



**iFAST Corporation Ltd.
and its Subsidiaries**

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

**Unaudited Full-Year 2021
Financial Statements Announcement**

Fourth Quarter and Full Year Ended 31 December 2021 Financial Statements and Dividend Announcement

1(a)(i) An income statement and a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated income statement for the fourth quarter and full year ended 31 December 2021

	4Q21 \$'000	Group 4Q20 \$'000	Change %	FY21 \$'000	Group FY20 \$'000	Change %
Revenue	54,552	47,899	13.9	216,203	169,925	27.2
Commission and fee paid or payable to financial advisers and securities brokerage expense	(26,327)	(23,567)	11.7	(102,985)	(84,068)	22.5
	28,225	24,332	16.0	113,218	85,857	31.9
Other income	(385)	1,561	NM	491	5,208	(90.6)
Depreciation of plant and equipment	(731)	(530)	37.9	(2,504)	(1,971)	27.0
Depreciation of right-of-use assets	(1,846)	(1,829)	0.9	(7,274)	(7,091)	2.6
Amortisation of intangible assets	(2,401)	(1,909)	25.8	(8,632)	(6,776)	27.4
Staff costs	(10,685)	(10,098)	5.8	(42,937)	(36,839)	16.6
Other operating expenses	(3,984)	(3,245)	22.8	(16,330)	(12,615)	29.4
Results from operating activities	8,193	8,282	(1.1)	36,032	25,773	39.8
Finance income	184	139	32.4	695	837	(17.0)
Finance costs	(130)	(197)	(34.0)	(562)	(812)	(30.8)
Net finance income / (costs)	54	(58)	NM	133	25	432.0
Share of results of associates, net of tax	(212)	(269)	(21.2)	(345)	(411)	(16.1)
Profit before tax	8,035	7,955	1.0	35,820	25,387	41.1
Tax expense	(900)	(1,181)	(23.8)	(5,414)	(4,423)	22.4
Profit for the period / year	7,135	6,774	5.3	30,406	20,964	45.0
Profit attributable to:						
Owners of the Company	7,200	6,826	5.5	30,633	21,153	44.8
Non-controlling interests	(65)	(52)	25.0	(227)	(189)	20.1
Profit for the period / year	7,135	6,774	5.3	30,406	20,964	45.0

NM denotes not meaningful.

FVOCI denotes fair value through other comprehensive income.

FVTPL denotes fair value through profit or loss.

1(a)(i) An income statement and a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year. (Cont'd)

Consolidated statement of comprehensive income for the fourth quarter and full year ended 31 December 2021

	4Q21	Group 4Q20	Change	FY21	Group FY20	Change
	\$'000	\$'000	%	\$'000	\$'000	%
Profit for the period / year	7,135	6,774	5.3	30,406	20,964	45.0
Other comprehensive income						
Items that are or may be reclassified subsequently to profit or loss:						
Net change in fair value of financial assets-debt investments at FVOCI	2	8	(75.0)	(5)	(90)	(94.4)
Net change in fair value of financial assets-debt investments at FVOCI reclassified to profit or loss	-	-	NM	-	133	NM
Foreign currency translation differences for foreign operations	(290)	(891)	(67.5)	397	(420)	NM
Share of other comprehensive income of associates	(5)	(21)	(76.2)	(9)	(51)	(82.4)
	<u>(293)</u>	<u>(904)</u>	<u>(67.6)</u>	<u>383</u>	<u>(428)</u>	<u>NM</u>
Items that will not be reclassified subsequently to profit or loss:						
Net change in fair value of financial assets-equity investments at FVOCI	(1,513)	(1,206)	25.5	(2,037)	(1,884)	8.1
	<u>(1,513)</u>	<u>(1,206)</u>	<u>25.5</u>	<u>(2,037)</u>	<u>(1,884)</u>	<u>8.1</u>
Other comprehensive income for the period / year, net of tax	<u>(1,806)</u>	<u>(2,110)</u>	<u>(14.4)</u>	<u>(1,654)</u>	<u>(2,312)</u>	<u>(28.5)</u>
Total comprehensive income for the period / year	<u>5,329</u>	<u>4,664</u>	<u>14.3</u>	<u>28,752</u>	<u>18,652</u>	<u>54.1</u>
Attributable to:						
Owners of the Company	5,486	4,814	14.0	29,061	18,940	53.4
Non-controlling interests	(157)	(150)	4.7	(309)	(288)	7.3
Total comprehensive income for the period / year	<u>5,329</u>	<u>4,664</u>	<u>14.3</u>	<u>28,752</u>	<u>18,652</u>	<u>54.1</u>

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

	Group			Group		
	4Q21	4Q20	Change	FY21	FY20	Change
	\$'000	\$'000	%	\$'000	\$'000	%
<u>Profit for the period / year is arrived at after charging / (crediting) the following:</u>						
Other income						
- Net investment loss / (income)	588	(400)	NM	623	(1,299)	NM
- Government grant	(191)	(1,121)	(83.0)	(1,061)	(3,768)	(71.8)
- Miscellaneous income	(12)	(40)	(70.0)	(53)	(141)	(62.4)
	385	(1,561)	NM	(491)	(5,208)	(90.6)
Finance income						
- Interest income from cash and cash equivalents	(39)	(38)	2.6	(170)	(164)	3.7
- Interest income from clients trade settlement bank accounts	(130)	(94)	38.3	(482)	(650)	(25.8)
- Interest income from investment in financial assets	(3)	(3)	-	(10)	(9)	11.1
- Interest income from receivables	(12)	(4)	200.0	(33)	(14)	135.7
	(184)	(139)	32.4	(695)	(837)	(17.0)
Finance costs						
- Interest expense on bank loans	-	6	NM	1	56	(98.2)
- Interest expense on lease liabilities	130	191	(31.9)	561	756	(25.8)
	130	197	(34.0)	562	812	(30.8)
Tax expense						
Current tax expense						
Deferred tax (credit) / expense	1,154	682	69.2	6,268	3,712	68.9
	(254)	499	NM	(854)	711	NM
	900	1,181	(23.8)	5,414	4,423	22.4
Lease expense	15	12	25.0	54	41	31.7
Foreign exchange (gain) / loss, net	(24)	95	NM	(55)	47	NM
Plant and equipment written off	43	-	NM	43	-	NM
Equity-settled share-based payment transactions, included in staff costs	1,430	790	81.0	5,275	3,077	71.4
Equity-settled share-based payment transactions, included in other operating expenses	209	63	231.7	645	196	229.1
Impairment loss on investment in financial assets at FVOCI, included in other operating expenses	-	-	NM	-	133	NM
Dividend income on investment in financial assets at FVOCI, included in investment income	(95)	(135)	(29.6)	(472)	(553)	(14.6)
Net loss / (gain) on investment in financial assets at FVTPL, included in investment income	692	(256)	NM	1,131	(710)	NM
Dividend income on investment in associates	(9)	(9)	-	(36)	(36)	-

