

The logo for iFAST, featuring the word "iFAST" in a bold, white, 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 Second Quarter and Half Year 2015 Financial Statements Announcement

The initial public offering of shares and listing of iFAST Corporation Ltd. on the Main Board of the Singapore Exchange Securities Trading Limited was jointly sponsored by DBS Bank Ltd. and RHB Securities Singapore Pte. Ltd. (formerly known as DMG & Partners Securities Pte Ltd as joint issue managers, bookrunners and underwriters (“Joint Issue Managers, Bookrunners and Underwriters”). The Joint Issue Managers, Bookrunners and Underwriters assume no responsibility for the contents of this announcement.

Second Quarter 2015 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 second quarter and half year ended 30 June 2015

	2Q15 \$'000	Group 2Q14 \$'000	Change %	1H15 \$'000	Group 1H14 \$'000	Change %
Revenue	23,182	19,018	21.9	44,067	36,525	20.6
Commission and fee paid or payable to third party financial advisers	(11,801)	(9,984)	18.2	(22,829)	(19,149)	19.2
	11,381	9,034	26.0	21,238	17,376	22.2
Other operating income	336	96	250.0	817	176	364.2
Depreciation of plant and equipment	(232)	(192)	20.8	(448)	(374)	19.8
Amortisation of intangible assets	(85)	(47)	80.9	(147)	(95)	54.7
Staff costs	(4,571)	(3,622)	26.2	(8,518)	(7,043)	20.9
Other operating expenses	(3,424)	(2,473)	38.5	(6,380)	(5,057)	26.2
Results from operating activities	3,405	2,796	21.8	6,562	4,983	31.7
Finance income	211	29	627.6	293	48	510.4
Net finance income	211	29	627.6	293	48	510.4
Share of result of associate, net of tax	(8)	-	NM	(26)	-	NM
Profit before tax	3,608	2,825	27.7	6,829	5,031	35.7
Tax expense	(324)	(202)	60.4	(537)	(415)	29.4
Profit for the period	3,284	2,623	25.2	6,292	4,616	36.3
Profit attributable to:						
Owners of the Company	3,284	2,636	24.6	6,292	4,654	35.2
Non-controlling interests	-	(13)	(100.0)	-	(38)	(100.0)
Profit for the period	3,284	2,623	25.2	6,292	4,616	36.3

NM denotes not meaningful.

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 second quarter and half year ended 30 June 2015

	2Q15	Group 2Q14	Change	1H15	Group 1H14	Change
	\$'000	\$'000	%	\$'000	\$'000	%
Profit for the period	3,284	2,623	25.2	6,292	4,616	36.3
Other comprehensive income						
Items that are or may be reclassified subsequently to profit or loss:						
Net change in fair value of available-for-sale financial assets	(228)	50	(556.0)	178	76	134.2
Net change in fair value of available-for-sale financial assets reclassified to profit or loss	(109)	(88)	23.9	(220)	(88)	150.0
Foreign currency translation differences for foreign operations	(265)	(14)	1,792.9	(73)	(28)	160.7
Other comprehensive income for the period, net of income tax	(602)	(52)	1,057.7	(115)	(40)	187.5
Total comprehensive income for the period	2,682	2,571	4.3	6,177	4,576	35.0
Attributable to:						
Owners of the Company	2,682	2,579	4.0	6,177	4,609	34.0
Non-controlling interests	-	(8)	(100.0)	-	(33)	(100.0)
Total comprehensive income for the period	2,682	2,571	4.3	6,177	4,576	35.0

NM denotes not meaningful.

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

	Group			Group		
	2Q15	2Q14	Change	1H15	1H14	Change
	\$'000	\$'000	%	\$'000	\$'000	%
<u>Profit for the period is arrived at after charging / (crediting) the following:</u>						
Other operating income						
- Investment income	(299)	(91)	228.6	(656)	(98)	569.4
- Government grant	-	-	NM	(99)	(68)	45.6
- Miscellaneous income	(37)	(5)	640.0	(62)	(10)	520.0
	(336)	(96)	250.0	(817)	(176)	364.2
Interest income						
- from cash and cash equivalents	(85)	(26)	226.9	(132)	(42)	214.3
- from loan and receivables	-	(3)	(100.0)	-	(6)	(100.0)
- from available-for-sale financial assets	(126)	-	NM	(161)	-	NM
	(211)	(29)	627.6	(293)	(48)	510.4
Operating lease expense	1,305	996	31.0	2,589	2,015	28.5
Reversal of impairment losses on trade receivables, net	-	(5)	(100.0)	-	-	NM
Bad debt written off	-	35	(100.0)	-	35	(100.0)
Unrealised exchange loss, net	108	24	350.0	71	29	144.8
Equity-settled share-based payment transactions, included in staff costs	372	95	291.6	556	142	291.5
Gain on disposal of plant and equipment	-	-	NM	(1)	-	NM

NM denotes not meaningful.

