

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 Third Quarter and Nine Months ended
30 September 2017
Financial Statements Announcement**

Third Quarter 2017 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 third quarter and nine months ended 30 September 2017

	3Q17 \$'000	Group 3Q16 \$'000	Change %	9M17 \$'000	Group 9M16 \$'000	Change %
Revenue	26,234	21,003	24.9	72,989	59,049	23.6
Commission and fee paid or payable to third party financial advisers	(13,214)	(10,326)	28.0	(36,848)	(29,336)	25.6
	13,020	10,677	21.9	36,141	29,713	21.6
Other income	647	311	108.0	1,518	1,413	7.4
Depreciation of plant and equipment	(372)	(391)	(4.9)	(996)	(1,167)	(14.7)
Amortisation of intangible assets	(758)	(412)	84.0	(1,975)	(997)	98.1
Staff costs	(5,444)	(4,753)	14.5	(15,059)	(14,065)	7.1
Other operating expenses	(4,484)	(3,577)	25.4	(12,301)	(10,751)	14.4
Results from operating activities	2,609	1,855	40.6	7,328	4,146	76.7
Finance income	181	184	(1.6)	541	638	(15.2)
Finance cost	(1)	⁽¹⁾	NM	(2)	(1)	100.0
Net finance income	180	184	(2.2)	539	637	(15.4)
Share of results of associates, net of tax	(63)	(37)	70.3	(307)	(88)	248.9
Profit before tax	2,726	2,002	36.2	7,560	4,695	61.0
Tax expense	(460)	(152)	202.6	(1,180)	(457)	158.2
Profit for the period	2,266	1,850	22.5	6,380	4,238	50.5
Profit attributable to:						
Owners of the Company	2,316	1,906	21.5	6,532	4,300	51.9
Non-controlling interests	(50)	(56)	(10.7)	(152)	(62)	145.2
Profit for the period	2,266	1,850	22.5	6,380	4,238	50.5

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 third quarter and nine months ended 30 September 2017

	3Q17	Group 3Q16	Change	9M17	Group 9M16	Change
	\$'000	\$'000	%	\$'000	\$'000	%
Profit for the period	2,266	1,850	22.5	6,380	4,238	50.5
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	248	587	(57.8)	739	506	46.0
Net change in fair value of available-for-sale financial assets reclassified to profit or loss	(307)	(91)	237.4	(620)	(232)	167.2
Foreign currency translation differences for foreign operations	(150)	118	NM	(839)	(530)	58.3
Share of other comprehensive income of associates	(2)	-	NM	1	-	NM
Other comprehensive income for the period, net of tax	(211)	614	NM	(719)	(256)	180.9
Total comprehensive income for the period	2,055	2,464	(16.6)	5,661	3,982	42.2
Attributable to:						
Owners of the Company	2,105	2,518	(16.4)	5,817	4,045	43.8
Non-controlling interests	(50)	(54)	(7.4)	(156)	(63)	147.6
Total comprehensive income for the period	2,055	2,464	(16.6)	5,661	3,982	42.2

NM denotes not meaningful.

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

	3Q17 \$'000	Group 3Q16 \$'000	Change %	9M17 \$'000	Group 9M16 \$'000	Change %
<u>Profit for the period is arrived at after charging / (crediting) the following:</u>						
Other income						
- Investment income	(631)	(300)	110.3	(1,340)	(796)	68.3
- Government grant	(2)	(4)	(50.0)	(116)	(216)	(46.3)
- Gain on acquisition of a subsidiary	-	-	NM	-	(262)	NM
- Gain on derecognition of an associate	-	-	NM	(19)	-	NM
- Miscellaneous income	(14)	(7)	100.0	(43)	(139)	(69.1)
	(647)	(311)	108.0	(1,518)	(1,413)	7.4
Interest income						
- from cash and cash equivalents	(128)	(82)	56.1	(315)	(273)	15.4
- from investment in financial assets	(52)	(102)	(49.0)	(225)	(365)	(38.4)
- from receivables	(1)	-	NM	(1)	-	NM
	(181)	(184)	(1.6)	(541)	(638)	(15.2)
Operating lease expense	1,658	1,438	15.3	4,701	4,198	12.0
Unrealised exchange loss / (gain), net	126	(41)	NM	254	309	(17.8)
Plant and equipment written off	-	-	NM	19	⁽¹⁾	NM
Equity-settled share-based payment transactions, included in staff costs	436	290	50.3	1,163	1,170	(0.6)
Equity-settled share-based payment transactions, included in commission and fee paid or payable to third party financial advisers	83	84	(1.2)	249	250	(0.4)
Gain on redemption in investment in available-for-sale financial assets, included in investment income	(307)	(91)	237.4	(620)	(232)	167.2
Dividend income on investment in available-for-sale financial assets, included in investment income	(177)	(181)	(2.2)	(518)	(526)	(1.5)
Net gain on held-for-trading financial assets, included in investment income	(138)	(20)	590.0	(175)	(20)	775.0

