

The logo for iFAST, featuring the word "iFAST" in white, bold, sans-serif font centered within a dark teal square background.

iFAST

**iFAST Corporation Ltd.
and its Subsidiaries**
Company Registration No: 200007899C
(Incorporated in the Republic of Singapore)

**Unaudited Full-Year 2018
Financial Statements Announcement**

Fourth Quarter and Full Year Ended 31 December 2018 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 fourth quarter and full year ended 31 December 2018

	4Q18	Group	Change	FY18	Group	Change
	\$'000	4Q17		\$'000	FY17	
		Restated	%		Restated	%
Revenue	27,987	28,178	(0.7)	121,243	101,167	19.8
Commission and fee paid or payable to third party financial advisers	(13,166)	(14,874)	(11.5)	(61,623)	(51,722)	19.1
	14,821	13,304	11.4	59,620	49,445	20.6
Other income	264	190	38.9	1,163	1,079	7.8
Depreciation of plant and equipment	(442)	(373)	18.5	(1,670)	(1,369)	22.0
Amortisation of intangible assets	(1,134)	(900)	26.0	(3,919)	(2,875)	36.3
Staff costs	(7,086)	(6,028)	17.6	(26,436)	(21,087)	25.4
Other operating expenses	(4,360)	(4,557)	(4.3)	(17,754)	(16,858)	5.3
Results from operating activities	2,063	1,636	26.1	11,004	8,335	32.0
Finance income	274	199	37.7	1,003	740	35.5
Finance costs	(153)	⁽¹⁾	NM	(175)	(2)	NM
Net finance income	121	199	(39.2)	828	738	12.2
Share of results of associates, net of tax	626	(19)	NM	517	(326)	NM
Profit before tax	2,810	1,816	54.7	12,349	8,747	41.2
Tax expense	(239)	(75)	218.7	(1,660)	(1,255)	32.3
Profit for the period / year	2,571	1,741	47.7	10,689	7,492	42.7
Profit attributable to:						
Owners of the Company	2,624	1,797	46.0	10,914	7,700	41.7
Non-controlling interests	(53)	(56)	(5.4)	(225)	(208)	8.2
Profit for the period / year	2,571	1,741	47.7	10,689	7,492	42.7

NM denotes not meaningful.

⁽¹⁾ Amount less than \$1,000

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 fourth quarter and full year ended 31 December 2018

	4Q18	Group 4Q17	Change	FY18	Group FY17	Change
	\$'000	\$'000	%	\$'000	\$'000	%
	Restated			Restated		
Profit for the period / year	2,571	1,741	47.7	10,689	7,492	42.7
Other comprehensive income						
Items that are or may be reclassified subsequently to profit or loss:						
Net change in fair value of financial assets at FVOCI	132	5	NM	104	(24)	NM
Net change in fair value of financial assets at FVOCI reclassified to profit or loss	(125)	191	NM	(142)	200	NM
Foreign currency translation differences for foreign operations	(48)	(103)	(53.4)	264	(942)	NM
Share of other comprehensive income of associates	3	(4)	NM	(18)	(3)	500.0
	<u>(38)</u>	<u>89</u>	<u>NM</u>	<u>208</u>	<u>(769)</u>	<u>NM</u>
Items that will not be reclassified subsequently to profit or loss:						
Net change in fair value of financial assets at FVOCI	(274)	103	NM	(1,062)	871	NM
	<u>(274)</u>	<u>103</u>	<u>NM</u>	<u>(1,062)</u>	<u>871</u>	<u>NM</u>
Other comprehensive income for the period, net of tax	<u>(312)</u>	<u>192</u>	<u>NM</u>	<u>(854)</u>	<u>102</u>	<u>NM</u>
Total comprehensive income for the period / year	<u>2,259</u>	<u>1,933</u>	<u>16.9</u>	<u>9,835</u>	<u>7,594</u>	<u>29.5</u>
Attributable to:						
Owners of the Company	2,312	1,988	16.3	10,061	7,805	28.9
Non-controlling interests	(53)	(55)	(3.6)	(226)	(211)	7.1
Total comprehensive income for the period / year	<u>2,259</u>	<u>1,933</u>	<u>16.9</u>	<u>9,835</u>	<u>7,594</u>	<u>29.5</u>

NM denotes not meaningful.

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

	4Q18 \$'000	Group 4Q17 \$'000	Change %	FY18 \$'000	Group FY17 \$'000	Change %
	Restated			Restated		
<u>Profit for the period / year is arrived at after charging / (crediting) the following:</u>						
Other income						
- Investment income	(236)	(152)	55.3	(979)	(863)	13.4
- Government grant	(2)	(29)	(93.1)	(124)	(145)	(14.5)
- Gain on derecognition of an associate	-	-	NM	-	(19)	(100.0)
- Miscellaneous income	(26)	(9)	188.9	(60)	(52)	15.4
	(264)	(190)	38.9	(1,163)	(1,079)	7.8
Interest income						
- from cash and cash equivalents	(265)	(149)	77.9	(894)	(464)	92.7
- from investment in financial assets	(7)	(49)	(85.7)	(103)	(274)	(62.4)
- from receivables	(2)	(1)	100.0	(6)	(2)	200.0
	(274)	(199)	37.7	(1,003)	(740)	35.5
Operating lease expense	1,651	1,663	(0.7)	6,565	6,364	3.2
Unrealised exchange loss, net	51	130	(60.8)	(1)	384	NM
Equity-settled share-based payment transactions, included in staff costs	633	511	23.9	2,380	1,674	42.2
Equity-settled share-based payment transactions, included in commission and fee paid or payable to third party financial advisers	-	83	(100.0)	166	332	(50.0)
Impairment loss in investment in financial assets at FVOCI, included in other operating expenses	-	192	(100.0)	-	192	(100.0)
(Gain) / Loss on redemption of investment in financial assets at FVOCI, included in investment income	(125)	(1)	NM	(142)	8	NM
Dividend income on investment in financial assets at FVOCI, included in investment income	(189)	(135)	40.0	(732)	(653)	12.1
Net loss / (gain) on investment in financial assets at FVTPL, included in investment income	87	(7)	NM	(69)	(182)	(62.1)
Interest expense on bank loans	152	-	NM	173	-	NM

NM denotes not meaningful.