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 As at		Company As at	
	30-Jun-15 \$'000	31-Dec-14 \$'000	30-Jun-15 \$'000	31-Dec-14 \$'000
Assets				
Plant and equipment	1,787	1,857	79	52
Intangible assets	3,108	1,792	2,393	1,214
Subsidiaries	-	-	43,547	39,850
Associate	360	386	400	400
Deferred tax assets	16	22	-	-
Club membership	11	11	11	11
Total non-current assets	5,282	4,068	46,430	41,527
Current tax receivable	45	29	-	-
Other investments	37,053	22,024	37,053	22,024
Trade and other receivables	19,685	18,856	602	1,127
Prepayments	840	728	150	71
Cash at bank and in hand	23,162	33,744	5,102	19,823
Money market funds	1,410	1,644	-	-
Total current assets	82,195	77,025	42,907	43,045
Held under trust				
Client bank accounts	111,839	101,867	-	-
Client ledger balances	(111,839)	(101,867)	-	-
	-	-	-	-
Total assets	87,477	81,093	89,337	84,572
Equity				
Share capital	61,546	58,342	61,546	58,342
Reserves	11,759	8,563	18,460	19,642
Equity attributable to owners of the Company	73,305	66,905	80,006	77,984
Non-controlling interests	-	-	-	-
Total equity	73,305	66,905	80,006	77,984
Liabilities				
Deferred tax liabilities	182	207	-	-
Other payables	-	118	-	-
Total non-current liabilities	182	325	-	-
Trade and other payables	13,217	13,555	9,331	6,588
Current tax payable	773	308	-	-
Total current liabilities	13,990	13,863	9,331	6,588
Total liabilities	14,172	14,188	9,331	6,588
Total equity and liabilities	87,477	81,093	89,337	84,572

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

Amount repayable in one year or less, or on demand

As at 30 Jun 2015		As at 31 Dec 2014	
\$'000		\$'000	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Amount repayable after one year

As at 30 Jun 2015		As at 31 Dec 2014	
\$'000		\$'000	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Details of any collateral

None.

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	
	2Q15 \$'000	2Q14 \$'000	1H15 \$'000	1H14 \$'000
Cash flows from operating activities				
Profit for the period	3,284	2,623	6,292	4,616
Adjustments for:				
Depreciation of plant and equipment	232	192	448	374
Amortisation of intangible assets	85	47	147	95
Reversal of impairment losses on trade receivables, net	-	(5)	-	-
Bad debts written off	-	35	-	35
Equity-settled share-based payment transactions	372	95	556	142
Dividend income on available-for-sale financial assets	(190)	(3)	(436)	(10)
Gain on redemption of available-for-sale financial assets	(109)	(88)	(220)	(88)
Share of result of associate, net of tax	8	-	26	-
Dividend income on investment in associate	(5)	-	(10)	-
Unrealised exchange loss, net	108	24	71	29
Gain on disposal of plant and equipment	-	-	(1)	-
Finance income	(211)	(29)	(293)	(48)
Tax expense	324	202	537	415
	3,898	3,093	7,117	5,560
Change in trade and other receivables	(1,711)	(558)	(638)	(239)
Change in trade and other payables	994	(690)	(352)	(1,423)
Cash generated from operations	3,181	1,845	6,127	3,898
Tax paid	(172)	(269)	(110)	(265)
Interest received	110	29	157	48
Interest paid	-	-	-	-
Net cash from operating activities	3,119	1,605	6,174	3,681
Cash flows from investing activities				
Purchase of plant and equipment	(313)	(252)	(394)	(366)
Purchase of intangible assets	(710)	(382)	(1,567)	(452)
Proceeds from disposal of plant and equipment	-	-	1	-
Purchase of available-for-sale financial assets	(9,202)	-	(33,447)	(3,000)
Proceeds from redemption of available-for-sale financial assets	11,628	3,003	18,987	3,003
Net cash from / (used in) investing activities	1,403	2,369	(16,420)	(815)
Cash flows from financing activities				
Proceeds from issue of shares, net	-	-	3,007	-
Proceeds from exercise of share options	100	143	197	171
Dividends paid to owners of the Company	(3,537)	(2,168)	(3,537)	(2,168)
Net cash used in financing activities	(3,437)	(2,025)	(333)	(1,997)
Net increase / (decrease) in cash and cash equivalents	1,085	1,949	(10,579)	869
Cash and cash equivalents at beginning of the period	23,750	15,621	35,388	16,719
Effect of exchange rate fluctuations on cash held	(263)	(13)	(237)	(31)
Cash and cash equivalents at end of the period	24,572	17,557	24,572	17,557

