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## **iFAST Corp reports FY2014 adjusted net profit of S\$10.51 million (excluding IPO expenses)**

**Adjusted net profit of S\$10.51 million in FY2014 represents YoY growth of 33.7%, compared to adjusted net profit of S\$7.86 million in FY2013 (excluding one-off gain)**

- Net profit was S\$8.56 million in FY2014, if IPO expenses of S\$1.95 million were included
- Adjusted Earnings per Share (EPS) was 5.06 cents per share in FY2014 (excluding IPO expenses), compared to adjusted EPS of 3.89 cents in FY2013 (excluding one-off gain), representing a YoY growth of 30.1%
- In 4Q2014, adjusted net profit rose 28.3% YoY to S\$2.90 million (excluding IPO expenses), compared to S\$2.26 million in 4Q2013 (excluding one-off gain)
- In 4Q2014, adjusted EPS rose 17.0% YoY to 1.31 cents per share (excluding IPO expenses), compared to 1.12 cents in 4Q2013 (excluding one-off gain)
- Net revenue grew 16.1% YoY to S\$36.68 million in FY2014 and 15.9% YoY in 4Q2014 to S\$9.36 million
- The Group's scalable business model is reflected in the improving PBT margin (based on net revenue) and ROE, which stood at 29.6% and 38.7% respectively in FY2014
- Assets under Administration (AUA) rose to a record high of S\$5.36 billion as at 31 December 2014, a YoY growth of 16.0% and a 10-year CAGR of 24.6%

*SINGAPORE (12 February 2015)* – Following its initial public offering (IPO) on the Mainboard of the Singapore Exchange Securities Trading Limited on 11 December 2014, iFAST Corporation Ltd. ("iFAST Corp" or together with its subsidiaries, the "Group"), an Internet-based investment products distribution platform, has announced its first set of financial results post-IPO for FY2014 and 4Q2014.

The Group's FY2014 net profit grew 33.7% YoY to S\$10.51 million (excluding IPO expenses), while net revenue grew 16.1% YoY to S\$36.68 million. If the IPO expenses of S\$1.95 million were included, net profit rose to S\$8.56 million in FY2014. Net sales and subscription excluding switching were up 9.3% and 13.3% YoY to S\$501 million and S\$1.55 billion respectively in FY2014.

The scalability of its business model, where growth in net revenue and recurring net revenue sources tends to outpace operating expenses, is reflected in various indicators; for instance, the Group's profit before tax margin (based on net revenue) and Return-On-Equity (ROE) stood at 29.6% and 38.7% respectively in FY2014.

In FY2014, 80.4% of the Group's overall net revenue growth was driven by recurring net revenue sources based on AUA, with the remaining from non-recurring revenue sources. For the same period, the Group's net revenue and recurring net revenue as a ratio of average AUA - at 0.735% and 0.591% respectively - were higher than operating expenses as a ratio of average AUA, which stood at 0.524%.

The Group's AUA stood at a record high of S\$5.36 billion as at 31 December 2014, a YoY growth of 16.0% and a 10-year CAGR of 24.6%. Singapore remains the Group's largest market by AUA, at 74.9%, followed by Hong Kong at 21.2% and Malaysia at 3.9%.

### **Good Growth Momentum Across the Group**

Growth across the Group's two business divisions (B2C - Fundsupermart.com and B2B - iFAST Financial platforms) and geographical markets (Singapore, Hong Kong and Malaysia) exhibited a positive trend in FY2014.

The Group's B2C transactional website, Fundsupermart.com, which leverages on the reach of the Internet and the demand from DIY investors for an user-friendly and educational website to make their own investment decisions, saw its AUA increase to S\$1.35 billion as at 31 December 2014, a YoY growth of 15.9%. The Group's B2B platform, which caters to over 150 financial advisory (FA) companies, financial institutions and banks, with more than 5,000 financial advisory representatives, saw its AUA increase to S\$4.01 billion, a YoY increase of 16.0%.

In Singapore, profit after tax from continuing operations grew to S\$8.99 million in FY2014, a YoY increase of 15.1%. Hong Kong, having broken even in FY2013, continued to deliver positive growth momentum, posting a net profit of S\$2.10 million in FY2014. Malaysia narrowed its loss to S\$0.09 million in FY2014.

### **Outlook and plans in 2015: Launch of Bondsupermart portal and Online Discretionary Portfolio Management Service**

Mr. Lim Chung Chun, Chairman and CEO of iFAST Corp, said, "The FY2014 financial results showed good growth momentum. It is important that we continually upgrade the range of products and services so that as an investment platform, we can remain an industry leader. For our B2B business, one of our key missions is to be able to empower each financial advisory firm to achieve the capabilities of a mini 'private bank', to seamlessly advise investors across a full range of investment asset classes".

