-	-	-	133
Net change in fair value on disposal of financial assets at FVOCI transferred between reserves	-	(1)	-	-	-	(1)	-
Total other comprehensive income	-	(551)	-	-	-	-	(551)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>(551)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,825</b>	<b>8,274</b>
<b>Transactions with owners, recorded directly in equity</b>							
<b>Contributions by and distributions to owners</b>							
Share options exercised	178	-	-	-	-	-	178
Purchase of treasury shares	-	-	-	-	(475)	-	(475)
Treasury shares re-issued	-	-	-	-	317	82	399
One-tier tax-exempt 2019 final dividend paid of 0.90 cents per share	-	-	-	-	-	(2,440)	(2,440)
One-tier tax-exempt interim dividend paid of 0.75 cents per share	-	-	-	-	-	(2,033)	(2,033)
Equity-settled share-based payment transactions	-	-	46	1,332	-	-	1,378
Total contributions by and distribution to owners	<b>178</b>	<b>-</b>	<b>46</b>	<b>1,332</b>	<b>(158)</b>	<b>(4,391)</b>	<b>(2,993)</b>
<b>Total transactions with owners</b>	<b>178</b>	<b>-</b>	<b>46</b>	<b>1,332</b>	<b>(158)</b>	<b>(4,391)</b>	<b>(2,993)</b>
<b>At 30 June 2020</b>	<b>66,358</b>	<b>(1,683)</b>	<b>1,659</b>	<b>5,589</b>	<b>(357)</b>	<b>19,264</b>	<b>90,830</b>

(1) Amount less than \$1,000

**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

The number of shares in issue in the Company as at 30 June 2021 excluding treasury shares and subsidiary holdings was 276,525,963 ordinary shares (31 March 2021: 276,078,813 ordinary shares). The movements in the Company's share capital during the second quarter ended 30 June 2021 were as follows:

	<b>Number of ordinary shares</b>
As at 31 March 2021	276,078,813
Exercise of share options	117,850
Vesting of performance shares	88,800
Purchase of treasury shares	-
Re-issue of treasury shares	240,500
As at 30 June 2021	<u>276,525,963</u>

iFAST Employee Share Option Scheme and iFAST Share Option Schemes 2003 and 2013 ("iFAST ESOS")

The number of outstanding share options under the iFAST ESOS was as follows:

	<b>Number of share options</b>
As at 31 March 2021	3,959,206
Share options granted	15,000
Exercised	(117,850)
Forfeited	-
As at 30 June 2021	<u>3,856,356</u>

On 1 May 2021, the Company granted the 15,000 share options pursuant to the iFAST Employee Share Option Scheme. As at 30 June 2021, the number of outstanding share options under the iFAST ESOS was 3,856,356 (30 June 2020: 5,723,112).

iFAST Corporation Performance Share Plan ("iFAST PSP")

The number of outstanding performance shares granted but not vested under iFAST PSP was as follows:

	Number of performance shares
As at 31 March 2021	9,199,300
Performance shares granted but not vested	20,500
Vested	(88,800)
Forfeited	(207,700)
As at 30 June 2021	<u>8,923,300</u>

On 1 May 2021, the Company granted the 20,500 share awards pursuant to the iFAST PSP. As at 30 June 2021, the number of outstanding performance shares granted but not vested under the iFAST PSP was 8,923,300 (30 June 2020: 10,698,600).

#### Treasury shares and subsidiary holdings

The number of shares held as treasury shares was as follows:

	Number of treasury shares
As at 31 March 2021	436,100
Purchased by way of on-market acquisition	-
Purchased by way of off-market acquisition	-
Re-issued	(240,500)
As at 30 June 2021	<u>195,600</u>

As at 30 June 2021, 195,600 (30 June 2020: 436,100) treasury shares were held by the Company that may be re-issued upon the exercise of share options under the iFAST ESOS and upon the vesting of performance shares under the iFAST PSP or for other uses pursuant to the Share Buy Back Mandate of the Company renewed at the Annual General Meeting held on 23 April 2021.

The Company has no subsidiary holdings as at 30 June 2021 and 30 June 2020.

As at 30 June 2021, the treasury shares held by the Company represented 0.1% (30 June 2020: 0.2%) of the total number of issued shares excluding treasury shares and subsidiary holdings.