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 As at		Company As at	
	30-Sep-17 \$'000	31-Dec-16 \$'000	30-Sep-17 \$'000	31-Dec-16 \$'000
Assets				
Plant and equipment	2,360	2,187	70	51
Intangible assets and goodwill	11,486	10,375	8,382	7,367
Subsidiaries	-	-	49,779	48,313
Associates	1,639	1,829	2,017	2,017
Other investments	3,849	-	783	-
Prepayments	371	302	-	-
Club membership	11	11	11	11
Total non-current assets	19,716	14,704	61,042	57,759
Current tax receivables	17	80	-	-
Other investments	23,331	32,127	23,137	32,127
Trade and other receivables	34,768	24,091	7,404	2,135
Prepayments	1,391	1,662	65	94
Cash at bank and in hand	23,561	20,974	4,865	3,595
Money market funds	2,334	1,490	-	-
Total current assets	85,402	80,424	35,471	37,951
Held under trust				
Client bank accounts	206,785	156,078	-	-
Client ledger balances	(206,785)	(156,078)	-	-
	-	-	-	-
Total assets	105,118	95,128	96,513	95,710
Equity				
Share capital	65,199	64,147	65,199	64,147
Reserves	15,177	14,299	23,742	16,041
Equity attributable to owners of the Company	80,376	78,446	88,941	80,188
Non-controlling interests	72	150	-	-
Total equity	80,448	78,596	88,941	80,188
Liabilities				
Deferred tax liabilities	711	481	465	196
Finance lease liabilities	15	19	-	-
Total non-current liabilities	726	500	465	196
Trade and other payables	23,009	15,524	7,107	15,326
Finance lease liabilities	5	4	-	-
Current tax payables	930	504	-	-
Total current liabilities	23,944	16,032	7,107	15,326
Total liabilities	24,670	16,532	7,572	15,522
Total equity and liabilities	105,118	95,128	96,513	95,710

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 30-Sep-17 \$'000		As at 31-Dec-16 \$'000	
	Secured	Unsecured	Secured	Unsecured
Finance lease liabilities	5	-	4	-

Amount repayable after one year

	Group			
	As at 30-Sep-17 \$'000		As at 31-Dec-16 \$'000	
	Secured	Unsecured	Secured	Unsecured
Finance lease liabilities	15	-	19	-

Details of any collateral

The finance lease liabilities as at 30 September 2017 are secured by the leased assets.

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	
	3Q17 \$'000	3Q16 \$'000	9M17 \$'000	9M16 \$'000
Cash flows from operating activities				
Profit for the period	2,266	1,850	6,380	4,238
Adjustments for:				
Depreciation of plant and equipment	372	391	996	1,167
Amortisation of intangible assets	758	412	1,975	997
Equity-settled share-based payment transactions	519	374	1,412	1,420
Dividend income on investment in available-for-sale financial assets	(177)	(181)	(518)	(526)
Gain on redemption of investment in available-for-sale financial assets	(307)	(91)	(620)	(232)
Net gain on held-for-trading financial assets	(138)	(20)	(175)	(20)
Share of results of associates, net of tax	63	37	307	88
Dividend income on investment in associates	(9)	(8)	(27)	(18)
Unrealised exchange loss / (gain), net	126	(41)	254	309
Plant and equipment written off	-	-	19	(1)
Intangible asset written off	2	-	2	-
Gain on acquisition of a subsidiary	-	-	-	(262)
Gain on derecognition of an associate	-	-	(19)	-
Net finance income	(180)	(184)	(539)	(637)
Tax expense	460	152	1,180	457
	<u>3,755</u>	<u>2,691</u>	<u>10,627</u>	<u>6,981</u>
Change in trade and other receivables	(1,400)	(2,792)	(10,008)	(1,985)
Change in trade and other payables	917	1,497	7,429	(651)
Cash generated from operations	3,272	1,396	8,048	4,345
Tax paid	(252)	(285)	(464)	(664)
Interest received	160	237	510	743
Interest paid	(1)	(1)	(2)	(1)
Net cash from operating activities	3,179	1,347	8,092	4,423
Cash flows from investing activities				
Purchase of plant and equipment	(143)	(364)	(1,222)	(1,056)
Purchase of intangible assets	(1,096)	(1,118)	(2,864)	(3,292)
Acquisition of and additional investment in associates	-	(344)	(160)	(1,617)
Dividend from associates	18	10	35	20
Purchase of investment in financial assets	(17,624)	(9,663)	(47,634)	(26,744)
Proceeds from redemption of investment in financial assets	17,449	8,346	53,471	28,417
Dividends received from investment in available-for-sale financial assets	17	12	30	30
Acquisition of subsidiary, net of cash acquired	-	(91)	(702)	(1,104)
Net cash (used in)/ from investing activities	(1,379)	(3,212)	954	(5,346)
Cash flows from financing activities				
Proceeds from exercise of share options	359	1,516	1,052	1,596
Purchase of treasury shares	-	(1,179)	(548)	(1,795)
Proceeds from shares issued to non-controlling interests of subsidiary	-	-	78	2,414
Repayment of finance lease liabilities	(1)	(1)	(3)	(2)
Dividends paid to owners of the Company	(1,795)	(1,789)	(5,554)	(5,524)
Net cash used in financing activities	(1,437)	(1,453)	(4,975)	(3,311)
Net increase / (decrease) in cash and cash equivalents	363	(3,318)	4,071	(4,234)
Cash and cash equivalents at beginning of the period	25,720	28,097	22,464	29,520
Effect of exchange rate fluctuations on cash held	(188)	63	(640)	(444)
Cash and cash equivalents at end of the period	25,895	24,842	25,895	24,842

