



# 2Q2015 and 1H2015 Results Presentation

29 July 2015

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# Key summary

## Net profit, revenue & EPS

- Net profit increased 24.6% YoY to S\$3.28 million in 2Q2015 and 35.2% YoY to S\$6.29 million in 1H2015 respectively
- Net revenue was up 26.0% YoY to S\$11.38 million in 2Q2015 and 22.2% YoY to S\$21.24 million in 1H2015 respectively
- EPS was down 3.1% YoY to 1.26 cents in 2Q2015 and increased 5.7% YoY to 2.42 cents in 1H2015 respectively

## PBT margin & ROE

- Profit before tax (PBT) margin (based on net revenue) was 32.2% and Return On Equity (ROE) was 17.4% p.a. in 1H2015

## Assets under Administration (AUA)

- AUA was up 14.7% YoY to S\$5.71 billion
- AUA 10-year CAGR was 22.3%



# Section I: Financial Results



## Financial Results (2Q2015 vs 2Q2014)

S\$ (Million)	2Q2014	2Q2015	YoY change (%)
Revenue	19.02	23.18	+21.9
Net revenue	9.03	11.38	+26.0
Other income	0.10	0.34	+250.0
Expenses	6.33	8.31	+31.2
Net finance income	0.03	0.21	+627.6
Share of result of associate, net of tax	-	-0.01	N.M.
Profit before tax	2.83	3.61	+27.7
Profit after tax	2.62	3.28	+25.2
Net profit attributable to owners of the Company	2.64	3.28	+24.6

## Financial Results (1H2015 vs 1H2014)

S\$ (Million)	1H2014	1H2015	YoY change (%)
Revenue	36.53	44.07	+20.6
Net revenue	17.38	21.24	+22.2
Other income	0.18	0.82	+364.2
Expenses	12.57	15.49	+23.3
Net finance income	0.05	0.29	+510.4
Share of result of associate, net of tax	-	(0.03)	N.M.
Profit before tax	5.03	6.83	+35.7
Profit after tax	4.62	6.29	+36.3
Net profit attributable to owners of the Company	4.65	6.29	+35.2

## Key financial highlights (FY2011-1H2015)

	FY2011	FY2012	FY2013 <sup>1</sup>	FY2014 <sup>2</sup>	1H2015
Net revenue (S\$ million)	25.20	26.29	31.58	36.68	21.24
Net revenue (YoY change)	+15.7%	+4.4%	+20.1%	+16.1%	+22.2%
Net profit (S\$ million)	2.77	3.74	7.86	10.51	6.29
Net profit (YoY change)	N.M.	+35.0%	+110.2%	+33.7%	+35.2%
PBT margin (based on net revenue)	9.4%	15.0%	25.9%	29.6%	32.2%
EPS (cents)	1.38	1.86	3.89	5.06	2.42
Dividend per share (cents)	0.44	0.54	1.98 <sup>3</sup>	5.38	1.36
Return on Equity (per annum)	13.2%	17.0%	31.4%	38.7%	17.4%

### Notes:

1. Excluding one-off gain of S\$0.62 million on distribution to owners of the Company in October 2013
2. Excluding IPO expenses of S\$1.95 million in December 2014
3. Excluding dividend by way of distribution in specie in October 2013