#### **1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	As at 30-Jun-21	As at 31-Dec-20
Total number of issued shares excluding treasury shares and subsidiary holdings	<u>276,525,963</u>	<u>272,407,635</u>

#### **1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Between 1 April 2021 and 30 June 2021, the Company transferred 240,500 treasury shares for the settlement of sales incentive payable by the Group to certain individual investment advisers of the Group's business unit of iFAST Global Markets ("IGM") under the Business-to-Business ("B2B") business division of the Group in the form of shares of the Company with a vesting period of two to three years.

The total fair value of the treasury shares transferred was \$1.61 million in the quarter.

**1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

There were no sales, transfer, cancellation and/or use of subsidiary holdings as at 30 June 2021.

**2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the Group's external auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

**3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:—**

**(a) Updates on the efforts taken to resolve each outstanding audit issue.**

**(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

**This is not required for any audit issue that is a material uncertainty relating to going concern.**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The financial information have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)") including *SFRS(I) 1-34 Interim Financial Reporting*, and the same accounting policies and methods of computation adopted in the audited financial statements of the last financial year, except for those disclosed under paragraph 5 below.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group and the Company have adopted the new and revised SFRS(I)s, and Interpretations of SFRS(I) ("SFRS(I) INTs") that are effective for the annual period beginning on 1 January 2021. The adoption of these SFRS(I)s and SFRS(I) INTs did not have any significant effect on the financial statements of the Group and the Company.

**6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	2Q21	2Q20	1H21	1H20
(i) Based on weighted average number of ordinary shares on issue				
- Weighted average number of ordinary shares	276,465,346	271,075,440	275,113,583	270,169,774
Basic earnings per share (cents)	2.54	1.67	5.76	3.02
(ii) On a fully diluted basis of ordinary shares				
- Adjusted weighted average number of ordinary shares	286,940,336	278,285,028	286,383,046	277,802,556
Diluted earnings per share (cents)	2.45	1.63	5.53	2.94

**7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuers at the end of the (a) current financial period reported on and (b) immediately preceding financial year.**

	Group		Company	
	30-Jun-21	31-Dec-20	30-Jun-21	31-Dec-20
Net asset value per ordinary share (cents)	43.03	38.22	36.87	33.42

**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: -**

**(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**

**(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

**Consolidated Income Statement**

**Revenue**

The global financial markets recorded a positive return in the second quarter of 2021 ("2Q21"), supported by the accelerating roll-out of Covid-19 vaccines. However, there was a pullback in June as a resurgence of Covid-19 infections and lockdowns due to the impact of the Delta variant of Covid-19 curbed investor optimism. The growing concerns over inflation further weakened market sentiment towards the end of the quarter.

The Group's assets under administration ("AUA") grew 21.4% year-to-date and 57.3% year-on-year ("YoY") to another record high level of \$17.54 billion as at 30 June 2021. Besides market factor in the period, the strong growth in the Group's AUA was on the back of significant net inflows of client assets into the Group's platforms during the period. This benefits from the Group's continuous efforts in improving the range and depths of products and services brought to clients and business partners in recent years.

As a result, the Group's revenue grew 31.7% YoY to \$50.79 million in 2Q21 and grew 37.8% YoY to \$106.12 million in the first half year of 2021 ("1H21"). The following table shows the breakdown of the Group's revenue by two main business divisions, namely Business-to-Customer ("B2C") and Business-to-Business ("B2B").

	Group			Group		
	2Q21 \$'000	2Q20 \$'000	Change %	1H21 \$'000	1H20 \$'000	Change %
Business-to-Customer business	10,237	8,003	27.9	23,443	14,781	58.6
Business-to-Business business	40,548	30,549	32.7	82,678	62,249	32.8
Total revenue	50,785	38,552	31.7	106,121	77,030	37.8

### Commission and fee paid or payable to financial advisers and securities brokerage expense

Securities brokerage expense refers to brokerage fee paid to third party brokers for execution of clients' trade in securities listed on overseas exchanges of which the Group is not a member.

For B2B division, a substantial portion of front-end commission income and advisory fee from B2B customers is payable to financial advisers.

Commission and fee paid or payable to financial advisers and securities brokerage expense increased by 31.5% YoY to \$24.60 million in 2Q21 and 34.1% YoY to \$51.44 million in 1H21. These were due mainly to increases in clients' trade volume in stocks from both B2C and B2B businesses, and commission income from unit trust ("UT") business including portfolio services in B2B division in the period.

### Net revenue

Net revenue represents revenue earned by the Group after commission and fee paid or payable to financial advisers and securities brokerage expense. The Group's net revenue grew 32.0% YoY to \$26.18 million in 2Q21 and grew 41.4% YoY to \$54.68 million in 1H21, with the breakdown by business division as follows.