(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 equity \$'000
	Share capital \$'000	Fair value reserve \$'000	Foreign currency translation reserve \$'000	Share option reserve \$'000	Performance share reserve \$'000	Equity reserve \$'000	Reserve for own shares \$'000	Accumulated profits \$'000	Total \$'000	Non-controlling interests \$'000	
At 1 January 2017	64,147	12	(535)	1,496	2,250	(2,010)	(2,531)	15,617	78,446	150	
Total comprehensive income for the period											
Profit for the period	-	-	-	-	-	-	-	6,532	6,532	(152)	6,380
Other comprehensive income											
Net change in fair value of available-for-sale financial assets	-	739	-	-	-	-	-	-	739	-	739
Net change in fair value of available-for-sale financial assets reclassified to profit or loss	-	(620)	-	-	-	-	-	-	(620)	-	(620)
Foreign currency translation differences for foreign operations	-	-	(835)	-	-	-	-	-	(835)	(4)	(839)
Share of other comprehensive income of associates	-	1	(1)	-	-	-	-	-	1	-	1
Total other comprehensive income	-	120	(835)	-	-	-	-	-	(715)	(4)	(719)
Total comprehensive income for the period	-	120	(835)	-	-	-	-	6,532	5,817	(156)	5,661
Transactions with owners, recorded directly in equity											
Contributions by and distributions to owners											
Share options exercised	1,052	-	-	-	-	-	-	-	1,052	-	1,052
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)
Equity-settled share-based payment transactions	-	-	-	220	943	-	-	-	1,163	-	1,163
Total contributions by and distribution to owners	1,052	-	-	220	158	-	(8)	(5,309)	(3,887)	-	(3,887)
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	1,052	-	-	220	158	-	(8)	(5,309)	(3,887)	78	(3,809)
At 30 September 2017	65,199	132	(1,370)	1,716	2,408	(2,010)	(2,539)	16,840	80,376	72	80,448

⁽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. (Cont'd)

	Group										
	Attributable to owners of the Company										Total equity \$'000
	Share capital \$'000	Fair value reserve \$'000	Foreign currency translation reserve \$'000	Share option reserve \$'000	Performance share reserve \$'000	Equity reserve \$'000	Reserve for own shares \$'000	Accumulated profits \$'000	Total \$'000	Non-controlling interests \$'000	
At 1 January 2016	62,546	(833)	(606)	1,306	826	(4,161)	-	17,481	76,559	-	
Total comprehensive income for the period											
Profit for the period	-	-	-	-	-	-	-	4,300	4,300	(62)	4,238
Other comprehensive income											
Net change in fair value of available-for-sale financial assets	-	506	-	-	-	-	-	-	506	-	506
Net change in fair value of available-for-sale financial assets reclassified to profit or loss	-	(232)	-	-	-	-	-	-	(232)	-	(232)
Foreign currency translation differences for foreign operations	-	-	(529)	-	-	-	-	-	(529)	(1)	(530)
Total other comprehensive income	-	274	(529)	-	-	-	-	-	(255)	(1)	(256)
Total comprehensive income for the period	-	274	(529)	-	-	-	-	4,300	4,045	(63)	3,982
Transactions with owners, recorded directly in equity											
Contributions by and distributions to owners											
Share options exercised	1,596	-	-	-	-	-	-	-	1,596	-	1,596
Purchase of treasury shares	-	-	-	-	-	-	(1,883)	-	(1,883)	-	(1,883)
One-tier tax-exempt 2015 final dividend paid of 0.75 cents per share	-	-	-	-	-	-	-	(1,959)	(1,959)	-	(1,959)
One-tier tax-exempt interim dividend paid of 0.68 cents per share	-	-	-	-	-	-	-	(1,776)	(1,776)	-	(1,776)
One-tier tax-exempt interim dividend paid of 0.68 cents per share	-	-	-	-	-	-	-	(1,789)	(1,789)	-	(1,789)
Equity-settled share-based payment transactions	-	-	-	133	1,037	-	-	-	1,170	-	1,170
Total contributions by and distribution to owners	1,596	-	-	133	1,037	-	(1,883)	(5,524)	(4,641)	-	(4,641)
Changes in ownership interests in subsidiaries											
Issue of shares to non-controlling interests of subsidiary	-	-	-	-	-	2,151	-	-	2,151	263	2,414
Total changes in ownership interests in subsidiaries	-	-	-	-	-	2,151	-	-	2,151	263	2,414
Total transactions with owners	1,596	-	-	133	1,037	2,151	(1,883)	(5,524)	(2,490)	263	(2,227)
At 30 September 2016	64,142	(559)	(1,135)	1,439	1,863	(2,010)	(1,883)	16,257	78,114	200	78,314