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	
	31-Dec-21 \$'000	31-Dec-20 \$'000	31-Dec-21 \$'000	31-Dec-20 \$'000
Assets				
Plant and equipment	7,552	4,283	1,968	122
Right-of-use assets	14,198	18,538	4,244	7,571
Intangible assets and goodwill	32,623	25,500	23,332	21,662
Subsidiaries	-	-	57,084	53,623
Associates	6,552	5,982	6,748	6,372
Other investments	2,919	3,944	2,535	1,840
Deferred tax assets	2,448	1,099	-	-
Contract costs	3,241	-	-	-
Prepayments and others	675	330	11	11
Total non-current assets	70,208	59,676	95,922	91,201
Current tax receivable	219	203	-	-
Other investments	15,197	16,838	11,046	15,811
Contract costs	97	-	-	-
Prepayments and others	3,107	1,813	247	60
Trade and other receivables	55,126	44,990	30,045	24,819
Uncompleted contracts - buyers	36,800	94,318	-	-
Money market funds	5,751	4,833	-	-
Cash at bank and in hand	38,346	31,608	3,173	5,259
Total current assets	154,643	194,603	44,511	45,949
Total assets	224,851	254,279	140,433	137,150
Equity				
Share capital	67,577	66,976	67,577	66,976
Reserves	61,076	37,133	27,256	24,072
Equity attributable to owners of the Company	128,653	104,109	94,833	91,048
Non-controlling interests	(1,018)	(709)	-	-
Total equity	127,635	103,400	94,833	91,048
Liabilities				
Deferred tax liabilities	3,092	2,616	2,221	1,902
Lease liabilities	7,513	12,013	846	4,149
Total non-current liabilities	10,605	14,629	3,067	6,051
Current tax payables	4,191	3,078	-	-
Lease liabilities	7,665	7,205	3,303	3,268
Bank loans	-	-	-	-
Trade and other payables	38,016	31,735	39,230	36,783
Uncompleted contracts - sellers	36,739	94,232	-	-
Total current liabilities	86,611	136,250	42,533	40,051
Total liabilities	97,216	150,879	45,600	46,102
Total equity and liabilities	224,851	254,279	140,433	137,150
Held under trust				
Client bank accounts	973,592	943,960	-	-
Client ledger balances	(973,592)	(943,960)	-	-
	-	-	-	-

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

Amount repayable in one year or less, or on demand

	Group			
	As at 31-Dec-21 \$'000		As at 31-Dec-20 \$'000	
	Secured	Unsecured	Secured	Unsecured
Bank loans	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The Group uses its revolving bank loan facilities to facilitate its cash management from time to time. The revolving bank loans bore interest at rates ranging from 1.51% to 1.58% (2020: 1.30% to 2.72%) per annum in the period. The revolving bank loans drawn down in the first quarter of 2021 were fully repaid within the quarter.

Amount repayable after one year

No any amount of the Group's borrowings and debt securities is repayable after one year from the reporting date.

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	
	4Q21 \$'000	4Q20 \$'000	FY21 \$'000	FY20 \$'000
Cash flows from operating activities				
Profit for the period / year	7,135	6,774	30,406	20,964
Adjustments for:	-	-	-	-
Depreciation of plant and equipment	731	530	2,504	1,971
Depreciation of right-of-use assets	1,846	1,829	7,274	7,091
Amortisation of intangible assets	2,401	1,909	8,632	6,776
Equity-settled share-based payment transactions	1,639	853	5,920	3,273
Dividend income on investment in financial assets at FVOCI	(95)	(135)	(472)	(553)
Net loss/ (gain) on investment in financial assets at FVTPL	692	(256)	1,131	(710)
Dividend income on investment in associates	(9)	(9)	(36)	(36)
Share of results of associates, net of tax	212	269	345	411
Foreign exchange (gain) / loss, net	(24)	95	(55)	47
Plant and equipment written off	43	-	43	-
Intangible asset written off	1	2	1	2
Gain on disposal of plant and equipment	(1)	-	(1)	-
Impairment loss on investment in financial assets at FVOCI	-	-	-	133
Net finance (income) / cost	(54)	58	(133)	(25)
Tax expense	900	1,181	5,414	4,423
	<u>15,418</u>	<u>13,100</u>	<u>60,974</u>	<u>43,767</u>
Changes in :				
Contract costs	(1,566)	-	(2,940)	-
Prepayments	(108)	79	(505)	23
Trade and other receivables	4,149	(5,519)	(9,885)	(10,677)
Uncompleted contracts - buyers	48,216	(22,657)	57,518	(70,071)
Uncompleted contracts - sellers	(48,171)	22,791	(57,493)	70,037
Trade and other payables	(1,726)	4,014	3,913	10,797
Cash generated from operations	16,212	11,808	51,582	43,876
Tax paid	(704)	(956)	(5,184)	(2,339)
Interest received	195	139	697	837
Interest paid on bank loans	-	(56)	(1)	(56)
Interest paid on lease liabilities	(101)	(191)	(561)	(756)
Net cash from operating activities	15,602	10,744	46,533	41,562
Cash flows from investing activities				
Purchase of plant and equipment	(2,299)	(1,454)	(5,884)	(2,546)
Purchase of intangible assets	(1,445)	(1,698)	(13,686)	(9,678)
Proceeds from disposal of plant and equipment	1	-	1	-
Additional investment in associates	(455)	-	(924)	(1,139)
Dividend from associates	-	-	36	36
Purchase of investment in financial assets	(35,037)	(52,862)	(172,991)	(162,861)
Proceeds from redemption of investment in financial assets	37,420	55,798	173,205	165,684
Dividends received from investment in financial assets at FVOCI	2	1	5	5
Net cash used in investing activities	(1,813)	(215)	(20,238)	(10,499)
Cash flows from financing activities				
Proceeds from exercise of share options	14	265	601	796
Purchase of treasury shares	-	-	-	(475)
Drawdown of bank loans	-	-	5,000	-
Repayment of bank loans	-	(2,305)	(5,000)	(3,805)
Principal element of lease payments	(1,971)	(1,816)	(7,302)	(7,008)
Dividends paid to owners of the Company	(3,600)	(2,175)	(12,175)	(8,685)
Net cash used in financing activities	(5,557)	(6,031)	(18,876)	(19,177)
Net increase in cash and cash equivalents	8,232	4,498	7,419	11,886
Cash and cash equivalents at beginning of the period	36,000	32,514	36,441	24,811
Effect of exchange rate fluctuations on cash held	(135)	(571)	237	(256)
Cash and cash equivalents at end of the period / year	44,097	36,441	44,097	36,441

(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										Non-controlling interests	Total equity
	Share capital	Fair value reserve	Foreign currency translation reserve	Share option reserve	Performance share reserve	Equity reserve	Reserve for own shares	Accumulated profits	Total			
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000			
At 1 January 2021	66,976	(2,873)	(1,927)	2,825	7,058	(2,010)	(357)	34,417	104,109	(709)	103,400	
Total comprehensive income for the year												
Profit / (Loss) for the year	-	-	-	-	-	-	-	30,633	30,633	(227)	30,406	
Other comprehensive income												
Net change in fair value of financial assets at FVOCI	-	(1,957)	-	-	-	-	-	-	(1,957)	(85)	(2,042)	
Net change in fair value of financial assets at FVOCI reclassified to profit or loss	-	-	-	-	-	-	-	-	-	-	-	
Net change in fair value on disposal of financial assets at FVOCI transferred between reserves	-	811	-	-	-	-	-	(811)	-	-	-	
Foreign currency translation differences for foreign operations	-	-	394	-	-	-	-	-	394	3	397	
Share of other comprehensive income of associates	-	(1)	(9)	-	-	-	-	-	(9)	-	(9)	
Total other comprehensive income	-	(1,146)	385	-	-	-	-	(811)	(1,572)	(82)	(1,654)	
Total comprehensive income for the year	-	(1,146)	385	-	-	-	-	29,822	29,061	(309)	28,752	
Transactions with owners, recorded directly in equity												
Contributions by and distributions to owners												
Share options exercised	601	-	-	-	-	-	-	-	601	-	601	
Treasury shares re-issued	-	-	-	-	-	-	197	1,415	1,612	-	1,612	
One-tier tax-exempt 2020 final dividend paid of 1.00 cents per share	-	-	-	-	-	-	-	(2,765)	(2,765)	-	(2,765)	
One-tier tax-exempt interim dividend paid of 1.00 cents per share	-	-	-	-	-	-	-	(2,765)	(2,765)	-	(2,765)	
One-tier tax-exempt interim dividend paid of 1.10 cents per share	-	-	-	-	-	-	-	(3,045)	(3,045)	-	(3,045)	
One-tier tax-exempt interim dividend paid of 1.30 cents per share	-	-	-	-	-	-	-	(3,600)	(3,600)	-	(3,600)	
Equity-settled share-based payment transactions	-	-	-	187	5,258	-	-	-	5,445	-	5,445	
Total contributions by and distribution to owners	601	-	-	187	5,258	-	197	(10,760)	(4,517)	-	(4,517)	
Total transactions with owners	601	-	-	187	5,258	-	197	(10,760)	(4,517)	-	(4,517)	
At 31 December 2021	67,577	(4,019)	(1,542)	3,012	12,316	(2,010)	(160)	53,479	128,653	(1,018)	127,635	