	Group			Group		
	2Q21	2Q20	Change	1H21	1H20	Change
	\$'000	\$'000	%	\$'000	\$'000	%
Business-to-Customer business	9,865	7,558	30.5	22,354	14,129	58.2
Business-to-Business business	16,319	12,281	32.9	32,326	24,530	31.8
Total net revenue	26,184	19,839	32.0	54,680	38,659	41.4

For B2C division, its net revenue was up 30.5% YoY in 2Q21 and 58.2% YoY in 1H21. These were due mainly to increases in transaction processing fees resulting from increased investment subscription from customers in exchange-listed securities, service fees arising from the provision of currency conversion administration services resulting from higher clients' trading volume of securities listed on foreign exchanges, and recurring fee income arising from higher AUA contributed by significant net inflows from clients in UTs over the period. The above was partially offset by an impact of offering a lower flat transaction processing fee of \$8.80 to all B2C clients in Singapore operation on dealing of securities listed on Singapore Exchange from April 2021. The Group's average AUA of B2C division grew 76.8% YoY in 2Q21 and 74.4% YoY in 1H21.

For B2B division, its net revenue was up 32.9% YoY in 2Q21 and 31.8% YoY in 1H21. Besides increases in transaction processing fees resulting from increased investment subscription from customers in exchange-listed securities, the trade volume of customers' investment subscription in UTs and portfolio services grew more significantly in the period. In 1H21, approximately 76% of net inflows from B2B clients came from UTs. In addition, the in-house wealth adviser business unit of iFAST Global Markets ("IGM") under the B2B division continues to show encouraging growth in the period. In 1H21, approximately 30% of net inflows of client assets in B2B division came from the IGM business unit. The AUA from the IGM business unit grew more than 130% YoY to approximately \$1.7 billion as at 30 June 2021. The Group's average AUA of B2B division grew 55.2% YoY in 2Q21 and 48.7% YoY in 1H21.

The following table shows the breakdown of the Group's net revenue, by recurring and non-recurring basis. The Group's business model gives a stream of reliable recurring revenue which is based on AUA. In 1H21, 68.4% of net revenue is derived from recurring net revenue and 31.6% of net revenue is from non-recurring net revenue.



	Group			Group		
	2Q21 \$'000	2Q20 \$'000	Change %	1H21 \$'000	1H20 \$'000	Change %
Recurring net revenue	19,296	13,865	39.2	37,413	27,854	34.3
Non-recurring net revenue	6,888	5,974	15.3	17,267	10,805	59.8
Total net revenue	26,184	19,839	32.0	54,680	38,659	41.4

Recurring net revenue is usually calculated based on a percentage of average AUA of investment products distributed on the Group's platforms, and mainly comprises trailer fees, platform fees, wrap fees and net interest income arising from clients' AUA. The YoY increase in recurring net revenue in 1H21 was due mainly to an increase in average AUA for both B2B business and B2C business in the period, which substantially benefited from new inflows of investments from customers over the period. The total inflows of customer investments, net of outflows of customer investments, were \$2.12 billion in 1H21, pushing the Group's AUA to a record high of \$17.54 billion as at 30 June 2021.

Non-recurring revenue mainly comprises commission income derived from investment subscription via front-end load commission or transaction processing fee; service fee arising from the provision of currency conversion administration services to customers and the provision of administration services to financial advisory firms; brokerage service fee from arranging for insurance policies, advertising fee earned from advertisements placed by third parties on iFAST websites and mobile applications; and IT solution fee from provision of IT Fintech solutions to business partners. The increase in non-recurring net revenue in 1H21 was due mainly to an increase in financial institution clients' investment subscription in UTs including portfolio services, and the significant growth of business in ETFs and stocks and the resulted increase in service fee arising from the currency conversion administration services provided to customers in the period, which was partially offset by an impact of offering a lower flat transaction processing fee of \$8.80 to all B2C clients in Singapore operation on dealing of securities listed on Singapore Exchange from April 2021.

The following table shows the breakdown of the Group's net revenue by geographical segments.