⁽¹⁾ Amount less than \$1,000

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		As at	
	31-Dec-18	31-Dec-17	31-Dec-18	31-Dec-17
	\$'000	\$'000	\$'000	\$'000
Assets				
Plant and equipment	3,254	2,308	107	66
Intangible assets and goodwill	17,860	13,622	14,387	10,720
Subsidiaries	-	-	50,665	50,090
Associates	2,951	1,616	2,854	2,017
Other investments	5,062	3,849	972	783
Deferred tax assets	987	542	-	-
Prepayments and others	218	346	11	11
Total non-current assets	30,332	22,283	68,996	63,687
Current tax receivable	2	34	-	-
Other investments	24,116	22,413	16,115	22,413
Uncompleted contracts - buyers	10,958	9,056	-	-
Trade and other receivables	30,011	28,135	60,971	7,773
Prepayments	1,262	1,315	22	26
Money market funds	640	2,619	-	-
Cash at bank and in hand	60,661	30,879	4,156	8,452
Total current assets	127,650	94,451	81,264	38,664
Held under trust				
Client bank accounts	312,635	275,461	-	-
Client ledger balances	(312,635)	(275,461)	-	-
	-	-	-	-
Total assets	157,982	116,734	150,260	102,351
Equity				
Share capital	65,969	65,545	65,969	65,545
Reserves	19,595	15,691	18,290	21,555
Equity attributable to owners of the Company	85,564	81,236	84,259	87,100
Non-controlling interests	(209)	17	-	-
Total equity	85,355	81,253	84,259	87,100
Liabilities				
Deferred tax liabilities	1,588	1,195	1,272	930
Finance lease liabilities	8	13	-	-
Total non-current liabilities	1,596	1,208	1,272	930
Uncompleted contracts - sellers	10,929	8,936	-	-
Trade and other payables	21,080	24,253	27,375	14,321
Bank loans	37,354	-	37,354	-
Finance lease liabilities	5	5	-	-
Current tax payables	1,663	1,079	-	-
Total current liabilities	71,031	34,273	64,729	14,321
Total liabilities	72,627	35,481	66,001	15,251
Total equity and liabilities	157,982	116,734	150,260	102,351

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

Amount repayable in one year or less, or on demand

	Group			
	As at 31-Dec-18 \$'000		As at 31-Dec-17 \$'000	
	Secured	Unsecured	Secured	Unsecured
Finance lease liabilities	5	-	5	-
Bank loans	-	37,354	-	-
	<u>5</u>	<u>37,354</u>	<u>5</u>	<u>-</u>

Amount repayable after one year

	Group			
	As at 31-Dec-18 \$'000		As at 31-Dec-17 \$'000	
	Secured	Unsecured	Secured	Unsecured
Finance lease liabilities	8	-	13	-

The finance lease liabilities as at 31 December 2018 are secured by the leased assets.

The unsecured bank loans are revolving bank loans that bear interest at rates ranging from 1.55% to 4.00% (31/12/2017: Nil) per annum in the period and are repayable within the next 12 months from the reporting date. The bank loans taken up in the year of 2018 are for the financing of the initial capital for the virtual banking business that the Group is pursuing in Hong Kong.

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	
	4Q18 \$'000	4Q17 \$'000	FY18 \$'000	FY17 \$'000
	Restated		Restated	
Cash flows from operating activities				
Profit for the period / year	2,571	1,741	10,689	7,492
Adjustments for:				
Depreciation of plant and equipment	442	373	1,670	1,369
Amortisation of intangible assets	1,134	900	3,919	2,875
Bad debts written off	-	2	-	2
Equity-settled share-based payment transactions	633	594	2,546	2,006
Dividend income on investment in financial assets at FVOCI	(189)	(135)	(732)	(653)
(Gain) / Loss on redemption of investment in financial assets at FVOCI	(125)	(1)	(142)	8
Net gain on investment in financial assets at FVTPL	87	(7)	(69)	(182)
Share of results of associates, net of tax	(626)	19	(517)	326
Dividend income on investment in associates	(9)	(9)	(36)	(36)
Unrealised exchange loss, net	51	130	(⁽¹⁾)	384
Plant and equipment written off	-	-	20	19
Intangible asset written off	-	-	-	2
Gain on disposal of plant and equipment	-	(1)	-	(1)
Gain on derecognition of an associate	-	-	-	(19)
Impairment loss on investment in financial assets at FVOCI	-	192	-	192
Net finance income	(121)	(199)	(828)	(738)
Tax expense	239	75	1,660	1,255
	<u>4,087</u>	<u>3,674</u>	<u>18,180</u>	<u>14,301</u>
Change in uncompleted contracts and trade and other receivables	741	(3,407)	(3,537)	(13,415)
Change in uncompleted contracts and trade and other payables	(1,471)	4,658	3,102	12,087
Cash generated from operations	3,357	4,925	17,745	12,973
Tax refund / (paid)	1	(4)	(1,085)	(468)
Interest received	284	204	997	714
Interest paid	(32)	(⁽¹⁾)	(33)	(2)
Net cash from operating activities	3,610	5,125	17,624	13,217
Cash flows from investing activities				
Purchase of plant and equipment	(318)	(313)	(2,605)	(1,535)
Purchase of intangible assets	(1,693)	(2,738)	(6,836)	(5,602)
Proceeds from disposal of plant and equipment	-	1	-	1
Additional investment in associates	-	-	(836)	(160)
Dividend from associates	-	-	36	35
Purchase of investment in financial assets	(27,614)	(12,943)	(84,462)	(60,577)
Proceeds from redemption of investment in financial assets	24,131	20,210	75,730	73,681
Dividends received from investment in financial assets at FVOCI	10	4	17	34
Acquisition of subsidiary, net of cash acquired	-	-	-	(702)
Net cash (used in) / from investing activities	(5,484)	4,221	(18,956)	5,175
Cash flows from financing activities				
Proceeds from exercise of share options	127	346	424	1,398
Purchase of treasury shares	-	-	(151)	(548)
Proceeds from shares issued to non-controlling interests of subsidiary	-	-	-	78
Drawdown of bank loans	27,372	-	37,262	-
Repayment of finance lease liabilities	(1)	(2)	(5)	(5)
Dividends paid to owners of the Company	(1,999)	(1,985)	(8,386)	(7,539)
Net cash from / (used in) financing activities	25,499	(1,641)	29,144	(6,616)
Net increase in cash and cash equivalents	23,625	7,705	27,812	11,776
Cash and cash equivalents at beginning of the period / year	37,858	25,895	33,498	22,464
Effect of exchange rate fluctuations on cash held	(182)	(102)	(9)	(742)
Cash and cash equivalents at end of the period / year	61,301	33,498	61,301	33,498