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 equity \$'000
	Share capital	Fair value reserve	Foreign currency translation reserve	Share option reserve	Performance share reserve	Equity reserve	Accumulated profits	Total	Non-controlling interests	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		
At 1 January 2015	58,342	24	(682)	916	-	(4,161)	12,466	66,905	-	66,905
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	6,292	6,292	-	6,292
Other comprehensive income										
Net change in fair value of available-for-sale financial assets	-	178	-	-	-	-	-	178	-	178
Net change in fair value of available-for-sale financial assets reclassified to profit or loss	-	(220)	-	-	-	-	-	(220)	-	(220)
Foreign currency translation differences for foreign operations	-	-	(73)	-	-	-	-	(73)	-	(73)
Total other comprehensive income	-	(42)	(73)	-	-	-	-	(115)	-	(115)
Total comprehensive income for the period	-	(42)	(73)	-	-	-	6,292	6,177	-	6,177
Transactions with owners, recorded directly in equity										
Contributions by and distributions to owners										
Share options exercised	197	-	-	-	-	-	-	197	-	197
Issue of ordinary shares	3,116	-	-	-	-	-	-	3,116	-	3,116
Share issuance expenses	(109)	-	-	-	-	-	-	(109)	-	(109)
One-tier tax-exempt 2014 final dividend paid of 0.68 cents per share	-	-	-	-	-	-	(1,768)	(1,768)	-	(1,768)
One-tier tax-exempt interim dividend paid of 0.68 cents per share	-	-	-	-	-	-	(1,769)	(1,769)	-	(1,769)
Equity-settled share-based payment transactions	-	-	-	205	351	-	-	556	-	556
Total contributions by and distribution to owners	3,204	-	-	205	351	-	(3,537)	223	-	223
Total transactions with owners	3,204	-	-	205	351	-	(3,537)	223	-	223
At 30 June 2015	61,546	(18)	(755)	1,121	351	(4,161)	15,221	73,305	-	73,305

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	Accumulated profits	Total	Non-controlling interests	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		
At 1 January 2014	10,670	35	(749)	559	-	(1,369)	14,820	23,966	658	24,624
Total comprehensive income for the period										
Profit / (Loss) for the period	-	-	-	-	-	-	4,654	4,654	(38)	4,616
Other comprehensive income										
Net change in fair value of available-for-sale financial assets	-	76	-	-	-	-	-	76	-	76
Net change in fair value of available-for-sale financial assets reclassified to profit or loss	-	(88)	-	-	-	-	-	(88)	-	(88)
Foreign currency translation differences for foreign operations	-	-	(33)	-	-	-	-	(33)	5	(28)
Total other comprehensive income	-	(12)	(33)	-	-	-	-	(45)	5	(40)
Total comprehensive income for the period	-	(12)	(33)	-	-	-	4,654	4,609	(33)	4,576
Transactions with owners, recorded directly in equity										
Contributions by and distributions to owners										
Share options exercised	171	-	-	-	-	-	-	171	-	171
One-tier tax-exempt 2013 final dividend paid of 3.9 cents per share ⁽¹⁾	-	-	-	-	-	-	(1,321)	(1,321)	-	(1,321)
One-tier tax-exempt interim dividend paid of 2.5 cents per share ⁽¹⁾	-	-	-	-	-	-	(847)	(847)	-	(847)
Equity-settled share-based payment transactions	-	-	-	142	-	-	-	142	-	142
Total contributions by and distribution to owners	171	-	-	142	-	-	(2,168)	(1,855)	-	(1,855)
Total transactions with owners	171	-	-	142	-	-	(2,168)	(1,855)	-	(1,855)
At 30 June 2014	10,841	23	(782)	701	-	(1,369)	17,306	26,720	625	27,345

Note:

(1) Before sub-division of every 1 ordinary share into 6 ordinary shares as completed by the Company on 20 November 2014.