(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	Fair value reserve	Foreign currency translation reserve	Share option reserve	Performance share reserve	Equity reserve	Reserve for own shares	Accumulated profits	Total	Non-controlling interests	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		
At 1 January 2020	66,180	(1,134)	(1,453)	2,549	4,257	(2,010)	(199)	21,867	90,057	(421)	89,636
Total comprehensive income for the year											
Profit / (Loss) for the year	-	-	-	-	-	-	-	21,153	21,153	(189)	20,964
Other comprehensive income											
Net change in fair value of financial assets at FVOCI	-	(1,872)	-	-	-	-	-	-	(1,872)	(102)	(1,974)
Net change in fair value of financial assets at FVOCI reclassified to profit or loss	-	133	-	-	-	-	-	-	133	-	133
Net change in fair value on disposal of financial assets at FVOCI transferred between reserves	-	(1)	-	-	-	-	-	(1)	(1)	-	-
Foreign currency translation differences for foreign operations	-	-	(423)	-	-	-	-	-	(423)	3	(420)
Share of other comprehensive income of associates	-	(1)	(51)	-	-	-	-	-	(51)	-	(51)
Total other comprehensive income	-	(1,739)	(474)	-	-	-	-	-	(2,213)	(99)	(2,312)
Total comprehensive income for the year	-	(1,739)	(474)	-	-	-	-	21,153	18,940	(288)	18,652
Transactions with owners, recorded directly in equity											
Contributions by and distributions to owners											
Share options exercised	796	-	-	-	-	-	-	-	796	-	796
Purchase of treasury shares	-	-	-	-	-	-	(475)	-	(475)	-	(475)
Treasury shares re-issued	-	-	-	-	-	-	317	82	399	-	399
One-tier tax-exempt 2019 final dividend paid of 0.90 cents per share	-	-	-	-	-	-	-	(2,440)	(2,440)	-	(2,440)
One-tier tax-exempt interim dividend paid of 0.75 cents per share	-	-	-	-	-	-	-	(2,033)	(2,033)	-	(2,033)
One-tier tax-exempt interim dividend paid of 0.75 cents per share	-	-	-	-	-	-	-	(2,037)	(2,037)	-	(2,037)
One-tier tax-exempt interim dividend paid of 0.80 cents per share	-	-	-	-	-	-	-	(2,175)	(2,175)	-	(2,175)
Equity-settled share-based payment transactions	-	-	-	276	2,801	-	-	-	3,077	-	3,077
Total contributions by and distribution to owners	796	-	-	276	2,801	-	(158)	(8,603)	(4,888)	-	(4,888)
Total transactions with owners	796	-	-	276	2,801	-	(158)	(8,603)	(4,888)	-	(4,888)
At 31 December 2020	66,976	(2,873)	(1,927)	2,825	7,058	(2,010)	(357)	34,417	104,109	(709)	103,400

(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)

	Company						
	Attributable to owners of the Company						Total equity
	Share capital	Fair value reserve	Share option reserve	Performance share reserve	Reserve for own shares	Accumulated profits	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
At 1 January 2021	66,976	(939)	1,718	7,058	(357)	16,592	91,048
Total comprehensive income for the year							
Profit for the year	-	-	-	-	-	8,690	8,690
Other comprehensive income							
Net change in fair value of financial assets at FVOCI	-	(322)	-	-	-	-	(322)
Net change in fair value of financial assets at FVOCI reclassified to profit or loss	-	-	-	-	-	-	-
Net change in fair value on disposal of financial assets at FVOCI transferred between reserves	-	811	-	-	-	(811)	-
Total other comprehensive income	-	489	-	-	-	(811)	(322)
Total comprehensive income for the year	-	489	-	-	-	7,879	8,368
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Share options exercised	601	-	-	-	-	-	601
Treasury shares re-issued	-	-	-	-	197	1,415	1,612
One-tier tax-exempt 2020 final dividend paid of 1.00 cents per share	-	-	-	-	-	(2,765)	(2,765)
One-tier tax-exempt interim dividend paid of 1.00 cents per share	-	-	-	-	-	(2,765)	(2,765)
One-tier tax-exempt interim dividend paid of 1.10 cents per share	-	-	-	-	-	(3,045)	(3,045)
One-tier tax-exempt interim dividend paid of 1.30 cents per share	-	-	-	-	-	(3,600)	(3,600)
Equity-settled share-based payment transactions	-	-	121	5,258	-	-	5,379
Total contributions by and distribution to owners	601	-	121	5,258	197	(10,760)	(4,583)
Total transactions with owners	601	-	121	5,258	197	(10,760)	(4,583)
At 31 December 2021	67,577	(450)	1,839	12,316	(160)	13,711	94,833

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						
	Share capital	Attributable to owners of the Company					Total equity
		Fair value reserve	Share option reserve	Performance share reserve	Reserve for own shares	Accumulated profits	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
At 1 January 2020	66,180	(1,132)	1,613	4,257	(199)	14,830	85,549
Total comprehensive income for the year							
Profit for the year	-	-	-	-	-	10,365	10,365
Other comprehensive income							
Net change in fair value of financial assets at FVOCI	-	60	-	-	-	-	60
Net change in fair value of financial assets at FVOCI reclassified to profit or loss	-	133	-	-	-	-	133
Net change in fair value on disposal of financial assets at FVOCI transferred between reserves	-	(1)	-	-	-	(1)	-
Total other comprehensive income	-	193	-	-	-	-	193
Total comprehensive income for the year	-	193	-	-	-	10,365	10,558
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Share options exercised	796	-	-	-	-	-	796
Purchase of treasury shares	-	-	-	-	(475)	-	(475)
Treasury shares re-issued	-	-	-	-	317	82	399
One-tier tax-exempt 2019 final dividend paid of 0.90 cents per share	-	-	-	-	-	(2,440)	(2,440)
One-tier tax-exempt interim dividend paid of 0.75 cents per share	-	-	-	-	-	(2,033)	(2,033)
One-tier tax-exempt interim dividend paid of 0.75 cents per share	-	-	-	-	-	(2,037)	(2,037)
One-tier tax-exempt interim dividend paid of 0.80 cents per share	-	-	-	-	-	(2,175)	(2,175)
Equity-settled share-based payment transactions	-	-	105	2,801	-	-	2,906
Total contributions by and distribution to owners	796	-	105	2,801	(158)	(8,603)	(5,059)
Total transactions with owners	796	-	105	2,801	(158)	(8,603)	(5,059)
At 31 December 2020	66,976	(939)	1,718	7,058	(357)	16,592	91,048

(1) Amount less than \$1,000

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

The number of shares in issue in the Company as at 31 December 2021 excluding treasury shares and subsidiary holdings was 276,946,913 ordinary shares (30 September 2021: 276,915,913 ordinary shares). The movements in the Company's share capital during the fourth quarter ended 31 December 2021 were as follows:

	Number of ordinary shares
As at 30 September 2021	276,915,913
Exercise of share options	31,000
Vesting of performance shares	-
Purchase of treasury shares	-
Re-issue of treasury shares	-
As at 31 December 2021	<u>276,946,913</u>

iFAST Employee Share Option Scheme and iFAST Share Option Schemes 2003 and 2013 ("iFAST ESOS")

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

	Number of share options
As at 30 September 2021	3,466,406
Share options granted	-
Exercised	(31,000)
Forfeited	-
As at 31 December 2021	<u>3,435,406</u>

As at 31 December 2021, the number of outstanding share options under the iFAST ESOS was 3,435,406 (31 December 2020: 4,470,584).

iFAST Corporation Performance Share Plan ("iFAST PSP")

The number of outstanding performance shares granted but not vested under iFAST PSP was as follows:

	Number of performance shares
As at 30 September 2021	8,814,500
Performance shares granted but not vested	-
Vested	-
Forfeited	(18,500)
As at 31 December 2021	<u>8,796,000</u>

As at 31 December 2021, the number of outstanding performance shares granted but not vested under the iFAST PSP was 8,796,000 (31 December 2020: 10,506,600).

Treasury shares and subsidiary holdings

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

	Number of treasury shares
As at 30 September 2021	195,600
Purchased by way of on-market acquisition	-
Purchased by way of off-market acquisition	-
Re-issued	-
As at 31 December 2021	<u>195,600</u>

As at 31 December 2021, 195,600 (31 December 2020: 436,100) treasury shares were held by the Company that may be re-issued upon the exercise of share options under the iFAST ESOS and upon the vesting of performance shares under the iFAST PSP or for other uses pursuant to the Share Buy Back Mandate of the Company renewed at the Annual General Meeting held on 23 April 2021.

The Company has no subsidiary holdings as at 31 December 2021 and 31 December 2020.

As at 31 December 2021, the treasury shares held by the Company represented 0.1% (31 December 2020: 0.2%) of the total number of issued shares excluding treasury shares and subsidiary holdings.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	As at 31-Dec-21	As at 31-Dec-20
Total number of issued shares excluding treasury shares and subsidiary holdings	<u>276,946,913</u>	<u>272,407,635</u>

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

There were no sales, transfer, cancellation and/or use of treasury shares during the fourth quarter ended 31 December 2021.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

There were no sales, transfer, cancellation and/or use of subsidiary holdings as at 31 December 2021.

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.

3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:—

(a) Updates on the efforts taken to resolve each outstanding audit issue.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

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 Singapore Financial Reporting Standards (International) ("SFRS(I)") including *SFRS(I) 1-34 Interim Financial Reporting*, and 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 SFRS(I)s, and Interpretations of SFRS(I) ("SFRS(I) INTs") that are effective for the annual period beginning on 1 January 2021. The adoption of these SFRS(I)s and SFRS(I) INTs 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.

	4Q21	4Q20	FY21	FY20
(i) Based on weighted average number of ordinary shares on issue				
- Weighted average number of ordinary shares	276,929,580	272,144,968	275,989,132	271,051,587
Basic earnings per share (cents)	2.60	2.51	11.10	7.80
(ii) On a fully diluted basis of ordinary shares				
- Adjusted weighted average number of ordinary shares	287,628,788	284,437,392	287,202,968	283,526,899
Diluted earnings per share (cents)	2.50	2.40	10.67	7.46

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	
	31-Dec-21	31-Dec-20	31-Dec-21	31-Dec-20
Net asset value per ordinary share (cents)	46.45	38.22	34.24	33.42

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

Asia ex Japan equities recorded a modest decline in the fourth quarter of 2021 ("4Q21"), due to a broad market sell-off following the emergence of the Omicron variant of Covid-19 which investors feared could derail the global economic recovery.

Despite the negative market sentiment in the quarter, the Group's assets under administration ("AUA") grew 3.4% quarter-to-quarter ("QoQ") and 31.5% year-on-year ("YoY") to \$19.00 billion as at 31 December 2021. This was contributed by net inflows of client assets amounting to approximately \$757 million into the Group's platforms during the quarter.

The AUA of unit trusts ("UT"), our key client investment asset class, grew 3.2% QoQ and 27.5% YoY to \$13.89 billion as at 31 December 2021, representing 73.1% of the Group's total AUA at end of the period.

On the back of the growth in AUA, the Group's revenue grew 13.9% YoY to \$54.55 million in 4Q21 and grew 27.2% YoY to \$216.20 million in the year ended 31 December 2021 ("FY21"). The following table shows the breakdown of the Group's revenue by two main business divisions, namely Business-to-Customer ("B2C") and Business-to-Business ("B2B").

	4Q21	Group	Change	FY21	Group	Change
	\$'000	4Q20			%	
Business-to-Customer business	9,428	10,197	(7.5)	42,771	34,193	25.1
Business-to-Business business	45,124	37,702	19.7	173,432	135,732	27.8
Total revenue	54,552	47,899	13.9	216,203	169,925	27.2

Commission and fee paid or payable to financial advisers and securities brokerage expense

Securities brokerage expense refers to brokerage fee paid to third party brokers for execution of clients' trade in securities listed on overseas exchanges of which the Group is not a member.

For B2B division, a substantial portion of front-end commission income and advisory fee from B2B customers is payable to financial advisers.

Commission and fee paid or payable to financial advisers and securities brokerage expense increased by 11.7% YoY to \$26.33 million in 4Q21 and 22.5% YoY to \$102.99 million in FY21. These were due mainly to increases in clients' trade volume in ETFs and stocks in B2B division in the period.

Net revenue

Net revenue represents revenue earned by the Group after commission and fee paid or payable to financial advisers and securities brokerage expense. The Group's net revenue grew 16.0% YoY to \$28.23 million in 4Q21 and grew 31.9% YoY to \$113.22 million in FY21, with the breakdown by business division as follows.

	4Q21	Group	Change	FY21	Group	Change
	\$'000	4Q20	%	\$'000	FY20	%
		\$'000			\$'000	
Business-to-Customer business	9,121	9,716	(6.1)	41,074	32,637	25.9
Business-to-Business business	19,104	14,616	30.7	72,144	53,220	35.6
Total net revenue	28,225	24,332	16.0	113,218	85,857	31.9

For B2C division, its net revenue decreased 6.1% YoY in 4Q21 but still increased 25.9% YoY in FY21. In 4Q21, it was due mainly to decreases in transaction processing fees resulting from decreased investment subscription from customers in exchange-listed securities, and service fees arising from the provision of currency conversion administration services resulting from lower clients' trading volume of securities listed on foreign exchanges affected by the negative market sentiment in the quarter, partially offset by increased recurring fee income arising from higher average AUA in UTs with the YoY growth of 26.6% in 4Q21. In FY21, there were still increases in transaction processing fees and service fees arising from exchange-listed securities trade compared to FY20. The Group's average AUA in UTs of B2C division grew 36.5% YoY in FY21, and the Group's total average AUA of B2C division grew 54.3% YoY in FY21.

For B2B division, its net revenue was up 30.7% YoY in 4Q21 and 35.6% YoY in FY21. Besides increases in transaction processing fees resulting from increased investment subscription from customers in exchange-listed securities, the trade volume of customers' investment subscription in UTs and portfolio services grew significantly in the period also. In addition, the in-house wealth adviser business unit of iFAST Global Markets ("IGM") under the B2B division continues to show encouraging growth in the period. The AUA from the IGM business unit grew 57.2% YoY to approximately \$2.0 billion as at 31 December 2021. The Group's average AUA in UTs of B2B division grew 41.7% YoY in FY21, and the Group's total average AUA of B2B division grew 48.2% YoY in FY21.