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							Total equity \$'000
	Attributable to owners of the Company							
	Share capital \$'000	Fair value reserve \$'000	Foreign currency translation reserve \$'000	Share option reserve \$'000	Performance share reserve \$'000	Reserve for own shares \$'000	Accumulated profits \$'000	
At 1 January 2017	64,147	12	-	1,496	2,250	(2,531)	14,814	80,188
Total comprehensive income for the period								
Profit for the period	-	-	-	-	-	-	12,694	12,694
Other comprehensive income								
Net change in fair value of available-for-sale financial assets	-	692	-	-	-	-	-	692
Net change in fair value of available-for-sale financial assets reclassified to profit or loss	-	(595)	-	-	-	-	-	(595)
Total other comprehensive income	-	97	-	-	-	-	-	97
Total comprehensive income for the period	-	97	-	-	-	-	12,694	12,791
Transactions with owners, recorded directly in equity								
Contributions by and distributions to owners								
Share options exercised	1,052	-	-	-	-	-	-	1,052
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)
Equity-settled share-based payment transactions	-	-	-	69	943	-	-	1,012
Total contributions by and distribution to owners	1,052	-	-	69	158	(8)	(5,309)	(4,038)
Total transactions with owners	1,052	-	-	69	158	(8)	(5,309)	(4,038)
At 30 September 2017	65,199	109	-	1,565	2,408	(2,539)	22,199	88,941

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							Total equity \$'000
	Attributable to owners of the Company							
	Share capital \$'000	Fair value reserve \$'000	Foreign currency translation reserve \$'000	Share option reserve \$'000	Performance share reserve \$'000	Reserve for own shares \$'000	Accumulated profits \$'000	
At 1 January 2016	62,546	(833)	-	1,306	826	-	15,723	79,568
Total comprehensive income for the period								
Profit for the period	-	-	-	-	-	-	6,768	6,768
Other comprehensive income								
Net change in fair value of available-for-sale financial assets	-	506	-	-	-	-	-	506
Net change in fair value of available-for-sale financial assets reclassified to profit or loss	-	(232)	-	-	-	-	-	(232)
Total other comprehensive income	-	274	-	-	-	-	-	274
Total comprehensive income for the period	-	274	-	-	-	-	6,768	7,042
Transactions with owners, recorded directly in equity								
Contributions by and distributions to owners								
Share options exercised	1,596	-	-	-	-	-	-	1,596
Purchase of treasury shares	-	-	-	-	-	(1,883)	-	(1,883)
One-tier tax-exempt 2015 final dividend paid of 0.75 cents per share	-	-	-	-	-	-	(1,959)	(1,959)
One-tier tax-exempt interim dividend paid of 0.68 cents per share	-	-	-	-	-	-	(1,776)	(1,776)
One-tier tax-exempt interim dividend paid of 0.68 cents per share	-	-	-	-	-	-	(1,789)	(1,789)
Equity-settled share-based payment transactions	-	-	-	133	1,037	-	-	1,170
Total contributions by and distribution to owners	1,596	-	-	133	1,037	(1,883)	(5,524)	(4,641)
Total transactions with owners	1,596	-	-	133	1,037	(1,883)	(5,524)	(4,641)
At 30 September 2016	64,142	(559)	-	1,439	1,863	(1,883)	16,967	81,969

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 30 September 2017 excluding treasury shares and subsidiary holdings was 264,032,318 ordinary shares (30 June 2017: 263,378,532 ordinary shares). The movements in the Company's share capital during the third quarter ended 30 September 2017 were as follows:

	Number of ordinary shares
As at 30 June 2017	263,378,532
Exercise of share options	653,786
Vesting of performance shares	-
Purchase of treasury shares	-
As at 30 September 2017	<u><u>264,032,318</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 June 2017	5,971,687
Share options granted	-
Exercised	(653,786)
Forfeited	(9,000)
As at 30 September 2017	<u><u>5,308,901</u></u>

As at 30 September 2017, the number of outstanding share options under the iFAST SOS was 5,308,901 (30 September 2016: 7,360,154).