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	Accumulated profits	Total equity
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
At 1 January 2015	58,342	24	916	-	18,702	77,984
Total comprehensive income for the period						
Profit for the period	-	-	-	-	1,841	1,841
Other comprehensive income						
Net change in fair value of available-for-sale financial assets	-	178	-	-	-	178
Net change in fair value of available-for-sale financial assets reclassified to profit or loss	-	(220)	-	-	-	(220)
Foreign currency translation differences for foreign operations	-	-	-	-	-	-
Total other comprehensive income	-	(42)	-	-	-	(42)
Total comprehensive income for the period	-	(42)	-	-	1,841	1,799
Transactions with owners, recorded directly in equity						
Contributions by and distributions to owners						
Share options exercised	197	-	-	-	-	197
Issue of ordinary shares	3,116	-	-	-	-	3,116
Share issuance expenses	(109)	-	-	-	-	(109)
One-tier tax-exempt 2014 final dividend paid of 0.68 cents per share	-	-	-	-	(1,768)	(1,768)
One-tier tax-exempt interim dividend paid of 0.68 cents per share	-	-	-	-	(1,769)	(1,769)
Equity-settled share-based payment transactions	-	-	205	351	-	556
Total contributions by and distribution to owners	3,204	-	205	351	(3,537)	223
Total transactions with owners	3,204	-	205	351	(3,537)	223
At 30 June 2015	61,546	(18)	1,121	351	17,006	80,006

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					
	<u>Attributable to owners of the Company</u>					
	Share capital	Fair value reserve	Share option reserve	Performance share reserve	Accumulated profits	Total equity
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
At 1 January 2014	10,670	35	559	-	16,996	28,260
Total comprehensive income for the period						
Profit for the period	-	-	-	-	9,394	9,394
Other comprehensive income						
Net change in fair value of available-for-sale financial assets	-	76	-	-	-	76
Net change in fair value of available-for-sale financial assets reclassified to profit or loss	-	(88)	-	-	-	(88)
Total other comprehensive income	-	(12)	-	-	-	(12)
Total comprehensive income for the period	-	(12)	-	-	9,394	9,382
Transactions with owners, recorded directly in equity						
Contributions by and distributions to owners						
Share options exercised	171	-	-	-	-	171
One-tier tax-exempt 2013 final dividend paid of 3.9 cents per share ⁽¹⁾	-	-	-	-	(1,321)	(1,321)
One-tier tax-exempt interim dividend paid of 2.5 cents per share ⁽¹⁾	-	-	-	-	(847)	(847)
Equity-settled share-based payment transactions	-	-	142	-	-	142
Total contributions by and distribution to owners	171	-	142	-	(2,168)	(1,855)
Total transactions with owners	171	-	142	-	(2,168)	(1,855)
At 30 June 2014	10,841	23	701	-	24,222	35,787

Note:

(1) Before sub-division of every 1 ordinary share into 6 ordinary shares as completed by the Company on 20 November 2014.

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 also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares 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.

The number of shares in issue in the Company as at 30 June 2015 was 260,164,801 ordinary shares (30 June 2014: 33,871,894 ordinary shares*). The movements in the Company's issued and fully paid-up share capital during the second quarter ended 30 June 2015 were as follows:

	Number of shares	Resultant issued and paid-up share capital (\$'000)
As at 1 April 2015	259,891,301	61,446
Exercise of share options	273,500	100
As at 30 June 2015	<u>260,164,801</u>	<u>61,546</u>

* Before subdivision of every 1 ordinary share into 6 ordinary shares as completed by the Company on 20 November 2014.