The following table shows the breakdown of the Group's net revenue, by recurring and non-recurring basis. The Group's business model gives a stream of reliable recurring revenue which is based on AUA. In FY21, 69.5% of net revenue is derived from recurring net revenue and 30.5% of net revenue is from non-recurring net revenue.

	4Q21	Group	Change	FY21	Group	Change
	\$'000	4Q20	%	\$'000	FY20	%
		\$'000			\$'000	
Recurring net revenue	20,905	16,829	24.2	78,686	60,387	30.3
Non-recurring net revenue	7,320	7,503	(2.4)	34,532	25,470	35.6
Total net revenue	28,225	24,332	16.0	113,218	85,857	31.9

Recurring net revenue is usually calculated based on a percentage of average AUA of investment products distributed on the Group's platforms, and mainly comprises trailer fees, platform fees, wrap fees, portfolio service management fees and net interest income arising from clients' AUA. The YoY increase in recurring net revenue in FY21 was due mainly to an increase in average AUA for both B2B business and B2C business in the period, substantially benefitting from new inflows of investments from customers over the period, which was partially offset by the lower net interest income from arising from clients' AUA due to the lower interest rate environment in the period. Not counting the incremental AUA of \$485 million added to the Singapore platforms of the Group resulting from the business transfer agreement with DWS Investments Singapore Limited for the transfer of its fund management business relating to its Singapore mutual funds platform which was completed in July 2021, the total inflows of customer investments net of outflows of customer investments were \$3.75 billion in FY21, pushing the Group's AUA to a record high of \$19.00 billion as at 31 December 2021.

Non-recurring revenue mainly comprises commission income derived from investment subscription via front-end load commission or transaction processing fee; service fee arising from the provision of currency conversion administration services to customers and the provision of administration services to financial advisory firms; brokerage service fee from arranging for insurance policies, advertising fee earned from advertisements placed by third parties on iFAST websites and mobile applications; and IT solution development fee from provision of IT Fintech solutions to business partners. In 4Q21, the decrease in non-recurring net revenue was due mainly to decreases in transaction processing fees resulting from decreased investment subscription from B2C customers in exchange-listed securities, and service fees arising from the provision of currency conversion administration services resulting from lower B2C clients' trading volume of securities listed on foreign exchanges affected by the negative market sentiment in the quarter. In FY21, the increase in non-recurring net revenue was due mainly to an increase in financial institution clients' investment subscription in UT portfolio services, the growth of business in ETFs and stocks and the resulted increase in service fee arising from the currency conversion administration services provided to customers in the period, and the project solution fee earned from a counterparty in Hong Kong to facilitate their developing an e-Pension platform in Hong Kong in the year.

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

	Group			Group		
	4Q21 \$'000	4Q20 \$'000	Change %	FY21 \$'000	FY20 \$'000	Change %
Singapore	18,335	16,239	12.9	73,238	56,334	30.0
Hong Kong	5,997	5,156	16.3	24,408	19,219	27.0
Malaysia	3,359	2,288	46.8	13,158	8,546	54.0
China	534	649	(17.7)	2,414	1,758	37.3
Total net revenue	28,225	24,332	16.0	113,218	85,857	31.9

Breaking down by geographical segment, Singapore operation is still the major contributor of the Group's net revenue. Resulting from our continuous investments in building up a strong integrated digital wealth management platform in recent years, the broadened range and depth of services we provide continue attracting new customers in the markets, and also further diversify our revenue streams and increase our business resilience over the year.

In Singapore, our B2C division has continued to organise investment education webinars and events in the market, and has also shared the benefit of our economies of scale with clients by offering lower transaction processing fees to clients on dealing of exchange-listed securities in recent quarters. The stock brokerage business of B2B division continued growing significantly in the period. Further, the in-house wealth adviser business unit, IGM under the B2B division, continuously showed encouraging growth in the period. Over the quarter of 4Q21, new trading capabilities for China A-shares and Bursa Malaysia have been enabled to allow clients to diversify their stock holdings in a cost-efficient manner. As part of ongoing platform enhancements, advanced order placement has been also enabled over the quarter to allow clients to trade stocks and ETFs in selected markets with more flexibility and precision. The average AUA in UTs of Singapore operation grew 36.6% YoY to \$9.51 billion in 4Q21 and 42.3% YoY to \$8.74 billion in FY21, while the total average AUA of Singapore operation grew 46.0%

YoY to \$13.36 billion in 4Q21 and 56.6% YoY to \$12.08 billion in FY21. The net revenue in Singapore operation grew 12.9% YoY in 4Q21 and 30.0% YoY in FY21.

The investment sentiment in Hong Kong market remained weak in 4Q21. The AUA in bonds of Hong Kong operation continued to fall in the quarter as a result of bond redemptions and decline in bond market value, which was impacted by the concern of defaults in Chinese property bonds. Nevertheless, Hong Kong operation continued to record positive net inflows in 4Q21 and saw net inflows growing approximately 75% YoY in FY21. The addition of Shenzhen/Shanghai connect and SGX trading to Hong Kong platforms in recent quarters has enabled clients to take some unique sector opportunities beyond the US and Hong Kong ETF/Stock markets. The AUA of Hong Kong operation decreased 2.8% QoQ but increased 7.7% YoY to \$2.86 billion as at 31 December 2021. In addition, following the finalisation of the prime subcontractor contract for the Hong Kong pension project in July 2021, some project solution fee has been earned from the counterparty in Hong Kong to facilitate their developing an e-Pension platform in Hong Kong in recent quarters. The average AUA in UTs of Hong Kong operation grew 17.4% YoY to \$2.02 billion in 4Q21 and 22.0% YoY to \$1.97 billion in FY21, while the total average AUA of Hong Kong operation grew 13.2% YoY to \$2.91 billion in 4Q21 and 20.1% YoY to \$2.90 billion in FY21. The net revenue in Hong Kong operation grew 16.3% YoY in 4Q21 and 27.0% YoY in FY21.

In Malaysia, despite the negative market sentiment in Asian markets in 4Q21, the clients' subscription in UTs grew 9.5% QoQ and the turnover of the client's trade in bonds was up 34.0% QoQ in the quarter. Post the launch of US and Hong Kong stock trading services in July 2021, the B2C division of Malaysia operation also launched the SGX trading services in December 2021. The trade volume of all Malaysian, Hong Kong and US stock transactions continued to grow in recent quarters. The average AUA in UTs of Malaysia operation grew 21.6% YoY to \$1.20 billion in 4Q21 and 30.6% YoY to \$1.15 billion in FY21, while the total average AUA of Malaysia operation grew 42.8% YoY to \$1.76 billion in 4Q21 and 54.9% YoY to \$1.60 billion in FY21. The net revenue in Malaysia operation grew 46.8% YoY in 4Q21 and 54.0% YoY in FY21.

In 4Q21, China was still the worst-performing index market, with share prices sharply lower on investor fears that new lockdown restrictions would be instigated following the rapid spread of the new Covid-19 variant. The amounts of clients' investment subscription in UTs decreased 12.9% QoQ in 4Q21. However, as at 31 December 2021, the AUA of China operation still grew approximately 75% YoY to RMB 2.33 billion (equivalent to approximately \$496 million). The net revenue in China operation dropped 17.7% in 4Q21, but still grew 37.3% YoY in FY21.

Other income

Other income decreased by \$4.72 million or 90.6% from \$5.21 million in FY20 to \$0.49 million in FY21, and recorded negative amount of \$0.39 million in 4Q21 against positive amount of \$1.56 million in 4Q20. These were due to significant market price drops in some investments in debt securities at FVTPL resulting from concerns of defaults in Chinese property bonds in recent quarters, and higher financial supports granted by local governments in Singapore market and Hong Kong market during the period of uncertainties caused by the outbreak of Covid-19 in 2020.