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 June 2017	4,390,800
Performance shares granted but not vested	-
Vested	-
Forfeited	(172,300)
As at 30 September 2017	<u>4,218,500</u>

As at 30 September 2017, the number of outstanding performance shares granted but not vested under the iFAST PSP was 4,218,500 (30 September 2016: 3,151,200).

Treasury shares and subsidiary holdings

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

	Number of treasury shares
As at 30 June 2017	2,869,200
Purchased by way of on-market acquisition	-
Purchased by way of off-market acquisition	-
Re-issued	-
As at 30 September 2017	<u>2,869,200</u>

As at 30 September 2017, 2,869,200 (30 September 2016: 1,922,400) 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 30 September 2017, the treasury shares held represented 1.1% (30 September 2016: 0.7%) of the total number of issued shares excluding treasury shares.

The Company has no subsidiary holdings as at 30 September 2017 and 30 September 2016.

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-Sep-17	As at 31-Dec-16
Total number of issued shares excluding treasury shares	<u>264,032,318</u>	<u>262,223,415</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 third quarter ended 30 September 2017.

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 30 September 2017.

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 1 January 2017. 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.

	3Q17	3Q16	9M17	9M16
(i) Based on weighted average number of ordinary shares on issue				
- Weighted average number of ordinary shares	263,920,168	263,158,803	263,113,128	261,716,025
Basic earnings per share (cents)	0.88	0.72	2.48	1.64
(ii) On a fully diluted basis of ordinary shares				
- Adjusted weighted average number of ordinary shares	268,998,725	267,136,235	267,996,735	267,930,074
Diluted earnings per share (cents)	0.86	0.71	2.44	1.61

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-Sep-17	31-Dec-16	30-Sep-17	31-Dec-16
Net asset value per ordinary share (cents)	30.44	29.92	33.69	30.58

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 \$26.23 million for the third quarter ended 30 September 2017 ("3Q17"), which was 24.9% higher than the third quarter last year ("3Q16"). Revenue of \$72.99 million for the financial period ended 30 September 2017 ("9M17") was 23.6% higher than the same period last year ("9M16").

The year-on-year ("YoY") increases in 3Q17 were due mainly to the growth of the Group's business and Asset Under Administration ("AUA") in both Business-to-Customer ("B2C") and Business-to-Business ("B2B") business divisions in the period, contributed by the Group's continuing efforts at strengthening its investment platforms in the various countries in the recent years.

With a wider range of investment products carried, the Group has made concrete progress in becoming a more integrated wealth management platform. The Group's AUA grew 19.3% Year-on-Year ("YoY") to reach a new record of \$7.16 billion as at 30 September 2017.

Breaking down by geographical segment, Singapore operation is still the major contributor of the Group's revenue. The revenue in Singapore operation grew 24.1% YoY in 3Q17 and 23.2% YoY in 9M17, which was mainly contributed by increases in investment subscription amounts (including transfer-in amounts) in unit trusts ("UTs"), bonds, exchange-traded funds ("ETFs"), stocks and robo-advisory portfolios in the period. For the B2C business, more customers transact on the new FSMOne platform. For the B2B business, the wider range of investment products and the financial technology ("FinTech") capabilities of the investment platform continue to give financial advisory ("FA") firms stronger wealth management capabilities in reaching out to more high net worth clients. The AUA of Singapore operation grew 14.3% YoY as at 30 September 2017.

In Malaysia, the significant growth of UT business and AUA contributed to the significant increases in revenue of 38.6% YoY in 3Q17 and 50.4% YoY in 9M17. With introduction of bonds into customers' investment portfolios and launch of robo-advisory portfolio service in the second quarter of 2017, it has attracted more investors to open investment accounts on the B2C investment platform in 3Q17. The AUA of Malaysia operation grew 46.4% YoY as at 30 September 2017.

In Hong Kong, benefiting from continuing efforts to broaden the range and depth of its investment products and services, the net inflows of investments from customers especially in B2B business division grew by more than 10 times YoY in 9M17 and the AUA of HK operation grew 25.4% YoY as at 30 September 2017. This resulted in increases in revenue of 26.1% YoY in 3Q17 and 18.8% YoY in 9M17.

China business is still in the early stages of building the iFAST brand among potential clients and investment practitioners in China's wealth management industry. Besides focusing on growing the onshore Chinese market, China operation also contributes to the Group by introducing offshore Chinese markets to investors in China, especially through the Group's Hong Kong and Singapore markets. However, the gross revenue in China operation declined in both 3Q17 and 9M17. This was because there were some ad-hoc contributions received from institutional business in 2016, which has been negatively affected by local regulatory changes since the

beginning of this year. Despite that, the net revenue in China operation still saw a significant increase of more than 150.0% YoY in both 3Q17 and 9M17, benefitting from the onshore and offshore Chinese markets growing increasingly over the period.

