
**ANNUAL GENERAL MEETING ON 23 APRIL 2021
RESPONSE TO SUBSTANTIAL AND RELEVANT QUESTIONS RECEIVED FROM
SHAREHOLDERS BEFORE ANNUAL GENERAL MEETING**

The Board of Directors (the “Directors” or the “Board”) of iFAST Corporation Ltd. (the “Company”, and together with its subsidiaries, the “Group”) would like to thank shareholders and members who have submitted questions in advance of the Company’s Annual General Meeting (“AGM”) which will be held on 23 April 2021 at 2.00 p.m. at Level 4, Hall 406, Suntec Singapore Convention & Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593 and by electronic means.

**RESPONSE TO SUBSTANTIAL AND RELEVANT QUESTIONS REGARDING AGM
RESOLUTIONS / BUSINESS OUTLOOK**

Please refer to the Appendix setting out the Company’s response to substantial and relevant questions relating to the AGM resolutions and business outlook received from shareholders and members.

As we had released our First Quarter FY2021 Results and Dividend Announcement (“1QFY2021 Results Announcement”) on 22 April 2021, shareholders can access the 1QFY2021 Results Announcement on the Company’s corporate website at the URL: www.ifastcorp.com and on SGXNET.

By Order of the Board

Lim Chung Chun
Chairman / Chief Executive Officer

23 April 2021

QUESTIONS REGARDING AGM RESOLUTIONS / BUSINESS OUTLOOK	
Question 1:	<p>Net profit margins increased from 14.3% in 2019 to 24.4% in 2020. Will the company be able to sustain these levels of profitability in 2021 and beyond?</p> <p>Answer: The Group's Profit Before Tax (PBT) margin based on net revenue improved from 17% in 2019 to 29.6% in 2020. In 1Q2021, the PBT margin further increased to 36.1%. In 2020 and 1Q2021, the growth in profit was substantially higher than the growth in revenue, and this is reflected in the improved PBT margins. The improving PBT margin shows that the business model has displayed positive operating leverage and scalability. In the longer term, it is possible to see continued improvements in the PBT margin based on net revenue, as the Group continues to focus on strengthening its Fintech wealth management solutions and growing its ecosystem connecting suppliers, and B2B and B2C clients.</p>
Question 2:	<p>Non recurring net revenue recorded a big jump of 108% year on year. Kindly provide more colour on this significant improvement.</p> <p>Answer: The Group's non-recurring net revenue grew strongly by 107.7% YoY in FY2020. The more significant contributors to the non-recurring net revenues include the transaction fee and commission income from stocks and ETFs, as well as other contributors such as FX margin and Fintech Solutions IT fees. Nevertheless, the Group's recurring net revenue continues to contribute the bulk of the net revenue in FY2020 at about 70%.</p>
Question 3:	<p>What is the dividend policy of the company?</p> <p>Answer: The Company does not have a formal dividend policy, but it was shared in the Chairman's Message of the Company's Annual Report 2020 that iFAST Corp expects to be able to increase its dividend per share in 2021 compared to 2020. The Company's dividend per share for FY2020 will stand at 3.30 cents per share, if the proposed final dividend for FY2020 of 1.00 cents per share is approved by shareholders at the upcoming AGM on 23 April 2021. For the first interim dividend for 1Q2021, the Directors have declared a dividend of 1.00 cents per ordinary share (first interim dividend for 1Q2020: 0.75 cents per ordinary share).</p>
Question 4:	<p>For Fintech solution business, does the company charge the client a one-off fees for the development or is it a recurring subscription service model? Is there any internal target on how big Fintech solution segment will become?</p> <p>Answer: The revenue from the Company's Fintech solutions business can come from the IT development and set-up fee, which is a one-off fee from clients, as well as the IT maintenance fee, which is a recurring fee for the regular maintenance and ongoing update of the IT solutions.</p> <p>The provision of Fintech solutions to clients may also lead to B2B partnerships which increase the usage and connectivity to the platform's services and investment products. In such cases, the B2B partners' resulted sales and AUA</p>