Operating expenses

Overall, the Group's total operating expenses increased by \$2.04 million or 11.6% from \$17.61 million in 4Q20 to \$19.65 million in 4Q21 and \$12.39 million or 19.0% from \$65.29 million in FY20 to \$77.68 million in FY21. These were in line with the Group's increased efforts in enhancing its platform capabilities including improving the range and depths of investment products and services being provided to customers in the existing markets including China market over the period so as to strengthen the Fintech Ecosystem of the Group and further scale up the businesses of the Group continuously.

Depreciation of plant and equipment increased by \$0.20 million or 37.9% from \$0.53 million in 4Q20 to \$0.73 million in 4Q21 and \$0.53 million or 27.0% from \$1.97 million in FY20 to \$2.50

million in FY21. Amortisation of intangible assets increased by \$0.49 million or 25.8% from \$1.91 million in 4Q20 to \$2.40 million in 4Q21 and \$1.85 million or 27.4% from \$6.78 million in FY20 to \$8.63 million in FY21. These were due mainly to additions of plant and equipment and intangible assets (including internally-developed IT software assets) over the period, to support business expansion in the markets that the Group operates in and to continuously strengthen the Fintech capabilities of our investment platforms as well as the Fintech Ecosystem of the Group.

Depreciation of right-of-use assets remained flat in 4Q21 as compared to 4Q20, while it increased by \$0.18 million or 2.6% from \$7.09 million in FY20 to \$7.27 million in FY21. It was due to higher cost amount of right-of-use assets at beginning of FY21 as compared to the one at beginning of FY20, mainly resulting from the renewal of Singapore office lease in April 2020 for next three years.

Staff costs increased by \$0.59 million or 5.8% from \$10.10 million in 4Q20 to \$10.69 million in 4Q21 and \$6.10 million or 16.6% from \$36.84 million in FY20 to \$42.94 million in FY21. These were due mainly to the annual salary increment adjusted in 2021, increased number of staff over the period, the increased equity-settled share-based payment transaction costs resulting from another batch of performance shares granted to the Group's employees in the period. In addition, the Group continues to create new positions and hiring for new businesses the Group is planning.

Other operating expenses increased by \$0.73 million or 22.8% from \$3.25 million in 4Q20 to \$3.98 million in 4Q21 and \$3.71 million or 29.4% from \$12.62 million in FY20 to \$16.33 million in FY21. These were due mainly to additional sales incentive awarded to IGM advisers in line with their good performance and increases in bank charges and custodian service charges in line with an increase in revenue in the period, increased spending in IT and related technology security services in the period to support the continual growth of the Group's business ahead, and additional operating costs incurred to support the Hong Kong pension project in the year.

Net finance income / (costs)

Finance income decreased by \$0.14 million or 17.0% from \$0.84 million in FY20 to \$0.70 million in FY21, due mainly to lower interest income from clients trade settlement bank accounts due to the lower interest rate environment since June 2021. However, finance income increased by \$0.04 million or 32.4% from \$0.14 million in 4Q20 to \$0.18 million in 4Q21, due mainly to higher average daily balance of clients trade settlement bank accounts in 4Q21 compared to 4Q20.

Finance costs decreased by \$0.07 million or 34.0% from \$0.20 million in 4Q20 to \$0.13 million in 4Q21 and \$0.25 million or 30.8% from \$0.81 million in FY20 to \$0.56 million in FY21. These were due mainly to a decrease in interest expense on bank loans in line with the lower borrowing amount over the period and lower interest expense on lease liabilities in line with the lower carrying amount of leasing liabilities net of lease payments over the period.

Overall, net finance income of \$0.05 million was recorded in 4Q21 while net finance costs of \$0.06 million were incurred in 4Q20, and net finance income increased by \$0.10 million or 432.0% from \$0.03 million in FY20 to \$0.13 million in FY21.

Share of results of associates, net of tax

The Group's share of results after tax of associates comprised mainly share of results of some associates, namely Providend Holding Pte Ltd ("Providend"), iFAST India Holdings Pte Ltd and Raffles Family Office China Ltd ("Raffles China"), which started its operation from June 2020, in the year. The Group's share of loss after tax of associates decreased by \$0.06 million from \$0.41 million in FY20 to \$0.35 million in FY21, due mainly to some improvement of financial results of Providend over the year.

There was no significant YoY change in the results of iFAST India Holdings Pte Ltd over the year. iFAST India Holdings Pte Ltd is an ultimate holding company of iFAST Financial India Pvt Ltd ("iFAST India"), an India-incorporated company engaged in the distribution of investment

products including mutual funds in India. iFAST India had a AUA of Indian Rupee 32.64 billion (equivalent to \$593 million) as at 31 December 2021, growing at a 5-year compound annual growth rate (“CAGR”) of 14.4%. The Group’s effective shareholding in iFAST India has been increased from 39.25% as at 31 December 2020 to 39.35% as at 31 December 2021, following some additional investments in India business over the year.

Profit for the period, after non-controlling interests

The following table shows the breakdown of the Group’s profit for the period by geographical segments.

	Group			Group		
	4Q21 \$'000	4Q20 \$'000	Change %	FY21 \$'000	FY20 \$'000	Change %
Singapore	6,623	6,905	(4.1)	28,435	21,318	33.4
Hong Kong	2,032	1,731	17.4	8,387	5,791	44.8
Malaysia	1,277	940	35.9	5,386	3,753	43.5
China ⁽²⁾	(1,620)	(1,300)	24.6	(5,816)	(4,875)	19.3
Other ⁽¹⁾	(212)	(269)	(21.2)	(345)	(411)	(16.1)
Profit before tax ⁽²⁾	8,100	8,007	1.2	36,047	25,576	40.9
Tax expense	(900)	(1,181)	(23.8)	(5,414)	(4,423)	22.4
Net profit after tax ⁽²⁾	7,200	6,826	5.5	30,633	21,153	44.8

Notes:

(1) Referring to share of results of associates.

(2) Attributable to owners of the Group.

The Group’s profit before tax increased by \$0.09 million or 1.2% from \$8.01 million in 4Q20 to \$8.10 million in 4Q21 and \$10.47 million or 40.9% from \$25.58 million in FY20 to \$36.05 million in FY21, due mainly to stronger growths in Singapore, Hong Kong and Malaysia especially in the first three quarters of 2021. China operation is continuing to build iFAST brand and business in both onshore Chinese market and offshore Chinese market.

Tax expense increased by \$0.99 million or 22.4% YoY in FY21, due to higher taxable profit generated by the Group in the year. However, the effective tax rate in FY21 was lower as compared to FY20, as Singapore operation has been awarded the standard-tier FSI (Financial Sector Incentive Scheme) award for a five-year period with effect from 25 June 2020 whereby qualifying transactions are taxed at a concessionary rate instead of the local statutory rate in Singapore, and Hong Kong operation recognised some additional deferred tax asset arising from some unused tax losses at 31 December 2021.

Overall, the Group’s net profit increased by 44.8% YoY to \$30.63 million in FY21, and the Group’s profit before tax (“PBT”) margin (based on net revenue) increased from 29.6% for FY20 to 31.6% for FY21.

Statement of Financial Position

The shareholders’ equity of the Group increased to \$128.65 million as at 31 December 2021 from \$104.11 million as at 31 December 2020. This was due mainly to contribution of net profit generated, an increase in share capital resulting from staff share option exercises, a fair value premium upon reissuance of treasury shares and an increase in reserve from translation of foreign operations resulting from appreciation of Hong Kong dollar and Chinese yuan in FY21, partially offset by decreases in fair value of financial assets at FVOCI in the year and dividend amounts paid to shareholders in FY21.

