

FOR IMMEDIATE RELEASE

iFAST Corp: Positive Net Inflows Offset by Difficult Market Conditions; Look Towards 2023 for Revenue and Profitability New Highs

- The Group's assets under administration ("AUA") declined 7.6% YoY and 3.9% QoQ to S\$16.98 billion as at 30 September 2022.
- Net inflows of client assets remained healthy in 2022, with positive net inflow of S\$599 million in 3Q2022 and S\$1,861 million in 9M2022 respectively.
- The Group's net revenue was down 1.3% YoY to S\$30.07 million in 3Q2022, as global financial markets continued to go through very difficult conditions. Compared to 2Q2022, the Group's total net revenue was up 0.7% in 3Q2022.
- 2022 will be a year whereby while overall Group revenue may be flat, the Group's net profit will see a substantial decline compared to 2021. This happens as the Group incurs an impairment charge for our India business (recognised in 2Q2022), initial operating losses for iFAST Global Bank, and an increase in the Group's overall operating expenses, which grew 14.2% YoY (excluding the bank) in 9M2022.
- Despite the difficult conditions of current global financial markets, the Group expects to see accelerated growth momentum from 2023 onwards. The Group also expects revenues and profitability to grow to new highs in 2023 as the ePension division, which is not subject to market volatilities, starts to contribute more substantially from 3Q2023 onwards.
- For the third interim dividend for 3Q2022, the Directors declared a dividend of 1.30 cents per ordinary share (third interim dividend for 3Q2021: 1.30 cents per ordinary share).

SINGAPORE (26 October 2022) – iFAST Corporation Ltd. ("iFAST Corp" and together with its subsidiaries, the "Group") reported its financial results for the third quarter of 2022 (3Q2022).

As at 30 September 2022, the Group's assets under administration ("AUA") declined 3.9% QoQ and 7.6% YoY to S\$16.98 billion as a result of sharp declines in most equity and bond markets, as well as the Group's decision to exit the onshore platform service business in India. In comparison, the MSCI AC Asia ex Japan index dropped more than 13% QoQ and more than 28% YoY as at 30 September 2022.

Despite challenging market conditions impacting the asset values of investment products and affecting investor sentiments, net inflows of client assets remained healthy in 2022, with positive net inflow of S\$599 million in 3Q2022 and S\$1,861 million in 9M2022 respectively.

The Group's net revenue was down 1.3% YoY to S\$30.07 million in 3Q2022, as global financial markets continued to go through very difficult conditions. The 3Q2022 net revenue included a contribution of S\$2.22 million from iFAST Global Bank in UK. Compared to 2Q2022, the Group's total net revenue was up 0.7% in 3Q2022.

The YoY decline in Group net revenue (non-banking operation) in 3Q2022 was mainly due to a substantial 38.5% YoY drop in the Group's non-recurring net revenue (non-banking operation), reflecting reduced transactional activities in the midst of very poor global financial market conditions.

On the other hand, the Group's recurring net revenue (non-banking operation) was up a healthy 5.9% YoY and 8.3% QoQ to S\$21.73 million in 3Q2022. The increase was largely due to higher net interest income on the cash portion of the Group's AUA, benefitting from the rising interest rate environment.

In the period from 2021 to 9M2022, the average contribution from recurring net revenue towards total net revenue has increased to 69.9%. Recurring net revenue as a ratio of average AUA has also picked up in 9M2022 after declining in FY2020 and FY2021.

In recent quarters, the Group has also seen an increase in bond turnover across most regional B2B, iGM and B2C platforms, as investors have turned to bonds available on the iFAST ecosystem to benefit from higher yields.

After a loss-making 2Q2022 due to impairment loss related to the India Business recognised in the quarter, the Group has turned in a net profit of S\$2.09 million in 3Q2022.

2022 will be a year whereby while overall Group revenue may be flat, the Group's net profit will see a substantial decline compared to 2021. This happens as the Group incurs an impairment charge for our India business (recognised in 2Q2022), initial operating losses for iFAST Global Bank, and an increase in the Group's overall operating expenses, which grew 14.2% YoY (excluding the bank) in 9M2022.

The Group's operating expenses are increasing even as our revenue trend flattens in 2022 because the Group is preparing for the ePension business which will become operational from 2023, while positioning itself for opportunities arising from a more globalised wealth management and digital banking business model.

Despite the difficult conditions of current global financial markets, the Group expects to see accelerated growth momentum from 2023 onwards. The Group also expects revenues and profitability to grow to new highs in 2023 as the ePension division, which is not subject to market volatilities, starts to contribute more substantially from 3Q2023 onwards.