Share Option Scheme 2003 and 2013 ("Schemes")

Outstanding share options under the Schemes were as follows:

	Number of share options
As at 1 April 2015	12,532,897
Share options granted	-
Exercised	(273,500)
Forfeited	(45,001)
As at 30 June 2015	<u>12,214,396</u>

As at 30 June 2015, the number of outstanding share options under the Schemes was 12,214,396 (30 June 2014: 2,254,186[^])

[^] Before subdivision of every 1 share option into 6 share options in conjunction with subdivision of every 1 ordinary share into 6 ordinary shares on 20 November 2014

iFAST Corporation Performance Share Plan ("iFAST PSP")

On 1 May 2015, the Company granted the share awards pursuant to the iFAST PSP. The number of outstanding performance shares granted but not vested under iFAST PSP was as follows:

	Number of performance shares
As at 1 April 2015	1,942,300
Performance shares granted but not vested	70,500
Vested	-
Forfeited	(12,300)
As at 30 June 2015	<u>2,000,500</u>

As at 30 June 2015, the number of outstanding performance shares granted but not vested under the iFAST PSP was 2,000,500 (30 June 2014: Nil).

The Company did not hold any treasury shares as at 30 June 2015 and 30 June 2014.

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 30 June 2015	As at 31 Dec 2014
Total number of issued shares excluding treasury shares	<u>260,164,801</u>	<u>256,225,334</u>

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There were no sales, transfer, disposal, cancellation and/or use of treasury shares as at 30 June 2015 (30 June 2014: Nil).

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 the new and revised Singapore Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are effective for annual period beginning on 1 January 2015. The adoption of these FRSs and INT FRSs did not have any significant effect on the financial statements of the Group and the Company.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	2Q15	2Q14	1H15	1H14
(i) Based on weighted average number of ordinary shares on issue				
- Weighted average number of ordinary shares	260,112,134	203,231,364 *	259,951,462	203,034,594 *
Basic earnings per share (cents)	1.26	1.30	2.42	2.29
(ii) On a fully diluted basis of ordinary shares				
- Adjusted weighted average number of ordinary shares	269,897,596	206,688,268 *	269,829,476	206,601,143 *
Diluted earnings per share (cents)	1.22	1.28	2.33	2.25

* Adjusted for sub-division of every 1 ordinary share into 6 ordinary shares as completed by the Company on 20 November 2014. For comparative purpose, earnings and diluted earnings per ordinary share of the Group for the second quarter and half year ended 30 June 2015 have been computed based on number of issued shares for the period adjusted for the subdivision.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuers at the end of the (a) current financial period reported on and (b) immediately preceding financial year.

	Group		Company	
	30 June 2015	31 Dec 2014	30 June 2015	31 Dec 2014
Net asset value per ordinary share (cents)	28.18	26.11	30.75	30.44

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

The Group achieved revenue of \$23.18 million for the second quarter ended 30 June 2015 (2Q15), which was 21.9% higher than the second quarter last year (2Q14). Revenue of \$44.07 million for the financial period ended 30 June 2015 (1H15) was 20.6% higher than the same period last year (1H14).

Breaking down by geographical segment, Singapore operation is still the major contributor of the Group's revenue. In 2Q15, Singapore operation commenced the distribution of bonds and Exchange Traded Funds, in addition to unit trusts and Singapore Government Securities that it has been distributing. The unit trusts continue to be the key product that the Group distributes.

The growth of business and Asset Under Administration (AUA) in Singapore, Hong Kong and Malaysia operations continued to contribute to the increase in revenue in Singapore, Hong Kong and Malaysia operations.

	2Q15 \$'000	Group 2Q14 \$'000	Change %	1H15 \$'000	Group 1H14 \$'000	Change %
Singapore	16,737	13,439	24.5	31,667	25,976	21.9
Hong Kong	5,379	4,918	9.4	10,537	9,323	13.0
Malaysia	1,066	661	61.3	1,863	1,226	52.0
	<u>23,182</u>	<u>19,018</u>	<u>21.9</u>	<u>44,067</u>	<u>36,525</u>	<u>20.6</u>

Commission and fee paid or payable to third party financial advisers

Commission and fee paid or payable to third party financial advisers increased by 18.2% from \$9.98 million in 2Q14 to \$11.80 million in 2Q15, and 19.2% from \$19.15 million in 1H14 to \$22.83 million in 1H15. The increase was in line with the increase in revenue from B2B (Business-to-Business) business.

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 \$11.38 million for 2Q15 was 26.0% higher than 2Q14; and the net revenue of \$21.24 million for 1H15 was 22.2% higher than 1H14.

The following table shows the breakdown of the Group's net revenue, by recurring and non-recurring basis. For 2Q15, 82.8% of net revenue is derived from recurring net revenue and 17.2% is from non-recurring net revenue; and for 1H15, 82.5% of net revenue is derived from recurring net revenue and 17.5% is from non-recurring net revenue.