	Group			Group		
	2Q21 \$'000	2Q20 \$'000	Change %	1H21 \$'000	1H20 \$'000	Change %
Singapore	17,547	12,906	36.0	36,719	25,096	46.3
Hong Kong	5,172	4,357	18.7	10,373	9,176	13.0
Malaysia	2,987	2,307	29.5	6,370	3,859	65.1
China	478	269	77.7	1,218	528	130.7
Total net revenue	26,184	19,839	32.0	54,680	38,659	41.4

Breaking down by geographical segment, Singapore operation is still the major contributor of the Group's net revenue. Resulting from our continuous investments in building up a strong integrated digital wealth management platform in recent years, the broadened range and depth of services we provide continue attracting new customers in the market. Singapore operation has also offered a lower flat transaction processing fee of \$8.80 to all its B2C clients on dealing of securities listed on Singapore Exchange from April 2021. The stock brokerage business of B2B division continued growing significantly in 2Q21, following its strong momentum in the first quarter of 2021 ("1Q21"). The B2B clients' investment trading volume in listed stocks in 2Q21 increased 28.5% quarter-on-quarter ("QoQ"). In addition, the in-house wealth adviser business unit, IGM under the B2B division, continuously showed encouraging growth in the period. The AUA of IGM grew approximately 116% YoY to near \$1 billion as at 30 June 2021. The average AUA of Singapore operation grew 68.7% YoY to \$11.66 billion in 2Q21 and 64.0% YoY to \$11.13 billion in 1H21. The net revenue in Singapore operation grew 36.0% YoY in 2Q21 and 46.3% YoY in 1H21.

In Hong Kong, although its financial market was relatively volatile in the period, Hong Kong operation has continued seeing significant net inflows from customers especially in UTs. The clients' investment subscriptions in UTs grew 79.4% YoY in 2Q21, and the bond trade turnover of the B2C division grew significantly 61.2% YoY in 2Q21. The performance of Hong Kong

operation remained strong in its stock brokerage business, and Hong Kong operation has opened up the China A-share trading services through the China Connect via the Hong Kong Exchange in June 2021. However, due to the lower interest rate environment in the market, the net interest income arising from clients' AUA decreased in recent quarters. This led to a slower growth in net revenue in the period. The average AUA of Hong Kong operation grew 30.6% YoY to \$2.97 billion in 2Q21 and 24.6% YoY to \$2.87 billion in 1H21. The net revenue in Hong Kong operation grew 18.7% YoY in 2Q21 and 13.0% YoY in 1H21. Excluding the impact of interest income arising from clients' AUA, the net revenue in Hong Kong operation grew 27.0% YoY in 2Q21 and 22.2% YoY in 1H21.

In Malaysia, due to a resurgence of Covid-19 infections and tightening of measures which has weighed down on investors' sentiments, Malaysia operation saw a slowing down in its business performance in 2Q21 compared to its strong momentum in 1Q21. However, the net inflows from customers still remained significantly and grew 32.6% YoY to \$110 million in 2Q21. Following the launch of stock brokerage business on FSMOne.com platform of B2C division in March 2021, the trading volume from customers has picked up and has stayed resilient despite volatile performance of the Malaysia stock market in 2Q21. Regarding the FinTech division, demands for digital solutions can be seen in the market. However, its revenue recognition depends on the progress of project development and project delivery requirements from business partners. The IT solution revenue recognised in 2Q21 was \$0.62 million lower than the one in 2Q20. The average AUA of Malaysia operation grew 71.9% YoY to \$1.57 billion in 2Q21 and 66.3% YoY to \$1.50 billion in 1H21. The net revenue in Malaysia operation grew 29.5% YoY in 2Q21 and 65.1% YoY in 1H21. Excluding the revenue from the FinTech division, the net revenue in Malaysia operation grew 88.6% YoY in 2Q21 and 100.0% YoY in 1H21.

In 2Q21, the sales of China operation grew slowly due to the uncertainty in the China equity market. However, we continued to see inflows of investments from institutional clients in 2Q21 and the amounts of customers' investment subscription in UTs increased 74.3% YoY in 2Q21. As at 30 June 2021, the AUA of China operation grew 170.7% YoY to near RMB 2 billion (equivalent to approximately S\$ 429 million). The net revenue in China operation grew 77.7% YoY in 2Q21 and 130.7% YoY in 1H21.

#### Other income

Other income decreased by \$1.33 million or 73.3% from \$1.82 million in 2Q20 to \$0.49 million in 2Q21, and \$0.94 million or 39.4% from \$2.38 million in 1H20 to \$1.44 million in 1H21. These were due to some market gain obtained on investment in financial assets at FVTPL resulting from a recovery in global financial markets in 2Q20 after a significant decline in global financial markets caused by the outbreak of Covid-19 in March 2020 and special support granted by the Government of Singapore during the period of uncertainties caused by the outbreak of Covid-19 in 2020.