	<p>can further increase revenue of the Group.</p> <p>In FY2020, the contribution from the Fintech Solutions IT fees to the Group's net revenues stood at 2.8%. The Group expects the wealth management industry to become increasingly digitalised, and its ability to provide innovative Fintech solutions will contribute to more scalable B2B business models.</p>
Question 5:	<p>Could you give update on the business development in China? When do you expect the China operations breakeven? Please provide an overview of the competitive landscape in China. Who are our main competitors in China?</p> <p>Answer: Besides Independent Fund Distributors, banks/ securities firms and even Fund Houses are able to distribute mutual funds in China. While traditionally the banks would have the lion share of the entire industry pie, Internet-based Independent Fund Distributors including the e-commerce players have captured market share in the B2C space in China. Such Internet giants have garnered large amount of users from their traditional business and are able to tap on these clients very quickly. iFAST is not directly competing in the B2C space in China.</p> <p>iFAST China's strategy has been to grow the B2B and iFAST Global Markets (iGM) business divisions. The IGM team has been growing in size and the average AUA per adviser has been growing at a steady pace. The Company believes its current remuneration and training package along with the platform product and services accumulated over the years would provide advisers with the right incubation for them to kick-off their career in financial advisory business. As iFAST China has strengthened its platform capability and services over the years in China, its B2B business has signed up more than 80 B2B partners.</p> <p>Both the B2B and IGM divisions have shown good growth in sales, net revenue and AUA, in 2020 and 1Q2021. The AUA for both iGM and B2B were at a record high as at 31 March 2021. China's overall AUA hit a record high of RMB 1.9 billion as at 31 March 2021. The Company is focused on ensuring that the good growth momentum continues, and may see higher losses for the China operation in 2021 (compared to 2020), before seeing improvements in 2022 and beyond.</p>
Question 6:	<p>What are the plans to expand and improve the India business?</p> <p>Answer: With the regulatory environment and the global investment trend providing positive tailwinds, the Group believes that its focus on fee-based advisers will become more significant in future, as more distributors transit to become fee-based advisers. Existing advisers who want to focus on building their business and less on compliance requirements can join iFAST Global Markets (iGM) business division, where they can offer corporate adviser services as an individual adviser with the compliance and infrastructure support of iFAST. iFAST India will be launching global direct equities service in India to tap on the global investment trend. As the only platform with unique solutions for investment advisers to invest globally, the Group believes that the business in India will pick up as the new regulations start to kick in.</p>

Question 7:	<p>Moving ahead of Covid-19, how does the management propose to bring iFAST group to a higher height? Any expansion plans into new region or areas? Besides China, which other countries is iFAST aggressively expanding into?</p> <p>Answer: 2020 has been a strong year for the Group. The Group believes that the robust growth seen in recent times has been from the past investments in building a strong integrated digital wealth management platform. The Covid-19 pandemic has brought about an accelerated pace of digitalisation for the overall wealth management industry.</p> <p>The management team will continue to work hard on various initiatives in all existing markets to ensure that its medium to long term growth prospects will remain strong. The long-term growth prospects remain substantial, given the size of the wealth management industry in the current markets the Group operates in. There are no active plans to enter new geographical markets, but the management team will evaluate opportunities along the way.</p>
Question 8:	<p>What is the growth strategy into South East Asia market, e.g. Malaysia? If there is a plan.</p> <p>Answer: The strategy in Southeast Asia has been focused on Malaysia, besides Singapore. The strategy is to grow the Fintech wealth management capabilities and strengthen the services of the platform; for instance, the launch of the Bursa trading service in FSMOne.com Malaysia in March 2021. The Company intends to extend this to the B2B clients, and to add more exchanges including the US exchange for its clients in Malaysia in the next few quarters.</p>
Question 9:	<p>Can Board give an update on the signing of eMPF contract with PCCW Solutions? Could the company provide more clarity on the terms of the deal with PCCW? The CEO had said it would have substantial impact on the earnings in a media interview.</p> <p>Answer: The Company will provide updates as and when there are important milestones coming from the authorities in Hong Kong.</p>
Question 10:	<p>What's driving our decision to reduce trading commissions for SGX trading. Is it defensive in nature (taking market share) or offensive in nature (increase out value proposition to investors). What % of our AUA have more than 1 asset class on iFAST platform (besides cash)? How sticky our platform is?</p> <p>Answer: iFAST has a Fintech wealth management platform today that comprises over 500 companies on the B2B side, as well as its B2C business, as at 31 March 2021. The Company intends to keep making the overall platform services the best for investors and wealth advisers, be it from the perspective of better user experiences across investing in different products and services; better research and content ideas; better client and advisory services; as well as competitive pricing. The Group has seen a broadening of the type of B2B</p>

