

## **iFAST CORPORATION LTD.**

(Incorporated in the Republic of Singapore)  
(Company Registration No. 200007899C)

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### **RESPONSE TO QUERIES FROM THE SGX-ST**

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*Unless otherwise defined herein or the context otherwise requires, all terms used herein have the same meanings as defined in the Previous Announcement (as defined herein).*

The board of directors (the “**Directors**” or the “**Board**”) of iFAST Corporation Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”), refers to its announcements released on 6 July 2015 and 7 July 2015 in relation to the proposed subscription of 694,400 new ordinary shares in the capital of iFAST Corporation Ltd. (the “**Subscription Shares**”) at the issue price of S\$1.44 for each subscription share (the “**Previous Announcement**”).

The Company has received queries from the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) in relation to the Previous Announcement and have responded accordingly. Details of the queries and the corresponding responses are as follows:

**1) SGX-ST Query:**

The Company disclosed in its announcement on 6 July and 7 July 2015 that “Crouzet is a third party nominee company that is a settlement agent for the Group in relation to certain trailer fees which is payable by the Group to certain financial advisory companies, and the team managers and individual advisors of such financial advisory companies (the “**Business Partners**”). Please advise:

- (a) Why a nominee company is required for the payment of such trailer fees payable to the financial advisory companies.

**Company’s Response:**

Crouzet is a settlement agent for the Group in relation to certain trailer fees which is payable by the Group to certain Business Partners identified by the CEO. The Company would like to pay such trailer fees due to the relevant Business Partners in shares of the Company with a vesting period of three years. As settlement agent, Crouzet will be handling the administration and operation in this respect. Also, as the Subscription Shares have a vesting period of three years, Crouzet will be holding the Subscription Shares on behalf of the Business Partners for the period before it vests.

- (b) Whether the directors, controlling shareholders of the Company and their respective associates have interest in the Business Partners or in the trailer fees payable.

**Company’s Response:**

No.

- (c) The amount of annual fees that is payable by the Company to Crouzet and elaborate why the annual fees is payable by the Company when Crouzet is the nominee company for the third party.

**Company’s Response:**

The annual fee of S\$2,000 is payable by the Group to Crouzet for the administrative and operational costs arising from the service that Crouzet is providing as settlement agent.

**2) SGX-ST Query:**

It is disclosed that Crouzet is owned by 2 employees of the Company. Please disclose the names of these persons and their positions in the Company.

**Company's Response:**

Goh Bing Yuan (IT Application Director)  
Wong Tin Niam Jean Paul (Corporate Communication Director)

**3) SGX-ST Query:**

"Crouzet shall subscribe for, and hold for Business Partners, the Subscription Shares until such later date(s) as may be determined at the discretion of the Company's chief executive officer (the "CEO"), and shall, upon the written instructions of the Company's CEO, transfer such numbers of the Subscription Shares (including all associated rights and dividends accrued to the Subscription Shares) to Business Partners identified by the Company's CEO". In relation to this statement made by the Company, please elaborate:

(a) How the payment for subscription by Crouzet will be funded at the time of the subscription.

**Company's Response:**

The payment for subscription by Crouzet will be set off in full by the additional trailer fees, which is determined in accordance with the respective Business Partner's contribution to the value of investments administered by the Group (the "**Assets Under Administration**" or "**AUA**") as at 30 June 2015, payable by the Group to Crouzet as settlement agent for the Business Partners.

(b) If the subscription is funded by the Business Partners, why would the transfer of such shares be only upon the written instructions of the Company's CEO and what would be the circumstances for the transfer.

**Company's Response:**

The subscription will not be funded by the Business Partners. As mentioned above in our response to 1(a), the Company shall pay trailer fees due to the Relevant Business Partners in shares of the Company with a vesting period of three years.

The final number of the share entitlement due to each Business Partner in relation to their additional trailer fees (as mentioned above in our response to 3(a)) at the end of the vesting period would be adjusted in accordance with their contribution to the Group's AUA at the end of the vesting period.

(c) To disclose the identities of the specific beneficial placees for the 694,400 new subscription shares.

**Company's Response:**

There are over 300 Business Partners comprising financial advisory companies and the team managers and individual advisors of such financial advisory companies.

(d) If the Business Partners have not yet been identified or entitled to the Subscription Shares, to disclose why the shares have to be placed prior to the occurrence of such entitlements.

**Company's Response:**

The Business Partners have been identified based on their contribution to the AUA as of 30 June 2015. The Subscription Shares have a vesting period of three years and shall be transferred to the relevant Business Partners at the end of the vesting period based on their contribution to the Group's AUA at the end of the vesting period.

- (e) Who will direct Crouzet on how to exercise the votes attached to the 694,400 Subscription Shares after the subscription by Crouzet but prior to the instructions from the Company's CEO to transfer the shares to the Business Partners.

**Company's Response:**

Crouzet has undertaken to abstain from exercising the votes attached to the Subscription Shares.

- (f) The conditions precedent that must be fulfilled before the shares are transferred.

**Company's Response:**

For financial advisory companies, it shall still be validly existing under the laws of Singapore and for team managers and individual advisors of financial advisory companies, he/she shall still be employed by a financial advisory company that uses the Group's services at the end of the vesting period.

The share entitlement due to each of the Business Partners shall be determined based on their contribution to the Group's AUA as mentioned above in our response to 3(b).

- (g) Who will be entitled to the proceeds from the sale of these shares if the condition precedents are not fulfilled and the shares are not transferred.

**Company's Response:**

The balance of the Subscription Shares shall be transferred to other Business Partners which shall be identified and determined by the CEO based on their contribution to the Group's AUA.

**4) SGX-ST Query:**

The Company disclosed that it "plans to offer certain Business Partners certain awards of shares in the capital of the Company (with a vesting period of three (3) years) in lieu of certain trailer fees amounting to S\$1.0 million payable by the Group, through Crouzet, to such parties." If this was the case, please disclose why the shares must be issued to Crouzet now, prior to the Business Partners' entitlement to the trailer fees.

**Company's Response:**

As part of the Group's initiative to build loyalty with its Business Partners and to invite Business Partners to participate in the growth of the Company, the Company plans to offer the Business Partners shares of the Company issued at the current market price. As the Subscription Shares have a vesting period of three years, Crouzet will be holding the Subscription Shares on behalf of the Business Partners for the period before it vests.

As the share entitlement would be determined in accordance with the respective Business Partner's contribution to the Group's AUA, it would incentivise the Business Partners to continue to contribute to the AUA over the vesting period, which would align

the interests of the Business Partners with the Company and benefit both parties over the long term.

**CAUTION IN TRADING**

**Shareholders are advised to read this Announcement and any further announcements by the Company carefully. Shareholders are advised to refrain from taking any action in respect of their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. In the event of any doubt, Shareholders should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.**

**BY ORDER OF THE BOARD**

Lim Chung Chun  
Chairman and Chief Executive Officer  
9 July 2015