(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								Total	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			
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
At 1 January 2018, as previously stated	65,545	(278)	(1,478)	1,790	2,845	(2,010)	(2,539)	17,361	81,236	17	81,253
Effect of adoption of SFRS(I) 9	-	(155)	-	-	-	-	-	155	-	-	-
At 1 January 2018, as restated	65,545	(433)	(1,478)	1,790	2,845	(2,010)	(2,539)	17,516	81,236	17	81,253
Total comprehensive income for the year											
Profit / (Loss) for the year	-	-	-	-	-	-	-	10,914	10,914	(225)	10,689
Other comprehensive income											
Net change in fair value of financial assets at FVOCI	-	(958)	-	-	-	-	-	-	(958)	-	(958)
Net change in fair value of financial assets at FVOCI reclassified to profit or loss	-	(142)	-	-	-	-	-	-	(142)	-	(142)
Net change in fair value of financial assets at FVOCI transferred between reserves	-	92	-	-	-	-	-	(92)	-	-	-
Foreign currency translation differences for foreign operations	-	-	265	-	-	-	-	-	265	(1)	264
Share of other comprehensive income of associates	-	(2)	(16)	-	-	-	-	-	(18)	-	(18)
Total other comprehensive income	-	(1,010)	249	-	-	-	-	(92)	(853)	(1)	(854)
Total comprehensive income for the year	-	(1,010)	249	-	-	-	-	10,822	10,061	(226)	9,835
Transactions with owners, recorded directly in equity											
Contributions by and distributions to owners											
Share options exercised	424	-	-	-	-	-	-	-	424	-	424
Purchase of treasury shares	-	-	-	-	-	-	(151)	-	(151)	-	(151)
Treasury shares re-issued	-	-	-	-	(1,945)	-	1,286	659	-	-	-
One-tier tax-exempt 2017 final dividend paid of 0.90 cents per share	-	-	-	-	-	-	-	(2,394)	(2,394)	-	(2,394)
One-tier tax-exempt interim dividend paid of 0.75 cents per share	-	-	-	-	-	-	-	(1,995)	(1,995)	-	(1,995)
One-tier tax-exempt interim dividend paid of 0.75 cents per share	-	-	-	-	-	-	-	(1,998)	(1,998)	-	(1,998)
One-tier tax-exempt interim dividend paid of 0.75 cents per share	-	-	-	-	-	-	-	(1,999)	(1,999)	-	(1,999)
Equity-settled share-based payment transactions	-	-	-	323	2,057	-	-	-	2,380	-	2,380
Total contributions by and distribution to owners	424	-	-	323	112	-	1,135	(7,727)	(5,733)	-	(5,733)
Total transactions with owners	424	-	-	323	112	-	1,135	(7,727)	(5,733)	-	(5,733)
At 31 December 2018	65,969	(1,443)	(1,229)	2,113	2,957	(2,010)	(1,404)	20,611	85,564	(209)	85,355

FVOCI denotes fair value through other comprehensive income.

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 \$'000
	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		
At 1 January 2017, as previously stated	64,147	12	(535)	1,496	2,250	(2,010)	(2,531)	15,617	78,446	150	78,596
Effect of adoption of SFRS(I) 9	-	(353)	-	-	-	-	-	353	-	-	-
As 1 January 2017, as restated	64,147	(341)	(535)	1,496	2,250	(2,010)	(2,531)	15,970	78,446	150	78,596
Total comprehensive income for the year											
Profit / (Loss) for the year	-	-	-	-	-	-	-	7,700	7,700	(208)	7,492
Other comprehensive income											
Net change in fair value of financial assets at FVOCI	-	847	-	-	-	-	-	-	847	-	847
Net change in fair value of financial assets at FVOCI reclassified to profit or loss	-	200	-	-	-	-	-	-	200	-	200
Net change in fair value of financial assets at FVOCI transferred between reserves	-	(1,140)	-	-	-	-	-	1,140	-	-	-
Foreign currency translation differences for foreign operations	-	-	(939)	-	-	-	-	-	(939)	(3)	(942)
Share of other comprehensive income of associates	-	1	(4)	-	-	-	-	-	(3)	-	(3)
Total other comprehensive income	-	(92)	(943)	-	-	-	-	1,140	105	(3)	102
Total comprehensive income for the year	-	(92)	(943)	-	-	-	-	8,840	7,805	(211)	7,594
Transactions with owners, recorded directly in equity											
Contributions by and distributions to owners											
Share options exercised	1,398	-	-	-	-	-	-	-	1,398	-	1,398
Purchase of treasury shares	-	-	-	-	-	-	(548)	-	(548)	-	(548)
Treasury shares re-issued	-	-	-	-	(785)	-	540	245	-	-	-
One-tier tax-exempt 2016 final dividend paid of 0.75 cents per share	-	-	-	-	-	-	-	(1,970)	(1,970)	-	(1,970)
One-tier tax-exempt interim dividend paid of 0.68 cents per share	-	-	-	-	-	-	-	(1,789)	(1,789)	-	(1,789)
One-tier tax-exempt interim dividend paid of 0.68 cents per share	-	-	-	-	-	-	-	(1,795)	(1,795)	-	(1,795)
One-tier tax-exempt interim dividend paid of 0.75 cents per share	-	-	-	-	-	-	-	(1,985)	(1,985)	-	(1,985)
Equity-settled share-based payment transactions	-	-	-	294	1,380	-	-	-	1,674	-	1,674
Total contributions by and distribution to owners	1,398	-	-	294	595	-	(8)	(7,294)	(5,015)	-	(5,015)
Changes in ownership interests in subsidiaries											
Issue of shares to non-controlling interests of subsidiary	-	-	-	-	-	-	-	-	-	78	78
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	-	78	78
Total transactions with owners	1,398	-	-	294	595	-	(8)	(7,294)	(5,015)	78	(4,937)
At 31 December 2017	65,545	(433)	(1,478)	1,790	2,845	(2,010)	(2,539)	17,516	81,236	17	81,253

FVOCI denotes fair value through other comprehensive income.