	Group			Group		
	3Q17 \$'000	3Q16 \$'000	Change %	9M17 \$'000	9M16 \$'000	Change %
Singapore	18,979	15,296	24.1	52,839	42,897	23.2
Hong Kong	5,211	4,132	26.1	14,538	12,233	18.8
Malaysia	1,904	1,374	38.6	5,234	3,480	50.4
	<u>26,094</u>	<u>20,802</u>	<u>25.4</u>	<u>72,611</u>	<u>58,610</u>	<u>23.9</u>
China	140	201	(30.3)	378	439	(13.9)
Total revenue	<u>26,234</u>	<u>21,003</u>	<u>24.9</u>	<u>72,989</u>	<u>59,049</u>	<u>23.6</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 28.0% from \$10.33 million in 3Q16 to \$13.21 million in 3Q17 and 25.6% from \$29.34 million in 9M16 to \$36.85 million in 9M17. The increase was in line with the increase in revenue from B2B business in the period.

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 \$13.02 million for 3Q17 was 21.9% higher than 3Q16, and the net revenue of \$36.14 million for 9M17 was 21.6% higher than 9M16.

The following table shows the breakdown of the Group's net revenue, by recurring and non-recurring basis. The Group's business module gives a stream of reliable recurring revenue which is based on AUA. For 3Q17, 81.6% of net revenue is derived from recurring net revenue and 18.4% is from non-recurring net revenue. For 9M17, 82.9% of net revenue is derived from recurring net revenue and 17.1% is from non-recurring net revenue.

	Group			Group		
	3Q17 \$'000	3Q16 \$'000	Change %	9M17 \$'000	9M16 \$'000	Change %
Recurring net revenue	10,625	9,129	16.4	29,970	25,677	16.7
Non-recurring net revenue	2,395	1,548	54.7	6,171	4,036	52.9
Total net revenue	<u>13,020</u>	<u>10,677</u>	<u>21.9</u>	<u>36,141</u>	<u>29,713</u>	<u>21.6</u>

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 and wrap fees. The YoY increase in recurring net revenue in 3Q17 and 9M17 was mainly due to an increase in average AUA for both B2B business and B2C business in the period, which benefited from new inflows of investments from customers besides positive market sentiment in the period. The average AUA of the Group grew 19.2% YoY to \$6.92 billion in 3Q17 and 17.2% YoY to \$6.59 billion in 9M17.

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 solutions to business partners. The increase in non-recurring net revenue was due mainly to increases in commission income as a result of increased investment subscription from customers and some IT solution fees earned from provision of IT solutions to some FA firms and institutional clients in the period.

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

	3Q17 \$'000	Group 3Q16 \$'000	Change %	9M17 \$'000	Group 9M16 \$'000	Change %
Singapore	9,092	7,742	17.4	25,478	21,583	18.0
Hong Kong	2,873	2,257	27.3	7,897	6,378	23.8
Malaysia	915	627	45.9	2,473	1,649	50.0
	12,880	10,626	21.2	35,848	29,610	21.1
China	140	51	174.5	293	103	184.5
Total net revenue	13,020	10,677	21.9	36,141	29,713	21.6

Other income

Other income increased by \$0.34 million or 108.0% from \$0.31 million in 3Q16 to \$0.65 million in 3Q17 and \$0.11 million or 7.4% from \$1.41 million in 9M16 to \$1.52 million in 9M17, due mainly to higher investment income earned in the period.

Operating expenses

Excluding China operation, the Group's operating expenses increased by \$1.87 million or 23.4% from \$7.96 million in 3Q16 to \$9.83 million in 3Q17 and \$2.66 million or 11.0% from \$24.14 million in 9M16 to \$26.80 million in 9M17. 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. Singapore operation has leased additional office space from July 2017 for the preparation of its next phase of business expansion.

For our China operation, the operating expenses increased by \$0.06 million or 5.2% from \$1.17 million in 3Q16 to \$1.23 million in 3Q17 and \$0.69 million or 24.4% from \$2.84 million in 9M16 to \$3.53 million in 9M17. The increase was due mainly to our increasing efforts in building our brand and business in the China market over the period. China operation opened its new Shanghai office in 3Q16.

Overall, the Group's total operating expenses increased by \$1.93 million or 21.1% from \$9.13 million in 3Q16 to \$11.06 million in 3Q17 and \$3.35 million or 12.4% from \$26.98 million in 9M16 to \$30.33 million in 9M17. The following table shows the breakdown of the Group's operating expenses by its existing markets and China market.

	3Q17 \$'000	Group 3Q16 \$'000	Change %	9M17 \$'000	Group 9M16 \$'000	Change %
Operating expenses (excluding China operation)	9,828	7,964	23.4	26,804	24,144	11.0
Operating expenses in China operation	1,230	1,169	5.2	3,527	2,836	24.4
Total operating expenses	11,058	9,133	21.1	30,331	26,980	12.4

Depreciation of plant and equipment decreased by \$0.02 million or 4.9% from \$0.39 million in 3Q16 to \$0.37 million in 3Q17 and \$0.17 million or 14.7% from \$1.17 million in 9M16 to \$1.00 million in 9M17, as certain plant and equipment were fully depreciated after 3Q16.