On some of the new plans in FY2015, Mr. Lim said: "In 2015, we want to introduce an Online Discretionary Portfolio Management Service (Online DPMS) and a

‘BondsUPERmart’ portal. Subject to the necessary regulatory approval, an Online DPMS will allow us to cater to DIY investors who want additional help with asset allocation and automated rebalancing within their individual investment account, at competitive fee levels. For the B2B channel, an Online DPMS will allow us to help financial advisers to improve their investment advisory service to their clients, and reduce administrative burden substantially.”

Mr. Lim also explained the rationale behind the launch of a BondsUPERmart portal: “We believe that the average consumer does not know where to find comprehensive information on bonds. As a result, the level of penetration of bonds in the retail market is limited. Today, we see an opportunity in the bonds market in many different Asian countries and the launch of a BondsUPERmart portal will in many ways be like the launch of ‘FundsUPERmart’ in the early days of our business. FundsUPERmart is traditionally seen as an unit trusts specialist, and BondsUPERmart will be positioned as a bonds specialist, with information for the average customer to easily find and understand when it comes to bonds as an investment. In Hong Kong, where we already distribute bonds to investors, the BondsUPERmart portal will help to provide useful bonds-related information. Subject to the necessary regulatory approval, we are also targeting to launch the bonds business in Singapore and Malaysia.”

### Key financial highlights (FY2014 and 4Q2014)#

	FY2013	FY2014	YoY (%)	4Q2013	4Q2014	YoY (%)
Net revenue (S\$ million)	31.58	36.68	+16.1	8.08	9.36	+15.9
Net profit (S\$ million)	8.47	8.56	+1.1	2.88	0.95	-67.0
EPS (cents)	4.19	4.12	-1.7	1.42	0.43	-69.7
Adjusted net profit (S\$ million) <sup>1</sup>	7.86	10.51	+33.7	2.26	2.90	+28.3
Adjusted EPS (cents) <sup>1</sup>	3.89	5.06	+30.1	1.12	1.31	+17.0

**Notes:**

# Based on the results of the iFAST Group from continuing operations

1. Excluding IPO expenses of S\$1.95 million in December 2014 and one-off gain of S\$0.62 million on distribution to owners of the Company in October 2013.

### Key financial highlights (FY2011-2014)

	FY2011	FY2012	FY2013 <sup>1</sup>	FY2014 <sup>2</sup>
Net revenue (S\$ million)	25.20	26.29	31.58	36.68
Net revenue (YoY change)	+15.7%	+4.4%	+20.1%	+16.1%
Net profit (S\$ million)	2.77	3.74	7.86	10.51
Net profit (YoY change)	N.M.	+35.0%	+110.2%	+33.7%
PBT margin (based on net revenue)	9.4%	15.0%	25.9%	29.6%
EPS (cents)	1.38	1.86	3.89	5.06

**Notes:**

1. Excluding one-off gain of S\$0.62 million on distribution to owners of the Company in October 2013
2. Excluding IPO expenses of S\$1.95 million in December 2014

### About iFAST Corp

iFAST Corp (stock code: AIY) is an Internet-based investment products distribution platform, with assets under administration (AUA) of approximately S\$5.36 billion as at end-December 2014. Incorporated in the year 2000 in Singapore, iFAST Corp provides a comprehensive range of services, including investment administration and transactions services, research and trainings, IT services and backroom functions to banks, financial advisory firms, financial institutions, multinational companies, as well as investors in Asia. The company is also present in Hong Kong, Malaysia and China.

iFAST Corp has two main business divisions, namely our Business-to-Consumer (B2C) website, Fundsupermart.com, targeted at DIY investors; and our Business-to-Business (B2B) platform that caters to the specialised needs of financial advisory (FA) companies, financial institutions and banks.

As at 31 December 2014 and across the jurisdictions we operate, iFAST Corp has over 115 distribution agreements with global fund houses offering over 1,800 investment products (including over 1,600 funds) on the platform. Over 5,000 FA representatives from more than 150 banks, financial institutions and FA companies use the iFAST B2B platform.

The Group's mission statement is, "To help investors around the world invest globally and profitably". The Group celebrates its 15<sup>th</sup> year anniversary in 2015.

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

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The initial public offering (IPO) of shares and listing of iFAST Corporation Ltd. on the Mainboard of the Singapore Exchange Securities Trading Limited (on 11 December 2014) was jointly sponsored by DBS Bank Ltd. and DMG & Partners Securities Pte Ltd as joint issue managers, bookrunners and underwriters and they assume no responsibility for the contents of this presentation.

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