The Group’s cash and cash equivalents and investments in financial assets (categorised as other investments under current assets) net of bank loans, increased to \$59.29 million as at 31 December 2021 from \$53.28 million as at 31 December 2020. This was due mainly to net cash generated from operating activities in FY21, partially offset by payments of additional investment

in associates, additions of plant and equipment and intangible assets, office leases and dividends paid to shareholders in the year.

Current assets decreased to \$154.64 million as at 31 December 2021 from \$194.60 million as at 31 December 2020. This was due mainly to decreases in receivables from uncompleted contracts on securities dealing at end of the year, partially offset by increases in cash and cash equivalents, trade and other receivables over the year.

Non-current assets increased to \$70.21 million as at 31 December 2021 from \$59.68 million as at 31 December 2020. This was due mainly to additional investment in associates, additional deferred tax assets recognised and purchase of plant and equipment in FY21, purchase of intangible assets including the acquired business rights resulting from the business transfer agreement with DWS Investments Singapore Limited for the transfer of its fund management business relating to its Singapore mutual funds platform, which was completed in July 2021, and some project setup costs incurred for the Hong Kong pension project contract at end of the year. The above was partially offset by a decrease in carrying amount of right-of-use assets net of accumulated depreciation and a decrease in fair value of some financial asset at FVOCI at end of the year.

Total liabilities decreased to \$97.22 million as at 31 December 2021 from \$150.88 million as at 31 December 2020. This was due mainly to decreases in carrying amount of lease liabilities net of lease payments and decreases in payables from uncompleted contracts on securities dealing at end of the year, partially offset by higher tax payable amounts, additional deferred tax liabilities and increases in trade and other payables at end of the year.

Consolidated Statement of Cash Flows

Net cash from operating activities increased from \$10.74 million in 4Q20 to \$15.60 million in 4Q21, due mainly to higher cash generated from operating activities in the quarter and working capital movement cross quarters. Net cash from operating activities increased from \$41.56 million in FY20 to \$46.53 million in FY21, due mainly to higher cash generated from operating activities in FY21 and partially offset by higher income tax paid in FY21 and working capital movement cross quarters.

Net cash used in investing activities increased from \$0.22 million in 4Q20 to \$1.81 million in 4Q21, due mainly to higher purchase amounts of plant and equipment and investment in an associate in the quarter. Net cash used in investing activities increased from \$10.50 million in FY20 to \$20.24 million in FY21, due mainly to higher purchase amounts of plant and equipment and intangible assets paid in the year and settlement movement of investments in financial assets classified at FVTPL between quarters and partially offset by lower total investments in associates in the year.

Net cash used in financing activities decreased from \$6.03 million in 4Q20 to \$5.56 million in 4Q21, and from \$19.18 million in FY20 to \$18.88 million in FY21. These were due mainly to higher bank loan repayments net of bank loan drawdown in 4Q20 and FY20 and some purchase of treasury shares in FY20, partially offset by higher dividend amounts paid to shareholders in 4Q21 and FY21.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast or prospect statement was previously provided.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The Group's assets under administration ("AUA") continued to register new record levels, reaching \$19.00 billion as at 31 December 2021, a growth of 31.5% YoY. The AUA of unit trusts, its key investment asset class, grew to a record \$13.89 billion as at 31 December 2021, a growth of 27.5% YoY.

As a result of the increasing AUA, the Group's recurring net revenue has continued to grow at a robust pace, increasing 35.6% YoY in FY2021.

Net inflows of client assets remained healthy in 4Q2021 at \$0.76 billion, leading to net inflows of \$3.75 billion for FY2021

The Group's net revenue grew 31.9% YoY to \$113.22 million in FY2021, while its net profit grew 44.8% YoY to \$30.63 million in FY2021. Reflecting the positive operating leverage of the Group's business model, its profit before tax ("PBT") margin (based on net revenue) increased to 31.6% for FY2021, compared to 29.6% for FY2020.

Moving forward, the Group will focus on executing its four-year plan which includes getting bigger and better, accelerating the Hong Kong business growth, adding digital banking and other capabilities to the iFAST Fintech Ecosystem, and building a truly global business model.

On 7 January 2022, the Group announced its intention to acquire the UK-based BFC Bank Limited (the "UK Bank") from BFC Group Holdings. The Group expects the proposed acquisition to contribute some initial start-up losses. Based on the Group's 85% stake in the UK Bank, its estimated loss to the Group for FY2022 is approximately \$4.0 million (excluding some transaction and other charges charged to balance sheet upon completion). The Group targets to achieve profitability for the UK Bank starting 2024.

The Group expects its overall business to achieve robust growth in both revenue and profitability between 2021 and 2025, with Hong Kong's ePension division expected to be the biggest driver from 2023.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Name of dividend	Final
Dividend type	Cash
Dividend rate	1.40 cents per ordinary share
Tax rate	One-tier tax exempt

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Name of dividend	Final
Dividend type	Cash
Dividend rate	1.00 cents per ordinary share
Tax rate	One-tier tax exempt

(c) Date payable

The proposed final dividend will be paid on 19 May 2022 subject to shareholders' approval at the forthcoming Annual General Meeting to be held on 25 April 2022.

(d) Record date

The Register of Members and Share Transfer Books of the Company will be closed on 10 May 2022 for the preparation of dividend warrants to the proposed final dividend. Duly completed registrable transfers in respect of the shares in the Company received up to the close of business at 5.00 p.m. on 9 May 2022 ("Record Date") by the Company's Singapore Share Registrar, Tricor Barbinder Share Registration Services (A division of Tricor Singapore Pte. Ltd.), 80 Robinson Road, #02-00, Singapore 068898 will be registered to determine Members' entitlements to the proposed final dividend. Members whose Securities Accounts with The Central Depository (Pte) Ltd are credited with shares in the Company as at 5.00 p.m. on the Record Date will be entitled to the proposed final dividend.

12. If no dividend has been declared/recommended, a statement to that effect.

Not applicable.

13. If the group has obtained a general mandate from shareholders for Interested Person Transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT Mandate has been obtained, a statement to that effect.

The Company does not have a general mandate from shareholders for interested person transactions.

14. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

15. Segmented revenue and results for business segments or geographical segments (of the group), with comparative information for the corresponding period of the immediately preceding financial year.

Geographical segments	Singapore \$'000	Hong Kong \$'000	Malaysia \$'000	China \$'000	Others \$'000	Total \$'000
FY21						
Revenue and expenses						
Revenue from external customers	139,335	48,771	24,579	3,518	-	216,203
Inter-segment revenue	4,781	257	3,105	67	-	8,210
Total revenue	<u>144,116</u>	<u>49,028</u>	<u>27,684</u>	<u>3,585</u>	<u>-</u>	<u>224,413</u>
Depreciation of plant and equipment	(1,433)	(334)	(531)	(206)	-	(2,504)
Depreciation of right-of-use assets	(3,354)	(2,263)	(639)	(1,018)	-	(7,274)
Amortisation of intangible assets	(8,082)	(80)	(439)	(31)	-	(8,632)
Reportable segment profit / (loss) before tax	28,435	8,387	5,386	(6,043)	-	36,165
Share of results of associates	-	-	-	-	(345)	(345)
Assets and liabilities						
Reportable segment assets	144,770	43,018	23,171	7,340	-	218,299
Equity-accounted associates	-	-	-	-	6,552	6,552
Capital expenditure	17,013	1,491	2,611	500	-	21,615
Reportable segment liabilities	<u>63,415</u>	<u>19,314</u>	<u>9,183</u>	<u>5,304</u>	<u>-</u>	<u>97,216</u>
FY20						
Revenue and expenses						
Revenue from external customers	108,341	44,401	15,402	1,781	-	169,925
Inter-segment revenue	3,306	173	2,748	63	-	6,290
Total revenue	<u>111,647</u>	<u>44,574</u>	<u>18,150</u>	<u>1,844</u>	<u>-</u>	<u>176,215</u>
Finance income	507	45	227	58	-	837
Depreciation of plant and equipment	(912)	(427)	(447)	(185)	-	(1,971)
Depreciation of right-of-use assets	(3,179)	(2,432)	(649)	(831)	-	(7,091)
Amortisation of intangible assets	(6,603)	(69)	(99)	(5)	-	(6,776)
Reportable segment profit / (loss) before tax	21,318	5,791	3,753	(5,064)	-	25,798
Share of results of associates	-	-	-	-	(411)	(411)
Assets and liabilities						
Reportable segment assets	180,091	45,176	15,318	7,712	-	248,297
Equity-accounted associates	-	-	-	-	5,982	5,982
Capital expenditure	10,619	276	1,562	174	-	12,631
Reportable segment liabilities	<u>112,072</u>	<u>29,522</u>	<u>4,667</u>	<u>4,618</u>	<u>-</u>	<u>150,879</u>