	2Q15 \$'000	Group 2Q14 \$'000	Change %	1H15 \$'000	Group 1H14 \$'000	Change %
Recurring net revenue	9,426	7,355	28.2	17,518	13,902	26.0
Non-recurring net revenue	1,955	1,679	16.4	3,720	3,474	7.1
Net revenue	<u>11,381</u>	<u>9,034</u>	<u>26.0</u>	<u>21,238</u>	<u>17,376</u>	<u>22.2</u>

Recurring net revenue is calculated based on a percentage of average AUA of Investment Products distributed on the Group's platforms, which comprises trailer fees, platform fees and wrap fees. The increase in recurring net revenue was due mainly to an increase in AUA for both B2B (Business-to-Business) business and B2C (Business-to-Customer) business, arising from the inflow of investments from customers. As at 30 June 2015, the AUA of the Group has a value of approximately \$5.71 billion (30 June 2014: \$4.98 billion), at a Year-on-Year growth of 14.7%.

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, the provision of administration services to financial advisory firms and advertising fee earned from advertisements placed by third parties on iFAST websites and mobile applications. The increase in non-recurring net revenue was due mainly to an increase in fees arising from the provision of currency conversion administration services to customers in 2Q15 and 1H15.

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

	2Q15 \$'000	Group 2Q14 \$'000	Change %	1H15 \$'000	Group 1H14 \$'000	Change %
Singapore	8,175	6,353	28.7	15,278	12,425	23.0
Hong Kong	2,714	2,343	15.8	5,068	4,327	17.1
Malaysia	492	338	45.6	892	624	42.9
	<u>11,381</u>	<u>9,034</u>	<u>26.0</u>	<u>21,238</u>	<u>17,376</u>	<u>22.2</u>

Other operating income

Other operating income increased by \$0.24 million or 250.0% in 2Q15 and increased by \$0.64 million or 364.2% in 1H15, due mainly to an increase in investment income in the period.

Operating expenses

Depreciation of plant and equipment increased by \$0.04 million or 20.8% in 2Q15, and increased by \$0.07 million or 19.8% in 1H15. Amortisation of intangible assets increased by \$0.04 million or 80.9% in 2Q15, and increased by \$0.05 million or 54.7% in 1H15. These were due mainly to additions of plant and equipment and intangible assets purchased after 2Q14 to support our business expansion in the countries that the Group operates in.

Staff costs increased by \$0.95 million or 26.2% from \$3.62 million in 2Q14 to \$4.57 million in 2Q15 and increased by \$1.48 million or 20.9% from \$7.04 million in 1H14 to \$8.52 million in 1H15, due mainly to the annual salary increment adjusted in January 2015, the increased number of staff and equity-settled share-based payment transactions in relation to performance shares granted pursuant to the iFAST Corporation Performance Share Plan in the period.

Other operating expenses increased by \$0.95 million or 38.5% from \$2.47 million in 2Q14 to \$3.42 million in 2Q15 and increased by \$1.32 million or 26.2% from \$5.06 million in 1H14 to \$6.38 million in 1H15, due mainly to increases in rental of our Hong Kong office, IT maintenance and services and bank charges which are in line with the growth of the Group's business in the period.

Overall, total operating expenses increased by \$1.98 million or 31.2% from \$6.33 million in 2Q14 to \$8.31 million in 2Q15, and increased by \$2.92 million or 23.3% from \$12.57 million in 1H14 to \$15.49 million in 1H15.

	2Q15 \$'000	Group 2Q14 \$'000	Change %	1H15 \$'000	Group 1H14 \$'000	Change %
Operating expenses	<u>8,312</u>	<u>6,334</u>	<u>31.2</u>	<u>15,493</u>	<u>12,569</u>	<u>23.3</u>

Finance income

Finance income increased by \$0.18 million or 627.6% in 2Q15 and increased by \$0.25 million or 510.4% in 1H15, which was in line with the increase in cash and cash equivalent and investments in bonds in the period, as a result of receipts of net proceeds of \$48.02 million from the issuance of the new shares (including over-allotment shares) pursuant to the initial public offering ("IPO") on 11 December 2014.

Share of result of associate, net of tax

In July 2014, the Group acquired a 19.9% stake in an associate for an aggregate consideration of \$400,157. The Group's share of loss after tax of associate was \$8,000 in 2Q15 and \$0.03 million in 1H15.