Third Interim Dividend for 3Q2022

For the third interim dividend for 3Q2022, the Directors declared a dividend of 1.30 cents per ordinary share (third interim dividend for 3Q2021: 1.30 cents per ordinary share).

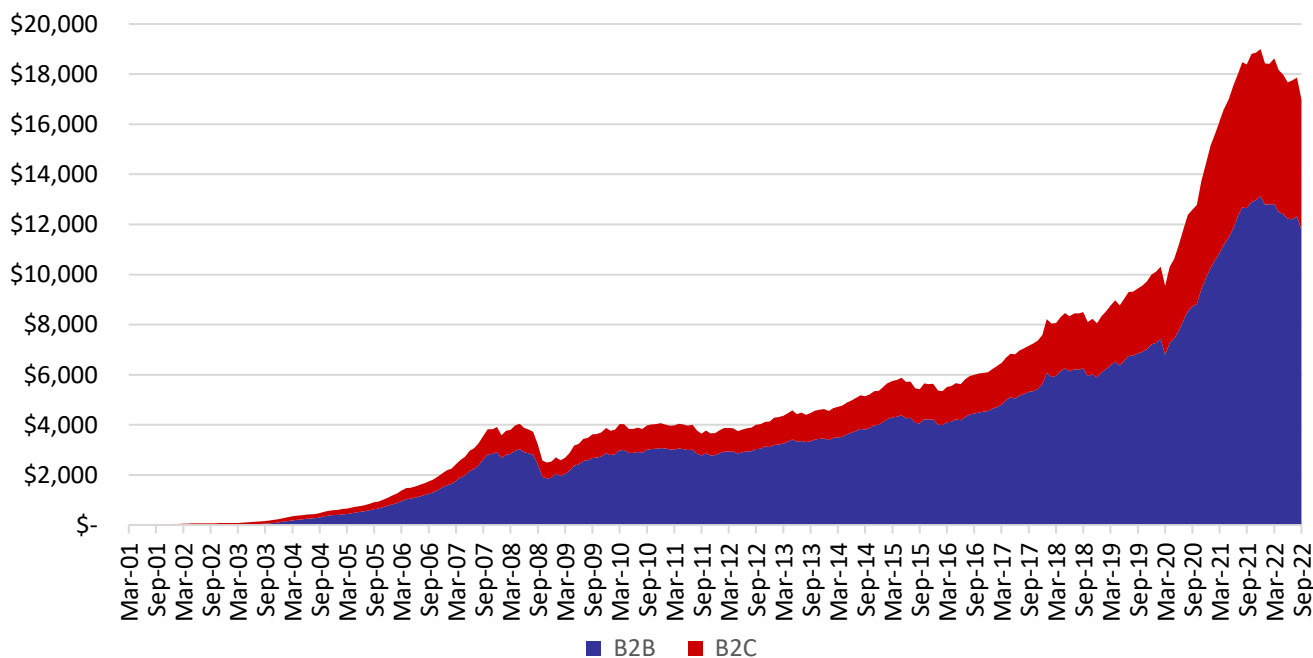
Table 1: Profit / Loss - Geographical Segment

Profit/Loss (S\$ Million)	FY2018	FY2019	FY2020	FY2021	9M2022
Singapore	11.86	9.96	21.32	28.43	13.30
Hong Kong	3.42	4.42	5.79	8.39	6.01
Malaysia	1.37	1.76	3.75	5.39	3.17
China	(4.60)	(4.82)	(4.88)	(5.82)	(5.28)
UK	-	-	-	-	(3.13)
Other ¹	0.52	(0.05)	(0.41)	(0.35)	0.33
Profit before tax ^{2/3}	12.57	11.27	25.57	36.04	14.40
Tax expense	(1.66)	(1.76)	(4.42)	(5.41)	(4.07)
Net profit after tax ^{2/3}	10.91	9.52	21.15	30.63	10.33

Notes:

1. Representing share of results of associates.
2. Attributable to owners of the Company.
3. Excluding impairment loss of S\$5.2 million related to India Business recognised in 2Q2022.