#### Operating expenses

Overall, the Group's total operating expenses increased by \$2.36 million or 14.8% from \$15.89 million in 2Q20 to \$18.25 million in 2Q21 and \$6.39 million or 20.6% from \$30.99 million in 1H20 to \$37.38 million in 1H21. These were in line with the Group's increased efforts in enhancing its platform capabilities including improving the range and depths of investment products and services being provided to customers in the existing markets including China market over the period so as to strengthen the Fintech Ecosystem of the Group and further scale up the businesses of the Group continuously.

Depreciation of plant and equipment increased by \$0.13 million or 27.5% from \$0.46 million in 2Q20 to \$0.59 million in 2Q21 and \$0.19 million or 17.3% from \$0.98 million in 1H20 to \$1.15 million in 1H21. Amortisation of intangible assets increased by \$0.43 million or 26.4% from \$1.63 million in 2Q20 to \$2.06 million in 2Q21 and \$0.90 million or 28.4% from \$3.18 million in 1H20 to \$4.08 million in 1H21. These were due mainly to additions of plant and equipment and intangible assets (including internally-developed IT software assets) over the period, to support business

expansion in the markets that the Group operates in and to continuously strengthen the Fintech capabilities of our investment platforms as well as the Fintech Ecosystem of the Group.

Depreciation of right-of-use assets remained flat in 2Q21 as compared to 2Q20, while it increased by \$0.17 million or 5.2% from \$3.43 million in 1H20 to \$3.60 million in 1H21. It was due to higher cost amount of right-of-use assets at beginning of 1H21 as compared to the one at beginning of 1H20, mainly resulting from the renewal of Singapore office lease in April 2020 for next three years.

Staff costs increased by \$1.11 million or 12.2% from \$9.12 million in 2Q20 to \$10.23 million in 2Q21 and \$3.98 million or 23.2% from \$17.12 million in 1H20 to \$21.10 million in 1H21. These were due mainly to the annual salary increment adjusted in January 2021, increased number of staff over the period, the increased equity-settled share-based payment transaction costs resulting from another batch of performance shares granted to the Group's employees and higher staff bonus accrued in line with higher business performance achieved in the period. In addition, the Group continues to create new positions and hiring for new businesses the Group is planning.

Other operating expenses increased by \$0.70 million or 24.2% from \$2.90 million in 2Q20 to \$3.60 million in 2Q21 and \$1.17 million or 18.6% from \$6.28 million in 1H20 to \$7.45 million in 1H21. These were due mainly to additional sales incentive awarded to IGM advisers in line with their good performance and increases in bank charges and custodian service charges in line with an increase in revenue in the period, and increased spending in IT and related technology security services in the period to support the continual growth of the Group's business ahead.

#### Net finance income / (costs)

Finance income decreased by \$0.02 million or 9.7% from \$0.19 million in 2Q20 to \$0.17 million in 2Q21 and \$0.19 million or 34.4% from \$0.55 million in 1H20 to \$0.36 million in 1H21. These were due mainly to lower interest income from clients trade settlement bank accounts due to the lower interest rate environment in the period.

Finance costs decreased by \$0.06 million or 29.7% from \$0.21 million in 2Q20 to \$0.15 million in 2Q21 and \$0.09 million or 22.2% from \$0.41 million in 1H20 to \$0.32 million in 1H21. These were due mainly to a decrease in interest expense on bank loans in line with the lower borrowing amount over the period and lower interest expense on lease liabilities in line with the lower carrying amount of leasing liabilities net of lease payments over the period.

Overall, net finance income of \$0.02 million recorded in 2Q21 while net finance costs of \$0.02 million were incurred in 2Q20, and net finance income decreased by \$0.09 million or 68.8% from \$0.14 million in 1H20 to \$0.05 million in 1H21.

#### Share of results of associates, net of tax

The Group's share of results after tax of associates comprised share of results of associates, namely Providend Holding Pte Ltd ("Providend"), iFAST India Holdings Pte Ltd and Raffles Family Office China Ltd ("Raffles China"), which has started its operation from June 2020, in the period. The movement of the share of loss after tax of associates was not significant over the period.

There was no significant YoY change in the results of iFAST India Holdings Pte Ltd in the period. iFAST India Holdings Pte Ltd is an ultimate holding company of iFAST Financial India Pvt Ltd ("iFAST India"), an India-incorporated company engaged in the distribution of investment products including mutual funds in India. iFAST India had a AUA of Indian Rupee 29.67 billion (equivalent to \$537 million) as at 30 June 2021, growing at a 5-year compound annual growth rate ("CAGR") of approximately 16%. The Group's effective shareholding in iFAST India has been increased from 38.0% as at 30 June 2020 to 39.4% as at 30 June 2021, following some additional investments in India business over the period.