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						
	Share capital	Fair value reserve	Share option reserve	Performance share reserve	Reserve for own shares	Accumulated profits	Total equity
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
At 1 January 2018, as previously stated	65,545	(279)	1,564	2,845	(2,539)	19,964	87,100
Effect of adoption of SFRS(I) 9	-	(155)	-	-	-	155	-
At 1 January 2018, as restated	65,545	(434)	1,564	2,845	(2,539)	20,119	87,100
Total comprehensive income for the year							
Profit for the year	-	-	-	-	-	4,315	4,315
Other comprehensive income							
Net change in fair value of financial assets at FVOCI	-	(958)	-	-	-	-	(958)
Net change in fair value of financial assets at FVOCI reclassified to profit or loss	-	(142)	-	-	-	-	(142)
Net change in fair value of financial assets at FVOCI transferred between reserves	-	92	-	-	-	(92)	-
Total other comprehensive income	-	(1,008)	-	-	-	(92)	(1,100)
Total comprehensive income for the year	-	(1,008)	-	-	-	4,223	3,215
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Share options exercised	424	-	-	-	-	-	424
Purchase of treasury shares	-	-	-	-	(151)	-	(151)
Treasury shares re-issued	-	-	-	(1,945)	1,286	659	-
One-tier tax-exempt 2017 final dividend paid of 0.90 cents per share	-	-	-	-	-	(2,394)	(2,394)
One-tier tax-exempt interim dividend paid of 0.75 cents per share	-	-	-	-	-	(1,995)	(1,995)
One-tier tax-exempt interim dividend paid of 0.75 cents per share	-	-	-	-	-	(1,998)	(1,998)
One-tier tax-exempt interim dividend paid of 0.75 cents per share	-	-	-	-	-	(1,999)	(1,999)
Equity-settled share-based payment transactions	-	-	-	2,057	-	-	2,057
Total contributions by and distribution to owners	424	-	-	112	1,135	(7,727)	(6,056)
Total transactions with owners	424	-	-	112	1,135	(7,727)	(6,056)
At 31 December 2018	65,969	(1,442)	1,564	2,957	(1,404)	16,615	84,259

FVOCI denotes fair value through other comprehensive income.

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	
At 1 January 2017, as previously stated	64,147	12	1,496	2,250	(2,531)	14,814	80,188
Effect of adoption of SFRS(I) 9		(353)				353	-
At 1 January 2017, as restated	64,147	(341)	1,496	2,250	(2,531)	15,167	80,188
Total comprehensive income for the year							
Profit for the year	-	-	-	-	-	11,158	11,158
Other comprehensive income							
Net change in fair value of financial assets at FVOCI	-	795	-	-	-	-	795
Net change in fair value of financial assets at FVOCI reclassified to profit or loss	-	200	-	-	-	-	200
Net change in fair value of financial assets at FVOCI transferred between reserves	-	(1,088)	-	-	-	1,088	-
Total other comprehensive income	-	(93)	-	-	-	1,088	995
Total comprehensive income for the year	-	(93)	-	-	-	12,246	12,153
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Share options exercised	1,398	-	-	-	-	-	1,398
Purchase of treasury shares	-	-	-	-	(548)	-	(548)
Treasury shares re-issued	-	-	-	(785)	540	245	-
One-tier tax-exempt 2016 final dividend paid of 0.75 cents per share	-	-	-	-	-	(1,970)	(1,970)
One-tier tax-exempt interim dividend paid of 0.68 cents per share	-	-	-	-	-	(1,789)	(1,789)
One-tier tax-exempt interim dividend paid of 0.68 cents per share	-	-	-	-	-	(1,795)	(1,795)
One-tier tax-exempt interim dividend paid of 0.75 cents per share	-	-	-	-	-	(1,985)	(1,985)
Equity-settled share-based payment transactions	-	-	68	1,380	-	-	1,448
Total contributions by and distribution to owners	1,398	-	68	595	(8)	(7,294)	(5,241)
Total transactions with owners	1,398	-	68	595	(8)	(7,294)	(5,241)
At 31 December 2017	65,545	(434)	1,564	2,845	(2,539)	20,119	87,100

FVOCI denotes fair value through other comprehensive income.

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, 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 31 December 2018 excluding treasury shares and subsidiary holdings was 266,776,679 ordinary shares (30 September 2018: 266,512,579 ordinary shares). The movements in the Company's share capital during the fourth quarter ended 31 December 2018 were as follows:

	Number of ordinary shares
As at 30 September 2018	266,512,579
Exercise of share options	264,100
Vesting of performance shares	-
Purchase of treasury shares	-
As at 31 December 2018	<u><u>266,776,679</u></u>

Share Option Schemes 2003 and 2013 ("iFAST SOS")

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

	Number of share options
As at 30 September 2018	4,117,040
Share options granted	-
Exercised	(264,100)
Forfeited	-
As at 31 December 2018	<u><u>3,852,940</u></u>

As at 31 December 2018, the number of outstanding share options under the iFAST SOS was 3,852,940 (31 December 2017: 4,668,601).

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 30 September 2018	6,445,200
Performance shares granted but not vested	-
Vested	-
Forfeited	(50,900)
As at 31 December 2018	<u>6,394,300</u>

As at 31 December 2018, the number of outstanding performance shares granted but not vested under the iFAST PSP was 6,394,300 (31 December 2017: 4,167,800).

Treasury shares and subsidiary holdings

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

	Number of treasury shares
As at 30 September 2018	1,580,800
Purchased by way of on-market acquisition	-
Purchased by way of off-market acquisition	-
Re-issued	-
As at 31 December 2018	<u>1,580,800</u>

As at 31 December 2018, 1,580,800 (31 December 2017: 2,869,200) treasury shares were held by the Company that may be re-issued upon the exercise of share options under the iFAST SOS and upon the vesting of performance shares under the iFAST PSP.

As at 31 December 2018, the treasury shares held by the Company represented 0.6% (31 December 2017: 1.1%) of the total number of issued shares excluding treasury shares.

The Company has no subsidiary holdings as at 31 December 2018 and 31 December 2017.

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 31-Dec-18	As at 31-Dec-17
Total number of issued shares excluding treasury shares	<u>266,776,679</u>	<u>264,672,618</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.

There were no sales, transfer, cancellation and/or use of treasury shares during the fourth quarter ended 31 December 2018.

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 31 December 2018.

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.

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 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 a new financial reporting framework, Singapore Financial Reporting Standards (International) ("SFRS(I)s") on 1 January 2018 and have prepared the set of financial information under SFRS(I)s for the fourth quarter and full year ended 31 December 2018.