Chart 1: Group AUA declined 7.6% YoY and 3.9% QoQ to S\$16.98 billion as at 30 September 2022



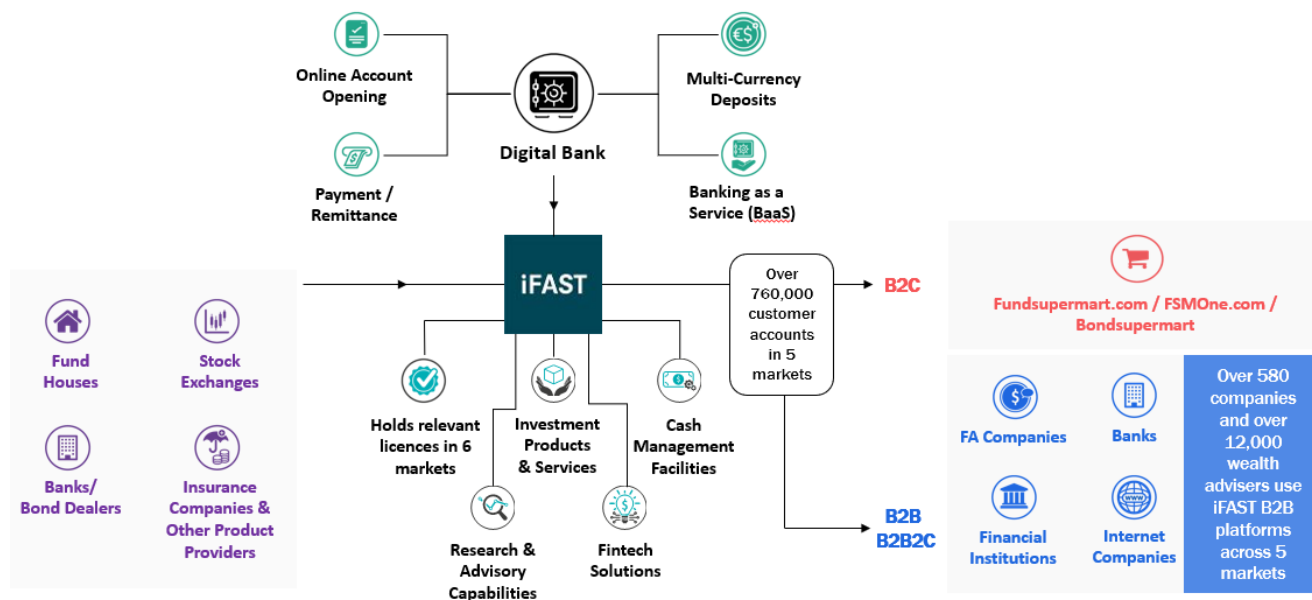
Note:

1. Following the exit of onshore platform business in India, the Group's AUA after June 2022 no longer includes the effective stake in iFAST India.

About iFAST Corp

iFAST Fintech Ecosystem

Connecting All to Help Investors Invest Globally and Profitably



Access to iFAST’s Infrastructure & Distribution Network in 5 markets

iFAST Corp (stock code: AIY) is a wealth management Fintech platform, with assets under administration (AUA) of S\$16.98 billion as at 30 September 2022.

Incorporated in the year 2000 in Singapore and listed on the SGX-Mainboard in December 2014, the Group is also present in Hong Kong, Malaysia, China, and UK. 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 2022, the Group offers access to over 16,000 investment products including over 11,000 funds from over 290 fund houses, over 1,750 bonds, stocks and ETFs listed on the Singapore, Hong Kong, US, Malaysia, China A stock exchanges, as well as services including online discretionary portfolio management services, research and investment seminars, Fintech solutions, and investment administration and transaction services.

The main business divisions of the Group include the Business-to-Consumer (“B2C”) division, the Business-to-Business (“B2B”) division, and the Fintech Solutions/Business-to-Business-to-Consumer (“B2B2C”) model. The B2C platform, FSMOne.com (formerly known as Fundsupermart.com), is a multi-products transactional platform that caters to investors who prefer to do their own investments online. The B2B platforms cater to the specialised needs of more than 580 financial advisory companies, financial institutions, banks and internet companies with over 12,000 wealth advisers. iFAST Fintech Solutions, the Fintech

Solutions/B2B2C model, was launched in recent years to provide innovative and customisable Fintech solutions for the B2B clients and business partners to empower them with their own B2C Fintech capabilities. The iFAST Global Bank is a licenced UK bank that aspires to provide global banking connectivity to customers, corporates and financial institutions.

The Group's mission statement is, "To help investors around the world invest globally and profitably". In the Investors' Choice Awards 2022 organised by the Securities Investors Association Singapore (SIAS), iFAST Corp was awarded Runner-Up in the "Shareholder Communication Excellence Award 2022 - Big Cap" category.

For more information, please visit www.ifastcorp.com

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