## Profit for the period, after non-controlling interests

The following table shows the breakdown of the Group's profit for the period by geographical segments.

	Group			Group		
	2Q21 \$'000	2Q20 \$'000	Change %	1H21 \$'000	1H20 \$'000	Change %
Singapore	7,045	5,032	40.0	15,734	8,556	83.9
Hong Kong	1,630	862	89.1	3,216	2,438	31.9
Malaysia	1,218	1,105	10.2	2,741	1,587	72.7
China	(1,402)	(1,210)	15.9	(2,801)	(2,297)	21.9
Other <sup>(1)</sup>	(40)	(3)	NM	(83)	(74)	12.2
Profit before tax <sup>(2)</sup>	8,451	5,786	46.1	18,807	10,210	84.2
Tax expense	(1,431)	(1,258)	13.8	(2,972)	(2,047)	45.2
Net profit after tax <sup>(2)</sup>	7,020	4,528	55.0	15,835	8,163	94.0

Note:

(1) Representing share of results of associates.

(2) Attributable to owners of the Company.

NM denotes not meaningful.

The Group's profit before tax increased by \$2.66 million or 46.1% from \$5.79 million in 2Q20 to \$8.45 million in 2Q21 and \$8.60 million or 84.2% from \$10.21 million in 1H20 to \$18.81 million in 1H21, bolstered by strong growths in Singapore, Hong Kong and Malaysia in the period. China operation is continuing to build iFAST brand and business in both onshore Chinese market and offshore Chinese market.

Tax expense increased by \$0.17 million or 13.8% YoY in 2Q21 and \$0.92 million or 45.2% YoY in 1H21, due to higher taxable profit generated by the Group in the period. However, the effective tax rate in 1H21 was lower as compared to the same period last year, as Singapore operation has been awarded the standard-tier FSI (Financial Sector Incentive Scheme) award for a five-year period with effect from 25 June 2020 whereby qualifying transactions are taxed at a concessionary rate instead of the local statutory rate in Singapore.

The Group's net profit increased by 55.0% YoY to \$7.02 million in 2Q21 and 94.0% YoY to \$15.84 million in 1H21. Excluding government grant recorded in the period, the YoY growth of Group's net profit was 94.0% in 2Q21 and 131.8% in 1H21. The growth in profitability of the Group was significantly higher than the growth in revenue of the Group. This was contributed by positive operating leverage and scalability of the Group's business model.

## Statement of Financial Position

The shareholders' equity of the Group increased to \$119.00 million as at 30 June 2021 from \$104.11 million as at 31 December 2020. This was due mainly to contribution of net profit generated, an increase in share capital resulting from staff share option exercises, a fair value premium upon reissuance of treasury shares and an increase in reserve from translation of foreign operations resulting from appreciation of Hong Kong dollar and Chinese yuan in 1H21, partially offset by a decrease in fair value of financial assets at FVOCI in 1H21 and higher dividend amounts paid to shareholders in 2Q21.

The Group's cash and cash equivalents and investments in financial assets (categorised as other investments under current assets) net of bank loans, increased to \$60.91 million as at 30 June 2021 from \$53.28 million as at 31 December 2020. This was due mainly to net cash generated from operating activities in 1H21, partially offset by payments of additional investment in associate, additions of plant and equipment and intangible assets, office leases and dividends to shareholders in the period.

Current assets increased to \$210.41 million as at 30 June 2021 from \$194.60 million as at 31 December 2020. This was due mainly to increases in cash and cash equivalents, trade and other receivables, and receivables from uncompleted contracts on securities dealing at end of the period.

Non-current assets decreased to \$57.37 million as at 30 June 2021 from \$59.68 million as at 31 December 2020. This was due mainly to a decrease in carrying amount of right-of-use assets net of accumulated depreciation at end of the period, partially offset by additional investment in associate and additional deferred tax assets recognised in 1H21.

Total liabilities decreased to \$149.58 million as at 30 June 2021 from 150.88 million as at 31 December 2020. This was due mainly to decreases in trade and other payables, and carrying amount of lease liabilities net of lease payments at end of the period, partially offset by higher tax payable amounts and increases in payables from uncompleted contracts on securities dealing at end of the period.

### **Consolidated Statement of Cash Flows**

Net cash from operating activities decreased from \$11.47 million in 2Q20 to \$11.35 million in 2Q21. This was due mainly to higher income tax paid in 2Q21 and working capital movement cross quarters, partially offset by higher cash generated from operating activities in the quarter. Net cash from operating activities increased from \$19.50 million in 1H20 to \$23.94 million in 1H21. This was due mainly to higher cash generated from operating activities in 1H21, partially offset by higher staff bonus payment for the year of 2020 paid in 1Q21 and higher income tax paid in 1H21.