In adopting SFRS(I)s, the Group is required to apply all of the specific transition requirements in SFRS(I) 1 First-time Adoption of Singapore Financial Reporting Standards (International). The Group's opening statement of financial position under SFRS(I)s has been prepared as at 1 January 2017, which is the Group's date of transition to SFRS(I)s.

Except for SFRS(I) 9 Financial Instruments, the adoption of the SFRS(I)s, amendments and interpretations of SFRS(I)s is assessed to have no material impact to the results and financial position of the Group and of the Company for the year ended 31 December 2018.

Besides the statements of changes in equity for the Group and for the Company from page 8 to page 11 showing details on the quantum of the adjustments made in relation to SFRS(I) 9, the following comparative figures that have been restated with significant impact arising from the adoption of SFRS(I) 9 are summarised below:

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

Global markets continued to be weakening in the fourth quarter ended 31 December 2018 ("4Q18"), due to rising US central bank interest rates, weaker Chinese growth and the ongoing trade conflict between the US and China. The Group reported revenue of \$27.99 million in 4Q18, which was 0.7% lower than the fourth quarter last year ("4Q17"). However, the Group's revenue of \$121.24 million for the financial year ended 31 December 2018 ("FY18") was still 19.8% higher than last year ("FY17").

The year-on-year ("YoY") increase in FY18 was bolstered by the growth in the Group's business and Asset Under Administration ("AUA") for both Business-to-Customer ("B2C") and Business-to-Business ("B2B") business divisions in the year. The Group's AUA grew 6.2% YoY to \$8.05 billion as at 31 December 2018.

Breaking down by geographical segment, Singapore operation is still the major contributor of the Group's revenue. The revenue in Singapore operation dropped 7.2% YoY in 4Q18, due mainly to a decrease in subscription of unit trust ("UT") investments from clients during the period. However, the revenue in Singapore operation still grew 12.3% YoY in FY18, which was mainly contributed by increases in investment trading volumes in exchange-traded funds ("ETFs") and stocks in the year. Following the improvements and progress made in beefing up its overall capabilities as a Wealth Management Fintech Platform with the introduction of more competitive pricing structure, the platform has been raising more awareness among investors in the market in the year. Recently, Singapore operation received the "Fastest Growing SGX-ST Member 2018" award at the SGX Annual Awards Night 2019. The AUA of Singapore operation still grew 4.2% YoY as at 31 December 2018, despite the volatile global market conditions and poor investors' sentiment in recent quarters.

In Hong Kong, following the launch of the US stock trading capabilities on both the FSMOne.com and B2B platforms in 3Q18, the investment trading volume in ETFs continued to increase 38.9% quarter-on-quarter ("QoQ") in 4Q18, despite poorer investors' sentiment in equity markets in the quarter. The continued rise in bond yields in the market in recent quarters contributed to a 57.8% YoY increase in clients' investment subscription in bonds in FY18. The revenue in Hong Kong operation grew 7.1% YoY in 4Q18 and 37.7% YoY in FY18. The AUA of Hong Kong operation grew 9.8% YoY as at 31 December 2018.

In Malaysia, although the growth of the unit trust business slowed down slightly due to poor investors' sentiment in equity markets in recent quarters, the business in bonds, which launched in early 2017, grew significantly in FY18. The investment trading volume in bonds increased 150.0% QoQ in 4Q18. In addition, the iFAST Fintech solutions division launched in 1Q18 continued to contribute positively to increases in both revenue and net revenue in 4Q18. The revenue in Malaysia operation grew 35.7% YoY in 4Q18 and 41.7% YoY in FY18. The AUA of Malaysia operation grew 12.5% YoY as at 31 December 2018.

In China, the combined effects of weak performance in the China equity market, resulting from the ongoing trade conflict between the US and China and a clampdown on lending from the shadow banking sector, led to a deterioration in market sentiment and an increase in clients' redemption of investments in 4Q18. The revenue in China operation grew 12.3% YoY in 4Q18

and 44.6% YoY in FY18. The AUA of China operation grew slowly 6.7% YoY as at 31 December 2018.

	4Q18 \$'000	Group 4Q17 \$'000	Change %	FY18 \$'000	Group FY17 \$'000	Change %
Singapore	18,316	19,733	(7.2)	81,531	72,572	12.3
Hong Kong	6,580	6,144	7.1	28,487	20,682	37.7
Malaysia	2,936	2,163	35.7	10,479	7,397	41.7
	27,832	28,040	(0.7)	120,497	100,651	19.7
China	155	138	12.3	746	516	44.6
Total revenue	27,987	28,178	(0.7)	121,243	101,167	19.8

Commission and fee paid or payable to third party financial advisers

Commission and fee paid or payable to third party financial advisers decreased by 11.5% from \$14.87 million in 4Q17 to \$13.17 million in 4Q18, due mainly to a decrease in subscription of UT investments from Business-to-Business (“B2B”) business in the quarter. However, commission and fee paid or payable to third party financial advisers increased by 19.1% from \$51.72 million in FY17 to \$61.62 million in FY18, due mainly to the increase in overall revenue from B2B business in the whole year.

Net revenue

Net revenue represents revenue earned by the Group after commission and fee paid or payable to third party financial advisers. The net revenue of \$14.82 million for 4Q18 was 11.4% higher than 4Q17, and the net revenue of \$59.62 million for FY18 was 20.6% higher than FY17.

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. For 4Q18, 80.6% of net revenue is derived from recurring net revenue and 19.4% is from non-recurring net revenue. For FY18, 81.0% of net revenue is derived from recurring net revenue and 19.0% is from non-recurring net revenue.

	4Q18 \$'000	Group 4Q17 \$'000	Change %	FY18 \$'000	Group FY17 \$'000	Change %
Recurring net revenue	11,942	10,977	8.8	48,319	40,947	18.0
Non-recurring net revenue	2,879	2,327	23.7	11,301	8,498	33.0
Total net revenue	14,821	13,304	11.4	59,620	49,445	20.6

Recurring net revenue is usually calculated based on a percentage of average AUA of investment products distributed on the Group’s platforms, which mainly comprises trailer fees, platform fees, wrap fees and net interest income arising from clients’ AUA. The YoY increases in recurring net revenue in 4Q18 and FY18 were due mainly to an increase in average AUA for both B2B business and B2C business in the period or year, which benefited from new inflows of investments from customers in the year. The average AUA of the Group grew 12.0% YoY to \$8.12 billion in 4Q18 and 20.0% YoY to \$8.11 billion in FY18.

