

iFAST CORPORATION LTD.

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

ANNOUNCEMENT PURSUANT TO RULE 706A OF THE LISTING MANUAL

The Board of Directors (the “Directors” or the “Board”) of iFAST Corporation Ltd. (the “Company”, and together with its subsidiaries, the “Group”) wishes to announce the following transactions occurred during the financial quarter ended 30 September 2020 pursuant to Rule 706A of the Listing Manual of Singapore Exchange Securities Trading Limited (“SGX-ST”):

1. INCREASE IN SHAREHOLDING IN AN ASSOCIATED COMPANY

The Company had on 20 July 2020 increased its equity interest in the Company’s associated company, iFAST India Holdings Pte Ltd (“iFAST India Holdings”) from 43.56% to 44.76% arising from the participation in a rights issue of iFAST India Holdings, through the subscription of 2,635,382 new ordinary shares in the issued and paid-up share capital of iFAST India Holdings, at an issue price of S\$0.155 for each rights share at the total cash consideration of S\$408,484.21 (“Rights Issue”).

The issue price of the Rights Issue was arrived, after taking into consideration the last transacted price of iFAST India Holdings and its working capital requirement.

The Rights Issue was fully satisfied in cash and funded through the IPO proceeds. The net asset value represented by the Rights Issue as at 20 July 2020 was approximately S\$269,000.

iFAST India Holdings is an investment-holding company which owns iFAST India Investments Pte Ltd, a Singapore-incorporated company, which in turn owns a majority stake of iFAST Financial India Pvt Ltd (“IFI”), an India-incorporated company engaged in the distribution of investment products including mutual funds in India. Post the Rights Issue, the Group’s effective shareholding in IFI was increased from 37.99% to 39.04% as at 20 July 2020. Following the subsequent capital injection from iFAST India Holdings to IFI through iFAST India Investments Pte Ltd, the Group’s effective shareholding in IFI was increased further to 39.25% as at 30 September 2020.

The Group believes the Rights Issue allow opportunities to tap on India’s potential strategic role in terms of providing business opportunities to the rest of the Group. The Group also views the valuation of the transaction as attractive, given the increased attention to the financial technology sector globally, including India.

None of the directors or substantial shareholders of the Company has any interest in the said transaction, save for their interests arising by way of their directorships and/or direct and/or indirect shareholdings in the Company and/or iFAST India Holdings, as the case may be.

The aforementioned transaction is not expected to have any material impact on the Group’s earnings per share and net tangible asset for the financial year ending 31 December 2020.

2. INCORPORATION OF INDIRECT WHOLLY-OWNED SUBSIDIARIES

The Company, through its indirect wholly-owned subsidiary, iFAST Capital Sdn. Bhd. (“iFAST Capital”), which was wholly-owned by iFAST Malaysia Sdn. Bhd., had on 5 August 2020 incorporated two wholly-owned subsidiaries in Malaysia. Details of the indirect wholly-owned subsidiaries as set out below:

Name of company : iFAST Nominees (Tempatan) Sdn. Bhd.
Issued and paid-up capital : 2 ordinary shares at RM1 each
Nature of business : Engaged in activities relating to the provision of nominee services

Name of company : iFAST Nominees (Asing) Sdn. Bhd.
Issued and paid-up capital : 2 ordinary shares at RM1 each
Nature of business : Engaged in activities relating to the provision of nominee services

The net asset value represented by the shares subscription in the abovementioned two wholly-owned subsidiaries in Malaysia as at 5 August 2020 was same as the amount of issued and paid-up share capital of the respective subsidiary upon its incorporation date mentioned above.

None of the directors or substantial shareholders of the Company has any interest in the said transaction, save for their interests arising by way of their directorships and/or direct and/or indirect shareholdings in the Company, as the case may be.

The aforementioned transaction is not expected to have any material impact on the Group’s earnings per share and net tangible asset for the financial year ending 31 December 2020.

By Order of the Board

Lim Chung Chun
Chairman / Chief Executive Officer

23 October 2020