Net cash used in investing activities increased from \$0.19 million in 2Q20 to \$1.06 million in 2Q21. This was mainly due to higher purchase amounts of plant and equipment and intangible assets paid in the quarter, partially offset by lower additional investments in an associate in the quarter. Net cash used in investing activities decreased from \$10.51 million in 1H20 to \$10.28 million in 1H21. This was due mainly to settlement movement of investments in financial assets classified at FVTPL between quarters, partially offset by higher purchase amounts of plant and equipment and intangible assets paid in the period.

Net cash used in financing activities increased from \$6.42 million in 2Q20 to \$7.27 million in 2Q21 and from \$8.16 million in 1H20 to \$8.67 million in 1H21. These were due mainly to higher dividend amounts paid to shareholders in the period, partially offset by no purchase of treasury shares in 1H21.

**9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

No forecast or prospect statement was previously provided.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The Group's AUA continued to register new record levels, reaching \$17.54 billion as at 30 June 2021, a growth of 57.3% YoY and 21.4% year-to-date. Unit trusts AUA, our key client investment asset class, grew to a record \$12.87 billion, a growth of 48.7% YoY and 18.0% year-to-date.

As a result of the increasing AUA, our recurring net revenue has continued to grow at a robust pace, increasing 39.2% YoY in 2Q21, and 34.3% YoY in 1H21. Growth in non-recurring net revenue was however more subdued in 2Q21, increasing 15.3% YoY in 2Q21, compared to a more robust growth of 59.8% YoY for 1H21 as a whole.

Trading activities were generally more subdued in 2Q21 compared to 1Q21, given that general financial market conditions were more cautious in 2Q21 compared to 1Q21. Net inflows of client assets remained very healthy in 2Q21 at \$0.84 billion, leading to net inflows of \$2.12 billion for 1H21 as a whole.

Net profit grew 55.0% YoY to \$7.02 million in 2Q21. For 1H21, net profit grew 94.0% YoY to \$15.84 million. Reflecting the positive operating leverage of our business model, pre-tax margin (based on net revenue) increased to 34.2% for 1H21, compared to 29.6% for 2020 as a whole.

We believe that the robust growth seen by the Group in recent times has resulted from our past investments in building up a strong integrated digital wealth management platform. The Group will continue to work hard on various initiatives in all existing markets that the Group operates in to ensure that our medium to long term growth prospects will remain strong.

Barring unforeseen circumstances, the Group expects its business performance for the full year 2021 to show a healthy growth compared to 2020. In addition, we expect to increase our dividend per share in 2021 compared to 2020.

## 11. Dividend

### (a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Name of dividend	Interim
Dividend type	Cash
Dividend rate	1.10 cents per ordinary share
Tax rate	One-tier tax exempt

### (b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Name of dividend	Interim
Dividend type	Cash
Dividend rate	0.75 cents per ordinary share
Tax rate	One-tier tax exempt

### (c) Date payable

The interim dividend will be paid on 17 August 2021.

#### **(d) Record date**

The Register of Members and Share Transfer Books of the Company will be closed on 5 August 2021 for the preparation of dividend warrants to the second interim dividend. Duly completed registrable transfers in respect of the shares in the Company received up to the close of business at 5.00 p.m. on 4 August 2021 ("Record Date") by the Company's Singapore Share Registrar, Tricor Barbinder Share Registration Services (A division of Tricor Singapore Pte. Ltd.), 80 Robinson Road, #02-00, Singapore 068898 will be registered to determine Members' entitlements to the second interim dividend. Members whose Securities Accounts with The Central Depository (Pte) Ltd are credited with shares in the Company as at 5.00 p.m. on the Record Date will be entitled to the second interim dividend.

**12. If no dividend has been declared/recommended, a statement to that effect.**

Not applicable.

**13. If the group has obtained a general mandate from shareholders for Interested Person Transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT Mandate has been obtained, a statement to that effect.**

The Company does not have a general mandate from shareholders for interested person transactions.

**14. Confirmation by the Board pursuant to Rule 705(5) of the Listing Manual.**

The directors of the Company confirm that to the best of their knowledge, nothing has come to the attention of the board of directors which may render the financial results for the second quarter and half year ended 30 June 2021 to be false or misleading in any material aspect.