Amortisation of intangible assets increased by \$0.35 million or 84.0% from \$0.41 million in 3Q16 to \$0.76 million in 3Q17 and \$0.98 million or 98.1% from \$1.00 million in 9M16 to \$1.98 million in 9M17. These were due mainly to additions of intangible assets (including internally-developed IT software assets) over the period, to support our business expansion in the countries that the Group operates in and continuously strengthen the FinTech on our investment platforms.

Staff costs increased by \$0.69 million or 14.5% from \$4.75 million in 3Q16 to \$5.44 million in 3Q17 and \$0.99 million or 7.1% from \$14.07 million in 9M16 to \$15.06 million in 9M17, due

mainly to the annual salary increment adjusted in January 2017, the increased number of staff (especially in China operation) over the period, and additional staff bonus in line with improved business performance accrued in 3Q17.

Other operating expenses increased by \$0.90 million or 25.4% from \$3.58 million in 3Q16 to \$4.48 million in 3Q17 and \$1.55 million or 14.4% from \$10.75 million in 9M16 to \$12.30 million in 9M17, due mainly to an increase in rental of China operation in the period arising from an opening of the new Shanghai office in 3Q16, an increase in rental of Singapore operation arising from lease of additional office space in Singapore from July 2017, and increases in IT service and maintenance, bank charges and brokerage costs to support the growth of the Group's business in the period.

Net finance income

Net finance income kept flat YoY in 3Q17. Net finance income decreased by \$0.10 million or 15.4% from \$0.64 million in 9M16 to \$0.54 million in 9M17, due mainly to some redemption of investments in available-for-sale bond securities over the period, which was partially offset by higher interest income from short term deposits in 3Q17.

Share of results of associates, net of tax

The Group's share of loss after tax of associates increased from \$0.04 million in 3Q16 to \$0.06 million in 3Q17 and from \$0.09 million in 9M16 to \$0.31 million in 9M17. This was due mainly to share of loss of associates, namely PC iFAST Holding (SG) Pte Ltd ("PC iFAST") and Pecuniam Pte Ltd ("Pecuniam"), acquired in 2Q16 in the period. Pecuniam 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 24.91 billion (equivalent to \$518.17 million) as at 30 September 2017, growing at a 5-year compound annual growth rate ("CAGR") of approximately 63.5%. PC iFAST has been derecognised as an associate upon the dilution of the Company's interest in PC iFAST from 25.0% to 19.5% in June 2017.

Profit for the period

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 and China market.

	Group			Group		
	3Q17 \$'000	3Q16 \$'000	Change %	9M17 \$'000	9M16 \$'000	Change %
Singapore	3,070	2,739	12.1	9,036	6,844	32.0
Hong Kong	602	275	118.9	1,259	354	255.6
Malaysia	192	145	32.4	761	270	181.9
Other ⁽¹⁾	(63)	(37)	70.3	(307)	(88)	248.9
Profit before tax (excluding China operation)	3,801	3,122	21.7	10,749	7,380	45.7
Tax expense	(460)	(152)	202.6	(1,180)	(457)	158.2
Net profit after tax (excluding China operation)	3,341	2,970	12.5	9,569	6,923	38.2
China operation ⁽²⁾	(1,025)	(1,064)	(3.7)	(3,037)	(2,623)	15.8
Net profit after tax (including China operation)	2,316	1,906	21.5	6,532	4,300	51.9

Notes:

(1) Referring to share of results of associates.

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

Overall, excluding China operation, the Group's profit before tax increased by \$0.68 million or 21.7% from \$3.12 million in 3Q16 to \$3.80 million in 3Q17 and \$3.37 million or 45.7% from \$7.38 million in 9M16 to \$10.75 million in 9M17, due mainly to an increase of 21.2% YoY in net revenue compared to an increase of 23.4% YoY in total operating expenses in the quarter and an increase of 21.1% YoY in net revenue compared to an increase of 11.0% YoY in total operating expenses in the nine months period.

Tax expense increased by \$0.31 million from \$0.15 million in 3Q16 to \$0.46 million in 3Q17 and \$0.72 million from \$0.46 million in 9M16 to \$1.18 million in 9M17, due mainly to an increase in taxable income from Singapore operation in the period. The effective tax rate remained relatively low in 9M17 due mainly to continued utilisation of unabsorbed tax losses from prior years by Hong Kong and Malaysia operations in the period.

The China operation is still in the early stages of building iFAST brand and business in this new market. Although the loss from China operation increased by 15.8% from \$2.62 million in 9M16 to \$3.04 million in 9M17, its loss decreased by 3.7% from \$1.06 million in 3Q16 to \$1.03 million in 3Q17. As at 30 September 2017, China operation has signed up more than 65 fund houses, with over 2,300 funds on its platform.