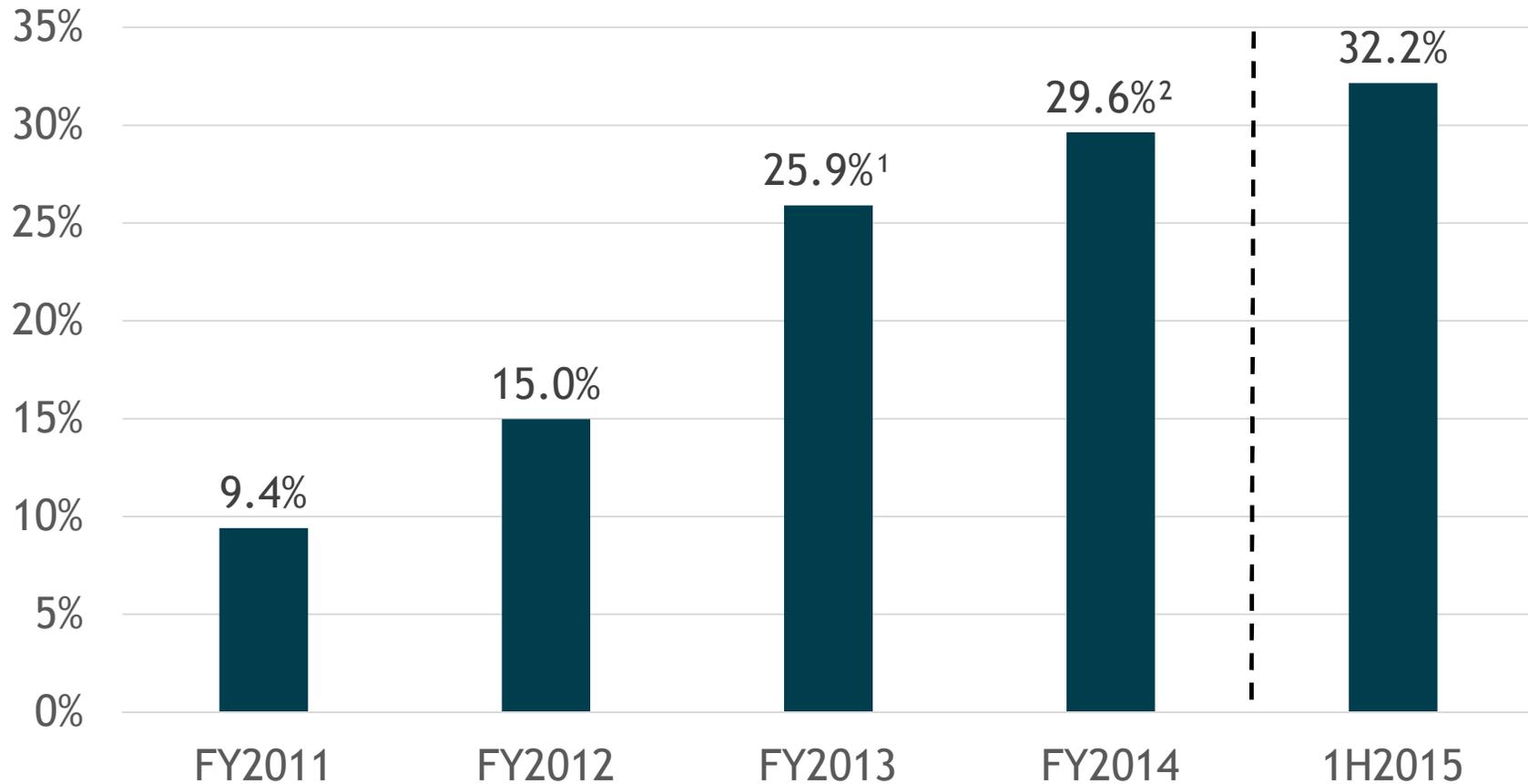
## Results Overview (FY2011-1H2015)

S\$ (Million)	FY2011	FY2012	FY2013 <sup>1</sup>	FY2014 <sup>2</sup>	1H2015
Revenue	61.12	56.41	69.47	78.35	44.07
Net revenue	25.20	26.29	31.58	36.68	21.24
Other income	0.06	0.08	0.16	0.24	0.82
Expenses	22.81	22.40	23.58	26.14	15.49
Net finance income	-0.08	-0.03	0.03	0.10	0.29
Share of result of associate, net of tax	-	-	-	-0.01	-0.03
Profit before tax	2.37	3.94	8.20	10.87	6.83
Profit after tax	2.12	3.26	7.62	10.48	6.29
Net profit attributable to owners of the Company	2.77	3.74	7.86	10.51	6.29

Notes:

1. Excluding one-off gain of S\$0.62 million on distribution to owners of the Company in October 2013
2. Excluding IPO expenses of S\$1.95 million in December 2014

# PBT margin (based on net revenue)



Notes:

1. Excluding one-off gain of S\$0.62 million on distribution to owners of the Company in October 2013
2. Excluding IPO expenses of S\$1.95 million in December 2014

# Financial Ratios

S\$ (Million)	FY2011	FY2012	FY2013	FY2014	1H2015
Operating Cashflows	1.40	2.33	7.13	10.18	6.17
Capital Expenditure	1.71	0.21	1.57	2.34	1.84

S\$ (Million)	31 Dec 2011	31 Dec 2012	31 Dec 2013	31 Dec 2014	30 Jun 2015
Net Current Assets	21.92	20.95	20.70	63.16	68.21

S\$ (Million)	31 Dec 2011	31 Dec 2012	31 Dec 2013	31 Dec 2014	30 Jun 2015
Shareholders' Equity	21.29	23.41	23.97	66.91	73.31

# Cash position

	As at 31 Dec 2014 (S\$ million)	As at 30 Jun 2015 (S\$ million)
Cash and cash equivalents	35.39	24.57
Other investments <sup>1</sup>	22.02	37.05
Total cash and other investments	57.41 <sup>2</sup>	61.62

## Notes:

1. Other investments represent investments in available-for-sale financial assets.
2. The Group's cash position as at 31 December 2014 does not include the net proceeds of S\$3.00 million from the issuance of 3,280,000 new shares on 6 January 2015, following the exercise of over-allotment option in relation with the IPO on 11 December 2014.

# Number of issued shares

	As at 31 Dec 2014	As at 30 Jun 2015
Total number of issued shares	256,225,334 <sup>1</sup>	260,164,801

**Notes:**

1. The Group's total number of issued shares as at 31 December 2014 do not include the issuance of 3,280,000 new shares on 6 January 2015, following the exercise of over-allotment option in relation with the IPO on 11 December 2014.

# Our Consolidated Financial Position as at 30 Jun 2015

	S\$'000
<b>NON-CURRENT ASSETS</b>	
Fixed Assets	1,787
Intangible Assets	3,108
Associate	360
Others	27
	5,282
<b>CURRENT ASSETS</b>	
Trade & other receivables	19,685
Prepayments & others	885
Other Investments	37,053
Cash & cash equivalents	24,572
	82,195
<b>TOTAL ASSETS</b>	<b>87,477</b>
<b>HELD UNDER TRUST</b>	
Cash at Bank - Trust Accounts	111,839
Client Ledger balances	(111,839)

## Our Consolidated Financial Position as at 30 Jun 2015 - cont'd

	S\$'000
<b>CURRENT LIABILITIES</b>	
Trade & other payables	13,217
Current tax payable	773
	13,990
<b>NON-CURRENT LIABILITIES</b>	
Deferred Tax	182
Other Payables	-
	182
<b>EQUITY</b>	
Share Capital	61,546
Accumulated profits	15,221
Other reserves	(3,462)
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	<b>73,305</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>87,477</b>

# Interim dividend

Second interim dividend for 2015 - Schedule	
Dividend per share	0.68 cents per ordinary share
4 August 2015	Ex-dividend date
20 August 2015	Payment date

- Our Directors proposed a second interim dividend for 2015 based on approximately 53.9% of our net profit (excluding exceptional items) for 2Q2015, amounting to 0.68 cents per ordinary share
- We expect to pay quarterly dividends in FY2015
- Over all four quarters in FY2015, our Directors intend to recommend and distribute dividends of 60% of our net profits (excluding exceptional items), but quarterly dividends for the first three quarters in FY2015 may be less than 60% of our net profit for those quarters