Tax expense

The effective tax rate remained low in 2Q15 and 1H15, due mainly to continued utilisation of unabsorbed tax losses from prior years by Hong Kong and Malaysia operations and tax incentives enjoyed by Singapore operation in the period.

Profit for the period

The following table shows the breakdown of the Group's profit after tax by geographical segments.

	2Q15 \$'000	Group 2Q14 \$'000	Change %	1H15 \$'000	Group 1H14 \$'000	Change %
Singapore	2,879	2,378	21.1	5,630	4,149	35.7
Hong Kong	605	550	10.0	1,006	848	18.6
Malaysia	25	(19)	NM	10	(95)	NM
China	(225)	(286)	(21.3)	(354)	(286)	23.8
	<u>3,284</u>	<u>2,623</u>	<u>25.2</u>	<u>6,292</u>	<u>4,616</u>	<u>36.3</u>

Note:

NM denotes not meaningful.

Attributable to the improvement in the Group's business performance, the Group's profit after tax increased by 25.2% from \$2.62 million in 2Q14 to \$3.28 million in 2Q15, and increased by 36.3% from \$4.62 million in 1H14 to \$6.29 million in 1H15.

In Singapore, profit after tax increased by 21.1% from \$2.38 million in 2Q14 to \$2.88 million in 2Q15 and 35.7% from \$4.15 million in 1H14 to \$5.63 million in 1H15, which was partially contributed by an increase in investment income in the period. The profit generated from Hong Kong operation grew further by 10.0% from \$0.55 million in 2Q14 to \$0.61 million in 2Q15 and 18.6% from \$0.85 million in 1H14 to \$1.01 million in 1H15. The growth of Hong Kong business was partially affected by an increase in its office rental from January 2015 as a result of office lease renewal. Malaysia operation managed a turnaround in 2Q15. The profit generated from Malaysia operation was \$0.03 million in 2Q15 and \$0.01 million in 1H15, while the loss incurred by Malaysia operation was \$0.02 million in 2Q14 and \$0.10 million in 1H14.

The loss from China operation decreased by 21.3% from \$0.29 million in 2Q14 to \$0.23 million in 2Q15, but increased by 23.8% from \$0.29 million in 1H14 to \$0.35 million in 1H15. The China operation is still in the start-up phase.

Statement of Financial Position

The Group's shareholders' equity increased to \$73.31 million as at 30 June 2015 from \$66.91 million as at 31 December 2014. This was due mainly to contribution of net profit for 1H15 and issuance of over-allotment shares on 6 January 2015 in connection with the IPO on 11 December 2014.

The Group's cash position (including cash at bank and in hand, money market fund and investments in available-for-sale financial assets categorised under other investments) increased to \$61.63 million as at 30 June 2015 from \$57.41 million as at 31 December 2014.

Current assets increased to \$82.20 million as at 30 June 2015 from \$77.03 million as at 31 December 2014 mainly due to an increase in the Group's cash position in the period.

Non-current assets increased to \$5.28 million as at 30 June 2015 from \$4.07 million as at 31 December 2014 mainly due to additions of intangible assets in 1H15.

Total liabilities decreased slightly to \$14.17 million as at 30 June 2015 from \$14.19 million as at 31 December 2014. This was due mainly to decreases in trade and other payables and partially offset by an increase in provision for income tax in the period.

Consolidated Statement of Cash Flows

Net cash from operating activities increased from \$1.61 million in 2Q14 to \$3.12 million in 2Q15, and from \$3.68 million in 1H14 to \$6.17 million in 1H15. This was in line with higher operating profit generated in the period.

Net cash from investing activities was \$1.40 million in 2Q15 compared to \$2.37 million in 2Q14; and net cash used in investing activities was \$16.42 million in 1H15 compared to \$0.82 million in 1H14. This was mainly due to additions of intangible assets and increases in investments in available-for-sale financial assets in the period.

Net cash used in financing activities was \$3.44 million in 2Q15 compared to \$2.03 million in 2Q14, due mainly to increases in dividend payouts in the quarter. Net cash used in financing activities was \$0.33 million in 1H15 compared to \$2.00 million in 1H14, due mainly to issuance of over-allotment shares on 6 January 2015 in connection with the IPO on 11 December 2014.

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.

We operate in an industry that may be affected by general economic and financial market conditions and regulatory changes in the markets in which our Group operates.