Non-recurring revenue mainly comprises commission income derived from investment subscription via front-end load commissions or processing fees; service fees arising from the provision of currency conversion administration services to customers and the provision of administration services to FA firms; advertising fees earned from advertisements placed by third parties on iFAST websites and mobile applications; and IT solution fees for provision of IT Fintech solutions to business partners. The increases in non-recurring net revenue in the period or year were due mainly to increases in commission income as a result of increased customers’ trading volumes in bonds, ETFs and stocks and Fintech solutions IT fees earned from provision of IT Fintech solutions to some FA firms and institutional clients in the period or year.

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

	Group			Group		
	4Q18 \$'000	4Q17 \$'000	Change %	FY18 \$'000	FY17 \$'000	Change %
Singapore	9,366	9,287	0.9	39,298	34,765	13.0
Hong Kong	3,600	2,884	24.8	14,257	10,781	32.2
Malaysia	1,700	995	70.9	5,319	3,468	53.4
	14,666	13,166	11.4	58,874	49,014	20.1
China	155	138	12.3	746	431	73.1
Total net revenue	14,821	13,304	11.4	59,620	49,445	20.6

Other income

Other income increased by \$0.07 million or 38.9% from \$0.19 million in 4Q17 to \$0.26 million in 4Q18 and \$0.08 million or 7.8% from \$1.08 million in FY17 to \$1.16 million in FY18, due mainly to higher investment income earned from investment in financial assets in 4Q18.

Operating expenses

Excluding China operation, the Group's operating expenses increased by \$1.17 million or 11.1% from \$10.51 million in 4Q17 to \$11.68 million in 4Q18 and \$6.81 million or 18.2% from \$37.31 million in FY17 to \$44.12 million in FY18. The increase was mainly due to the Group's increased efforts in enhancing its platform capabilities including improving the range of investment products and services being provided to customers in the existing markets in the period or year. Singapore operation has leased additional office space from July 2017 to support its business expansion.

For our China operation, although the operating expenses increased by \$0.78 million or 16.1% from \$4.88 million in FY17 to \$5.66 million in FY18, the operating expenses remained flat in 4Q18 compared to 4Q17. The increase was due mainly to our increasing efforts in building our brand and business in the China market over the year.

Overall, the Group's total operating expenses increased by \$1.16 million or 9.8% from \$11.86 million in 4Q17 to \$13.02 million in 4Q18 and \$7.59 million or 18.0% from \$42.19 million in FY17 to \$49.78 million in FY18. The following table shows the breakdown of the Group's operating expenses by its existing markets and China market.

	Group			Group		
	4Q18 \$'000	4Q17 \$'000	Change %	FY18 \$'000	FY17 \$'000	Change %
Operating expenses (excluding China operation)	11,677	10,510	11.1	44,119	37,314	18.2
Operating expenses in China operation	1,345	1,348	(0.2)	5,660	4,875	16.1
Total operating expenses	13,022	11,858	9.8	49,779	42,189	18.0

Depreciation of plant and equipment increased by \$0.07 million or 18.5% from \$0.37 million in 4Q17 to \$0.44 million in 4Q18 and \$0.30 million or 22.0% from \$1.37 million in FY17 to \$1.67 million in FY18. Amortisation of intangible assets increased by \$0.23 million or 26.0% from \$0.90 million in 4Q17 to \$1.13 million in 4Q18 and \$1.04 million or 36.3% from \$2.88 million in FY17 to \$3.92 million in FY18. These were due mainly to additions of plant and equipment and intangible assets (including internally-developed IT software assets) over the year, to support business expansion in the markets that the Group operates in and to continuously strengthen the Fintech capabilities of our investment platforms.

Staff costs increased by \$1.06 million or 17.6% from \$6.03 million in 4Q17 to \$7.09 million in 4Q18 and \$5.35 million or 25.4% from \$21.09 million in FY17 to \$26.44 million in FY18, due mainly to the annual and semi-annual salary increment adjustments in the year, the increased number of staff over the year, the increased equity-settled share-based payment transactions resulting from another batches of performance shares granted in March 2018 and May 2018, and higher staff bonus in line with improved business performance accrued in FY18.

Other operating expenses decreased by \$0.20 million or 4.3% from \$4.56 million in 4Q17 to \$4.36 million in 4Q18, due mainly to higher impairment loss in investment in financial assets recognised in 4Q17. However, other operating expenses increased by \$0.89 million or 5.3% from \$16.86 million in FY17 to \$17.75 million in FY18, due mainly to an increase in office rental arising from lease of additional office space in Singapore from July 2017 and increases in advertising, IT service and maintenance, bank charges and brokerage costs to support the growth of the Group's business in the year, which was partially offset by positive foreign exchange movements, compared to last year, arising from cash and cash equivalents and investments in financial assets reported in FY18.

Net finance income

Finance income increased by \$0.07 million or 37.7% from \$0.20 million in 4Q17 to \$0.27 million in 4Q18 and \$0.26 million or 35.5% from \$0.74 million in FY17 to \$1.00 million in FY18. These were due mainly to higher interest income from bank deposits in the period or year, partially offset by lower interest income from investment in financial assets arising from redemptions of some bond investments at FVOCI over the year.

Finance costs mainly comprise interest expense on bank loans amounting to \$0.15 million in 4Q18 and \$0.18 million in FY18. The bank loans taken up in FY18 were for the financing of the initial capital for the virtual banking business that the Group was pursuing in Hong Kong.

Overall, net finance income decreased by \$0.08 million or 39.2% from \$0.20 million in 4Q17 to \$0.12 million in 4Q18, but still increased by \$0.09 million or 12.2% from \$0.74 million in FY17 to \$0.83 million in FY18.

Share of results of associates, net of tax

The Group's share of results after tax of associates in FY18 comprised share of results of associates, namely Providend Holding Pte Ltd ("Providend") and iFAST India Holdings Pte Ltd in the year. 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 26.84 billion (equivalent to \$524 million) as at 31 December 2018, growing at a 5-year compound annual growth rate ("CAGR") of approximately 46.3%.

The share of profit after tax of associates amounted to \$0.63 million in 4Q18 and \$0.52 million in FY18, whilst the share of loss after tax of associates amounted to \$0.02 million in 4Q17 and \$0.33 million in FY17. These were due mainly to derecognition of a loss-making associate in June 2017 and the Group's share of a one-off gain in Providend amounting to \$0.74 million, which resulted from a sale of Providend's online insurance platform to a joint venture entity between Providend and NTUC Enterprise Co-operative Ltd in 4Q18.