16. Other notes to consolidated financial statements

16.1 Other investments - investments in financial instruments

	Group	
	31-Dec-21	31-Dec-20
	\$'000	\$'000
Non-current		
Financial assets at FVOCI		
- Unquoted equity shares	2,919	3,944
	<hr/>	<hr/>
Current		
Financial assets at FVOCI		
- Quoted debt investments	96	96
- Quoted equity investments	7,993	10,657
	<hr/>	<hr/>
	8,089	10,753
Financial assets at FVTPL		
- Quoted debt investments	7,108	6,085
	<hr/>	<hr/>
	15,197	16,838
	<hr/>	<hr/>

16.2 Fair value measurement

The Group has an established control framework with respect to the measurement of fair values. When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following summarises the significant methods and assumptions used in estimating the fair values of financial instruments of the Group:

Investments in financial instruments

The fair value of investments in equity securities and debt securities is determined by reference to its bid price, recent transaction price or cost at the reporting date.

Intra-group financial guarantees

The value of financial guarantees provided by the Company to its subsidiaries is determined by reference to the difference in the interest rates, by comparing the actual rates charged by the bank with these guarantees made available, with the estimated rates that the banks would have charged had these guarantees not been available.

Accounting classifications and fair values

The carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Group	31-Dec-21			31-Dec-20		
	Carrying amount \$'000	Fair value - Level 1 \$'000	Fair value - Level 3 \$'000	Carrying amount \$'000	Fair value - Level 1 \$'000	Fair value - Level 3 \$'000
Financial assets measured at fair value						
Unquoted equity shares	2,919	-	2,919	3,944	-	3,944
Quoted financial assets at FVOCI	8,089	8,089	-	10,753	10,753	-
Quoted financial assets at FVTPL	7,108	7,108	-	6,085	6,085	-
Money market funds	5,751	5,751	-	4,833	4,833	-
Financial assets not measured at fair value						
Cash at bank and in hand	38,346			31,608		
Uncompleted contracts - buyers	36,800			94,318		
Trade and other receivables	55,126			44,990		
Financial liabilities not measured at fair value						
Uncompleted contracts - sellers	(36,739)			(94,232)		
Trade and other payables	(38,016)			(31,735)		

17. Use of proceeds from the Company's initial public offering and share placement.

The Company refers to the net proceeds of \$48.0 million (excluding share issuance expenses of \$2.4 million and IPO-related expenses of \$1.95 million) raised from the IPO on the SGX-ST on 11 December 2014 and the Company's re-allocation of the net IPO proceeds announced on 27 October 2018. As at 14 February 2022, the net IPO proceeds have been fully utilised as per the table below.

	Allocation of IPO proceeds	Amount reallocated on 26 October 2018	IPO proceeds utilised as at 31 December 2021	IPO proceeds utilised as at 14 February 2022	Balance of IPO proceeds as at 14 February 2022
Use of net proceeds	\$' million	\$' million	\$' million	\$' million	\$' million
Mergers and acquisitions strategy	27.2	19.2	18.9	18.9	0.3 ⁽³⁾
Expansion of our business in the Chinese market	7.0	7.0	7.0	7.0	-
Enhancement of our product capabilities, IT and services	8.0	16.0	16.0	16.3	(0.3) ⁽³⁾
Working capital purposes	5.8	5.8	5.8	5.8 ⁽²⁾	-
Net proceeds	48.0 ⁽¹⁾	48.0	47.7	48.0	-

Notes:

(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.

(3) The small balance of the net IPO proceeds of \$0.3 million for the mergers and acquisitions strategy as at 31 December 2021 has been utilised for funding for enhancement of the Company's platform capabilities with the approval by the Company's Board of directors on 14 February 2022.

With reference to the Company's announcements dated 11 January 2022 and 17 January 2022 in relation to the placement of 14,000,000 new ordinary shares in the capital of the Company (the "Placement") ("Announcements"), the Company intends to utilise the gross proceeds of \$105 million from the Placement (the "Gross Proceeds"), in the following manner:

- (a) approximately \$73.4 million will be used to fund the total investment amount for the proposed acquisition of and investment in BFC Bank Limited through subscription of shares in Eagles Peak Holdings Limited (which is equivalent to approximately 69.9% of the Gross Proceeds); and
- (b) approximately \$2.4 million will be used to pay the estimated fees and expenses, including professional fees and expenses, incurred or to be incurred by the Company in connection with the Placement (which is equivalent to approximately 2.3% of the Gross Proceeds),

with the balance of the proceeds to be used at its discretion for other purposes, including, without limitation, for general corporate and working capital purposes.

As at 14 February 2022, pending the deployment of the net proceeds from the Placement (the "Net Proceeds") as disclosed above, the Net Proceeds have been deposited with banks and/or financial institutions and/or invested in short-term money market instruments and/or marketable capital markets products on a short-term basis as stated in the Announcements.

The Company will make periodic announcements on the use of the Net Proceeds as and when such proceeds are materially disbursed.

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

Please refer to Paragraph 8 for the analysis.

19. A breakdown of sales.

	FY21 \$'000	Group FY20 \$'000	Change %
Revenue reported for first half year	106,121	77,030	37.8
Net revenue reported for first half year	54,680	38,659	41.4
Profit after tax before deducting non-controlling interests reported for first half year	15,728	8,077	94.7
Revenue reported for second half year	110,082	92,895	18.5
Net revenue reported for second half year	58,538	47,198	24.0
Profit after tax before deducting non-controlling interests reported for second half year	14,678	12,887	13.9

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

	FY21 \$'000	FY20 \$'000
Ordinary dividend	13,484 ⁽¹⁾	9,010 ⁽²⁾

Notes:

(1) Including the proposed final dividend for FY21 which is estimated based on total issued ordinary shares (excluding treasury shares) of 290,986,913 as at 14 February 2022.

(2) Including the final dividend payout for FY20 approved at the Annual General Meeting held on 23 April 2021.

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

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Lim Wee Kiong	49	Brother of Lim Wee Kian, a director of the Company	<p>He was General Manager of Platform Services Singapore since 2006 and promoted to Managing Director of Platform Services Singapore on 17 Feb 2016, and has been appointed as a Director of iFAST Financial Pte Ltd, a subsidiary of the Company, from 22 March 2016.</p> <p>Being responsible for platform services of the Group's Singapore operation as well as overseeing the overall performance of the whole Singapore operation.</p>	Nil

BY ORDER OF THE BOARD

Lim Kian Thong
Chief Financial Officer
14 February 2022