**15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).**

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

**16. Segmented revenue and results for business segments or geographical segments (of the group), with comparative information for the corresponding period of the immediately preceding financial year.**

Geographical segments	Singapore \$'000	Hong Kong \$'000	Malaysia \$'000	China \$'000	Others \$'000	Total \$'000
<b>Jan21-Jun21</b>						
<b>Revenue and expenses</b>						
Revenue from external customers	68,850	23,114	12,503	1,654	-	106,121
Inter-segment revenue	2,362	134	1,556	39	-	4,091
Total revenue	<u>71,212</u>	<u>23,248</u>	<u>14,059</u>	<u>1,693</u>	-	<u>110,212</u>
Depreciation of plant and equipment	(632)	(180)	(247)	(95)	-	(1,154)
Depreciation of right-of-use assets	(1,677)	(1,133)	(321)	(471)	-	(3,602)
Amortisation of intangible assets	(3,862)	(40)	(167)	(12)	-	(4,081)
Reportable segment profit / (loss) before tax	15,734	3,216	2,741	(2,908)	-	18,783
Share of results of associates	-	-	-	-	(83)	(83)
<b>Assets and liabilities</b>						
Reportable segment assets	193,093	42,540	17,675	8,191	-	261,499
Equity-accounted associates	-	-	-	-	6,276	6,276
Capital expenditure	4,089	71	961	189	-	5,310
Reportable segment liabilities	<u>115,006</u>	<u>24,981</u>	<u>5,104</u>	<u>4,491</u>	-	<u>149,582</u>
<b>Jan20-Jun20</b>						
<b>Revenue and expenses</b>						
Revenue from external customers	49,293	20,525	6,676	536	-	77,030
Inter-segment revenue	1,338	58	1,381	39	-	2,816
Total revenue	<u>50,631</u>	<u>20,583</u>	<u>8,057</u>	<u>575</u>	-	<u>79,846</u>
Depreciation of plant and equipment	(456)	(218)	(207)	(103)	-	(984)
Depreciation of right-of-use assets	(1,503)	(1,226)	(326)	(370)	-	(3,425)
Amortisation of intangible assets	(3,090)	(34)	(53)	(2)	-	(3,179)
Reportable segment profit / (loss) before tax	8,556	2,438	1,587	(2,383)	-	10,198
Share of results of associates	-	-	-	-	(74)	(74)
<b>Assets and liabilities</b>						
Reportable segment assets	141,660	40,392	16,699	8,422	-	207,173
Equity-accounted associates	-	-	-	-	6,005	6,005
Capital expenditure	4,584	127	298	53	-	5,062
Reportable segment liabilities	<u>80,010</u>	<u>26,679</u>	<u>8,608</u>	<u>3,027</u>	-	<u>118,324</u>

## 17. Use of proceeds from the Company's initial public offering.

The Company refers to the net proceeds of \$48.0 million (excluding share issuance expenses of \$2.4 million and IPO-related expenses of \$1.95 million) raised from the IPO on the SGX-ST on 11 December 2014 and the Company's re-allocation of the net IPO proceeds announced on 27 October 2018. The following table sets out our use of the net IPO proceeds up to 30 June 2021.

Use of net proceeds	Allocation of IPO proceeds \$' million	Amount reallocated on 26 October 2018 \$' million	IPO proceeds utilised as at 30 June 2021 \$' million	Balance of IPO proceeds as at 30 June 2021 \$' million
Mergers and acquisitions strategy	27.2	19.2	15.5	3.7
Expansion of our business in the Chinese market	7.0	7.0	7.0	-
Enhancement of our product capabilities, IT and services	8.0	16.0	16.0	-
Working capital purposes	5.8	5.8	5.8 <sup>(2)</sup>	-
Net Proceeds	<u>48.0 <sup>(1)</sup></u>	<u>48.0</u>	<u>44.3</u>	<u>3.7</u>

Note:

(1) Estimated net IPO proceeds disclosed in the Prospectus dated 4 December 2014 was \$44.6 million and the actual net IPO proceeds received by the Company was \$48.0 million.

(2) The amount of \$5.8 million deployed for working capital purposes has been utilised for funding for new investment products distribution business, such as bonds and stocks.



Pending the deployment of the remaining net proceeds as disclosed above, the balance of IPO proceeds of \$3.7 million has been used to invest in bonds, unit trusts and short term deposits as stated in the Prospectus.

The Company will continue to make periodic announcements on the use of the proceeds as and when the funds are materially disbursed.

**BY ORDER OF THE BOARD**

**Leung Fung Yat, David**  
**Chief Financial Officer**  
**23 July 2021**