Profit for the period / year, after non-controlling interests

The following table shows the breakdown of the Group's profit before tax by geographical segments and the breakdown of the Group's net profit after tax by its existing markets.

	4Q18 \$'000	Group 4Q17 \$'000	Change %	FY18 \$'000	Group FY17 \$'000	Change %
		Restated			Restated	
Singapore	2,194	2,189 ⁽³⁾	0.2	11,862	10,621 ⁽³⁾	11.7
Hong Kong	773	532 ⁽⁴⁾	45.3	3,420	1,766 ⁽⁴⁾	93.7
Malaysia	386	306	26.1	1,370	1,067	28.4
Other ⁽¹⁾	627	(19)	NM	517	(326)	NM
Profit before tax (excluding China operation)	3,980	3,008	32.3	17,169	13,128	30.8
Tax expense	(239)	(75)	218.7	(1,660)	(1,255)	32.3
Net profit after tax (excluding China operation)	3,741	2,933	27.5	15,509	11,873	30.6
China operation ⁽²⁾	(1,117)	(1,136)	(1.7)	(4,595)	(4,173)	10.1
Net profit after tax (including China operation)	2,624	1,797	46.0	10,914	7,700	41.7

Notes:

(1) Referring to share of results of associates.

(2) No income tax expense recognised in China operation as at the reporting date yet.

(3) The profit before tax of Singapore operation for 4Q17 has been reduced by approximately \$682,000 to \$2,189,000 and the profit before tax of Singapore operation for FY17 has been reduced by approximately \$1,286,000 to \$10,621,000, as a result of adopti

(4) The profit before tax of Hong Kong operation for 4Q17 has been reduced by approximately \$27,000 to \$532,000 and the profit before tax of Hong Kong operation for FY17 has been reduced by approximately \$52,000 to \$1,766,000 as a result of adoption of SF NM denotes not meaningful.

Overall, excluding China operation, the Group's profit before tax increased by \$0.97 million or 32.3% from \$3.01 million in 4Q17 to \$3.98 million in 4Q18 and \$4.04 million or 30.8% from \$13.13 million in FY17 to \$17.17 million in FY18, due mainly to contributions of higher profitability from Singapore, Hong Kong and Malaysia operations in the period or year.

Tax expense increased by \$0.16 million from \$0.08 million in 4Q17 to \$0.24 million in 4Q18 and \$0.40 million from \$1.26 million in FY17 to \$1.66 million in FY18, due mainly to an increase in taxable income from Singapore operation in the year, partially offset by some deferred tax assets recognised by Hong Kong and Malaysia operations for some unused tax losses at 31 December 2018.

China operation is continuing to build iFAST brand and business in this new market. Resulting from negative market sentiment in the China market in recent quarters, the loss from China operation increased by 10.1% YoY to \$4.60 million in FY18, although the loss from China operation kept flat in 4Q18 compared to the same quarter last year.

Including China operation and tax expense, the Group's net profit after tax increased by \$0.82 million or 46.0% from \$1.80 million in 4Q17 to \$2.62 million in 4Q18 and \$3.21 million or 41.7% from \$7.70 million in FY17 to \$10.91 million in FY18.

Statement of Financial Position

The shareholders' equity of the Group increased to \$85.56 million as at 31 December 2018 from \$81.24 million as at 31 December 2017. This was due mainly to contribution of net profit generated in FY18, and partially offset by payments of dividends and a decrease in fair value of some financial assets at FVOCI in the year.

The Group's cash position (including cash at bank and in hand, money market fund and investments in financial assets categorised as other investments under current assets and excluding bank loans) decreased to \$48.06 million as at 31 December 2018 from \$55.91 million as at 31 December 2017. This was due mainly to settlement of payments of securities

investments and intangible assets acquired at 31 December 2017 in 1Q18, payments of additions of plant and equipment and intangible assets in FY18 and payments of dividends in the year, partially offset by higher net cash generated from operating activities in FY18.

Current assets increased to \$127.65 million as at 31 December 2018 from \$94.45 million as at 31 December 2017. This was due mainly to an increase in trade and other receivables in line with the increase in revenue in the year and increases in uncompleted contracts on securities dealing and cash and cash equivalents at end of the year.

Non-current assets increased to \$30.33 million as at 31 December 2018 from \$22.28 million as at 31 December 2017. The increase was due mainly to additions of plant and equipment and intangible assets (including internally-developed IT software assets) and additional investments in existing associates in the year, and an increase in strategic investment of minority stake in an institutional business partner in China in 3Q18.

Total liabilities increased to \$72.63 million as at 31 December 2018 from \$35.48 million as at 31 December 2017. This was due mainly to increases in tax payables and uncompleted contracts on securities dealing at end of the year and drawdown of bank loans in the recent quarters, partially offset by a decrease in trade and other payables arising from settlement of payments of securities investments acquired at 31 December 2017 in 1Q18.

Consolidated Statement of Cash Flows

Net cash from operating activities decreased from \$5.13 million in 4Q17 to \$3.61 million in 4Q18. This was due mainly to some favourable changes in working capital at end of 4Q17, partially offset by higher operating profit generated in 4Q18. Net cash from operating activities increased from \$13.22 million in FY17 to \$17.62 million in FY18, due mainly to higher operating profit generated in the year.

Net cash used in investing activities was \$5.48 million in 4Q18 compared to net cash of \$4.22 million from investing activities in 4Q17, and net cash used in investing activities was \$18.96 million in FY18 compared to net cash of \$5.18 million from investing activities in FY17. These were due mainly to higher purchase of securities investments in 4Q18 and FY18 compared to higher redemption of securities investments in 4Q17 and FY17, and higher additions of plant and equipment and intangible assets (including internally-developed IT software assets) in the year.

Net cash from financing activities was \$25.50 million in 4Q18 compared to net cash of \$1.64 million used in financing activities in 4Q17, and net cash from financing activities was \$29.14 million in FY18 compared to net cash of \$6.62 million used in financing activities in FY17. These were due mainly to drawdown of bank loans in 3Q18 and 4Q18 for the financing of the initial capital for the virtual banking business that the Group was pursuing in Hong Kong.