Our key focus continues to be on improving the range of investment products and services that we provide as an investment platform for our customers. For our B2B customers, we continue to work on empowering Financial Advisory (FA) companies and financial institutions, to have the capabilities of a 'mini private bank' so that they can seamlessly advise investors across a broad range of investment products.

Our Singapore subsidiary received regulatory approval for the distribution of bonds and Exchange Traded Funds (ETFs) in Singapore in 2Q2015. We will continue to provide information and research on investment products that can aid investors in their investment knowledge.

We have entered into an agreement for the acquisition of a stockbroking firm in Hong Kong, Winfield Securities Limited, in June 2015, which is pending regulatory approval. The purchase consideration is the total of HK\$14.7 million and the proposed acquisition will be financed through IPO proceeds. This proposed acquisition will broaden the range of investment products we provide to our customers, and empower our B2B FAs and financial institutions to seamlessly advise investors across a broad range of investment products. Even as we increase the range of investment products for distribution, we expect unit trusts to be a key investment product for us.

We will continue to focus on growing the business in the countries that we are currently operating in. Our Singapore operation continues to be the major contributor of revenue and profit for the Group in 2015. In China, we continue to be in a preparation phase and we have applied for the Third Party Funds Distribution licence required for operating an investment platform.

Subsequent event

On 16 July 2015, the Company issued 694,400 new shares at the issue price of \$1.44 per share (the "Subscription Shares") pursuant to the subscription agreement entered into between the Company and Crouzet Limited ("Crouzet") on 6 July 2015.

Crouzet is a third party nominee company that is also a settlement agent for the Group in relation to additional trailer fees payable by the Group to certain financial advisory companies and the team managers and individual advisors of such financial advisory companies (the "Business Partners") in the form of shares of the Company with a vesting period of three years, as part of the Group's initiative to build loyalty with its Business Partners and to invite the Business Partners to participate in the growth of the Company in the long run.

The payment of the subscription consideration amounting to approximately \$1.00 million by Crouzet has been set off in full by the additional trailer fees, which is determined in accordance with the respective Business Partner's contribution to the Group's AUA as at 30 June 2015, payable by the Group to Crouzet as settlement agent for its Business Partners. The Subscription Shares are held by Crouzet on behalf of the Business Partners for the period before it vests.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Name of dividend	Interim
Dividend type	Cash
Dividend rate	0.68 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	Interim
Dividend type	Cash
Dividend rate	5.7 cents per ordinary share *
Tax rate	One-tier tax exempt

* Before subdivision of every 1 ordinary share into 6 ordinary shares as completed by the Company on 20 November 2014.

(c) Date payable

The interim dividend will be paid on 20 August 2015.

(d) Books closure date

The Register of Members and Share Transfer Books of the Company will be closed on 11 August 2015 for the purpose of determining members' entitlements to the proposed second interim 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 6 August 2015 will be registered to determine members' entitlement to the proposed second interim dividend. Members whose securities accounts with The Central Depository (Pte) Limited are credited with shares in the capital of the Company as at 5.00 p.m. on 6 August 2015 will be entitled to the proposed second interim 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. Use of proceeds from the Company's initial public offering

Pursuant to the IPO on 11 December 2014, the Company received net proceeds of \$48.0 million from the issuance of the new shares (including over-allotment shares), after deducting for share issuance expenses of \$2.4 million and IPO-related expenses of \$1.95 million. The following table sets out our use of the net IPO proceeds up to 30 June 2015.

	Allocation of IPO proceeds	IPO proceeds utilised as at 30 June 2015	Balance of IPO proceeds
Use of net Proceeds	\$' million	\$' million	\$' million
Mergers and acquisitions strategy	27.2	-	27.2
Expansion of our business in the Chinese market	7.0	3.3	3.7
Enhancement of our product capabilities, IT and services	8.0	1.2	6.8
Working capital purposes	5.8	-	5.8
Net Proceeds	<u>48.0 ⁽¹⁾</u>	<u>4.5</u>	<u>43.5</u>

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.

Pending the deployment of the remaining net proceeds as disclosed above, the balance of IPO proceeds of \$43.5 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.

15. Confirmation by the Board pursuant to Rule 705(5) of the Listing Manual

The directors of the Company confirm that to the best of their knowledge, nothing has come to the attention of the board of directors which may render the financial results for the second quarter and half year ended 30 June 2015 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Leung Fung Yat, David
Chief Financial Officer
29 July 2015