Including China operation and tax expense, the Group's net profit after tax increased by \$0.41 million or 21.5% from \$1.91 million in 3Q16 to \$2.32 million in 3Q17 and \$2.23 million or 51.9% from \$4.30 million in 9M16 to \$6.53 million in 9M17.

Statement of Financial Position

The shareholders' equity of the Group increased to \$80.38 million as at 30 September 2017 from \$78.45 million as at 31 December 2016. This was due mainly to contribution of net profit generated and increases in share capital arising from share options exercised in 9M17, and partially offset by payments of dividends in the period.

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) decreased to \$49.23 million as at 30 September 2017 from \$54.59 million as at 31 December 2016.

Current assets increased to \$85.40 million as at 30 September 2017 from \$80.42 million as at 31 December 2016, due mainly to increases in trade and other receivables as results of an increase in trade receivables in line with the increase in revenue in the period and increases in uncompleted contracts on securities dealing at end of the period, and partially offset by a decrease in the Group's cash position in the period.

Non-current assets increased to \$19.72 million as at 30 September 2017 from \$14.70 million as at 31 December 2016. The increase was mainly due to purchases of strategic investments of minority stakes in an institutional business partner in China and a FA firm in Singapore amounting to \$3.8 million in 3Q17. The increase was also due to additions of plant and equipment and intangible assets (including internally-developed IT software assets) in the period, and a goodwill amounting to \$0.36 million arising on an acquisition of an insurance broker firm in Hong Kong, namely iFAST Insurance Brokers (HK) Limited (formerly known as Canadian Financial Consultants Limited), in January 2017.

Total liabilities increased to \$24.67 million as at 30 September 2017 from \$16.53 million as at 31 December 2016. This was due mainly to an increase in tax payables and increases in trade and other payables as a result of increases in uncompleted contracts on securities dealing at end of the period.

Consolidated Statement of Cash Flows

Net cash from operating activities increased from \$1.35 million in 3Q16 to \$3.18 million in 3Q17 and from \$4.42 million in 9M16 to \$8.09 million in 9M17, due mainly to higher operating profit generated in the period.

Net cash used in investing activities decreased from \$3.21 million in 3Q16 to \$1.38 million in 3Q17 and net cash from investing activities was \$0.95 million in 9M17 compared to net cash of \$5.35 million used in investing activities in 9M16. This was due mainly to relatively higher redemption proceeds from investment in financial assets and lower additional investment in associates in the period.

Net cash used in financing activities kept flat in 3Q17 compared to 3Q16. Net cash used in financial activities increased from \$3.31 million in 9M16 to \$4.98 million in 9M17, due mainly to proceeds of US\$1.75 million (equivalent \$2.41 million) from shares issued by China operation to non-controlling interests in June 2016 and lower purchase of treasury shares in 9M17.

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.

Since listing on the SGX-ST Mainboard in December 2014, iFAST Corp's priorities have been to broaden the range of investment products and services on its platforms, and lay the infrastructure to kick-start its business in China, a market it believes to be key in the future. The Group's expenses have increased as a result of these investments.

The Group believes it has made significant progress in the last two to three years in becoming a more integrated wealth management platform to further strengthen its position as a key player in the wealth management industry. The initial start-up investments in China have also been important, as the Group believes that China will eventually become the largest wealth management market in Asia.

The Group believes that there is still a lot of room for growth as the current AUA level remains small relative to the size of the wealth management industry in Singapore and the other Asian markets it operates in. Going forward, increasing focus will be channelled towards gaining scale as a platform, while ensuring continuing improvements in its service offerings.

In the next few years, the Group is targeting for net revenue to outgrow its operating expenses and this should lead to higher operating margins.

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	0.75 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	0.68 cents per ordinary share
Tax rate	One-tier tax exempt

(c) Date payable

The interim dividend will be paid on 17 November 2017.

(d) Books closure date

The Register of Members and Share Transfer Books of the Company will be closed on 8 November 2017 for the purpose of determining members' entitlements to the third 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 7 November 2017 will be registered to determine members' entitlement to the third interim 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 7 November 2017 will be entitled to the third 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. 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.

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 September 2017.

	Allocation of IPO proceeds	IPO proceeds utilised as at 30 September 2017	Balance of IPO proceeds
Use of net proceeds	\$' million	\$' million	\$' million
Mergers and acquisitions strategy	27.2	9.3	17.9
Expansion of our business in the Chinese market	7.0	5.8	1.2
Enhancement of our product capabilities, IT and services	8.0	8.0	-
Working capital purposes	5.8	5.8 ⁽²⁾	-
Net Proceeds	48.0 ⁽¹⁾	28.9	19.1

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 \$19.1 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. 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 third quarter and nine months ended 30 September 2017 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Leung Fung Yat, David
Chief Financial Officer
28 October 2017