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 revenue and profitability grew healthily in 2018 as a result of the progress made in our overall business during the year. Net revenue increased 20.6% YoY to \$59.62 million while net profit rose 41.7% YoY to \$10.91 million. Excluding China, the Group's net profit was \$15.51 million, an increase of 30.6% YoY.

The average Assets Under Administration ("AUA") of the Group grew 20.0% YoY in the whole year of 2018. However as at 31 December 2018, the Group's AUA increased only 6.2% YoY to \$8.05 billion due to a sharp sell-down of global financial markets in 4Q2018.

In recent times, the sources of the Group's net revenue have broadened. In 2018, contributions from net interest income arising from clients' AUA and Fintech Solutions IT fees have become more important.

iFAST Corporation had previously announced that iFAST Hong Kong operation ("iFAST HK") has put in an application to Hong Kong Monetary Authority ("HKMA") for a Virtual Banking licence in Hong Kong. We have recently been notified by HKMA that iFAST HK is not among the first batch of shortlisted companies to progress into the next phase of applications. However, the Group will still continue to pursue the licence application.

In 2019, our key focus will be on scaling up our businesses in the markets that we are already in. This builds on the substantial progress we have made in the last few years on strengthening our position as a leading wealth management Fintech platform.

We continue to work on improving and broadening the iFAST Fintech Ecosystem. This includes stepping up our efforts to offer a broader range of Fintech Solutions to our B2B partners, including helping to empower them with B2C Fintech capabilities.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Name of dividend	Final
Dividend type	Cash
Dividend rate	0.90 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	Final
Dividend type	Cash
Dividend rate	0.90 cents per ordinary share
Tax rate	One-tier tax exempt

(c) Date payable

The proposed final dividend will be paid on 9 May 2019 subject to shareholders' approval at the forthcoming Annual General Meeting to be held on 16 April 2019.

(d) Books closure date

The Register of Members and Share Transfer Books of the Company will be closed on 26 April 2019 for the purpose of determining members' entitlements to the proposed final dividend. Accordingly, registrable transfers received by the Company's Share Registrar, Tricor Barbinder Share Registration Services (a business division of Tricor Singapore Pte Ltd) at 80 Robinson Road, #02-00 Singapore 068898, up to 5.00 pm on 25 April 2019 will be registered to determine members' entitlement to the proposed final dividend. Members whose securities accounts with The Central Depository (Pte) Limited are credited with ordinary shares in the capital of the Company as at 5.00 p.m. on 25 April 2019 will be entitled to the proposed final 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 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).

15. 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 31 December 2018.

	Allocation of IPO proceeds	Amount reallocated on 26 October 2018	IPO proceeds utilised as at 31 December 2018	Balance of IPO proceeds
Use of net proceeds	\$' million	\$' million	\$' million	\$' million
Mergers and acquisitions strategy	27.2	19.2	11.3	7.9
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	11.6	4.4
Working capital purposes	5.8	5.8	5.8 ⁽²⁾	-
Net Proceeds	48.0 ⁽¹⁾	48.0	35.7	12.3

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 \$12.3 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.

16. Segmented revenue and results for business segments or geographical segments (of the group) in the form presented in the issuers' most recent audited financial statements, with comparative information for the immediately preceding year.

Geographical segments	Singapore \$'000	Hong Kong \$'000	Malaysia \$'000	China \$'000	Total \$'000
FY18					
Revenue and expenses					
Revenue from external customers	81,531	28,487	10,479	746	121,243
Inter-segment revenue	1,698	41	2,131	54	3,924
Total revenue	83,229	28,528	12,610	800	125,167
Finance income	756	76	130	41	1,003
Depreciation of plant and equipment	(760)	(338)	(247)	(325)	(1,670)
Amortisation of intangible assets	(3,594)	(130)	(45)	(150)	(3,919)
Reportable segment profit / (loss) before tax	11,862	3,420	1,370	(4,820)	11,832
Share of results of associates	517	-	-	-	517
Assets and liabilities					
Reportable segment assets	74,110	69,086	5,611	6,224	155,031
Equity-accounted associates	2,951	-	-	-	2,951
Capital expenditure	8,224	2,175	299	29	10,727
Reportable segment liabilities	60,608	8,823	2,682	514	72,627
FY17					
Revenue and expenses					
Revenue from external customers	72,572	20,682	7,397	516	101,167
Inter-segment revenue	784	58	1,929	38	2,809
Total revenue	73,356	20,740	9,326	554	103,976
Finance income	591	9	120	20	740
Depreciation of plant and equipment	(657)	(172)	(146)	(394)	(1,369)
Amortisation of intangible assets	(2,502)	(126)	(36)	(211)	(2,875)
Reportable segment profit / (loss) before tax, restated	10,621	1,766	1,067	(4,381)	9,073
Share of results of associates	(326)	-	-	-	(326)
Assets and liabilities					
Reportable segment assets	82,928	21,546	5,080	5,564	115,118
Equity-accounted associate	1,616	-	-	-	1,616
Capital expenditure	6,640	138	285	403	7,466
Reportable segment liabilities	24,324	9,251	1,613	293	35,481

17. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to Paragraph 8 for analysis by geographical segment.

18. A breakdown of sales.

	FY18 \$'000	Group FY17 \$'000 Restated	Change %
Revenue reported for first half year	61,880	46,755	32.3
Net revenue reported for first half year	29,334	23,121	26.9
Profit after tax before deducting non-controlling interests reported for first half year	5,578	3,792	47.1
Revenue reported for second half year	59,363	54,412	9.1
Net revenue reported for second half year	30,286	26,324	15.1
Profit after tax before deducting non-controlling interests reported for second half year	5,111	3,700	38.1

19. A breakdown of total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

	FY18 \$'000	FY17 \$'000
Ordinary dividend	8,393 *	7,963

* Including the proposed final dividend for FY18 which is estimated based on total issued ordinary shares (excluding treasury shares) of 266,776,679 at the end of the financial year.

20. **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Lim Wee Kiong	46	Brother of Lim Wee Kian, a director of the Company	<p>He was General Manager of Platform Services Singapore since 2006 and promoted to Managing Director of Platform Services Singapore on 17 Feb 2016, and has been appointed as a Director of iFAST Financial Pte Ltd, a subsidiary of the Company, from 22 March 2016.</p> <p>Being responsible for platform services of the Group's Singapore operation as well as overseeing the overall performance of the whole Singapore operation.</p>	Nil

BY ORDER OF THE BOARD

**Leung Fung Yat, David
Chief Financial Officer
20 February 2019**