	<p>partners signing up to use its platform, and the types of digital business models have also been broadened.</p> <p>The Group's revenue structure is not reliant on just one main source of investment product and has in fact broadened and become more diversified in recent years. This means that the Company is able to offer competitive services and fees; for instance, the Company first introduced the flat commission rate in the Singapore stockbroking industry in 2017, with the flat S\$10 commission rate for clients with higher AUA on its FSMOne.com Singapore platform.</p> <p>More recently, the Group's B2C division, FSMOne.com Singapore, has launched the flat commission rate of S\$8.80 for all investors starting from 5 April 2021. The Company sees this as another move to make investing more profitable for investors.</p> <p>An increasing number of investors across our B2B and B2C platforms have been investing in more than one product type, since the Company began strengthening the range of investment products in the last few years. The stickiness of investors has generally improved as the Company's services have broadened in recent years, and the Company will continue to strengthen its services and improve its Fintech solutions.</p>
Question 11:	<p>Dear iFAST, I would like to ask will there be plans to allow trading on London stock exchange (LSE). If not, what are the reasons? Please provide status update on the application and launch of Shanghai & Shenzhen connect equity trading platform as it has been a couple of years by now.</p> <p>Answer: The Company may offer LSE in future, but for now, it is planning to launch the China Stock Connect service via its Hong Kong operation first, before offering this new service to clients in Singapore in the next few quarters.</p>
Question 12:	<p>Has Board considered the feasibility of introducing margin financing for unit trust and ETFs?</p> <p>Answer: The Company has considered this and it is being offered selectively for some B2B clients in Hong Kong. The Company may consider extending this service to more clients in future, but will carefully look into this as it brings up additional credit risk management issues to the Company, and may not be suitable for all investors who may not be familiar on how to manage the additional financing and cost related to it.</p>
Question 13:	<p>FSMOne investors can purchase Singapore shares using Auto-Sweep Account (yield of 0.62%). Would iFAST allow investors to purchase Singapore/ HK shares using cash in FSMOne CNH account (which has a higher deposit interest rate of 1.5%) with automatic conversion of currency only when trades are done?</p> <p>Answer: The Auto-Sweep account allows investors to trade seamlessly e.g. investors can use the money to trade in US exchange. The Auto-Sweep's yield is about 0.74% (as at 19 April 2021). As the Company intends to launch the China Stock Connect service, the cash solutions in CNH may be of benefit to</p>

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	clients looking to trade but also to earn the extra yield on the CNH if they intend to have a portion of their portfolio in CNH.
Question 14:	<p>Will iFAST consider providing Gold and Diamond investors with complimentary access to either Financial Horse Premium Content and Personal Portfolio or The Edge Tong's Portfolio? Financial Horse and The Edge are likely to be able to offer bulk discount when iFAST subscribes for all its FSMOne Gold and Diamond investors as a corporate package. FSMOne Silver and other investors will also be encouraged to invest more with iFAST so that they can have access to these value added services when their AUM with IFAST exceeds S\$200,000.</p> <p>Answer: The Company works with various media and investment portals on an ongoing basis because the Group sees the insights from these channels as valuable additions for investors. FSMOne.com in particular has been working with various investment portals e.g. at the FSM What and where to invest 2021 virtual conference at the beginning of 2021, and will be looking to collaborate further with some of them, but the details and formats will eventually be shared with investors in future. FSMOne.com will also be introducing additional services for the different categories including Gold and Diamond clients in the future.</p>