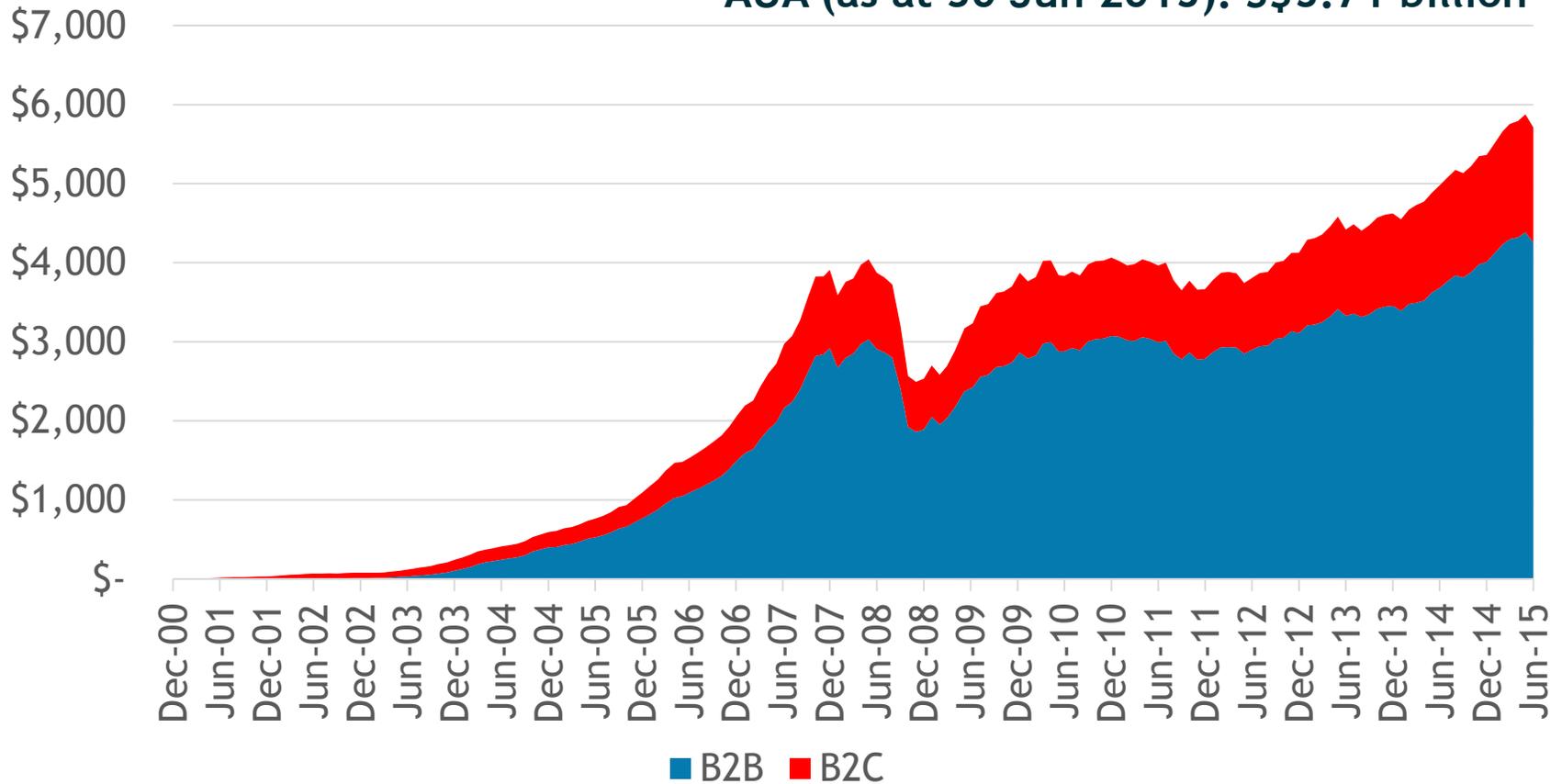
# Section II: Performance Trends



# Group AUA

S\$ million

AUA (as at 30 Jun 2015): S\$5.71 billion



# Group AUA Trends



**Singapore: 73.2%**



**Hong Kong: 22.6%**

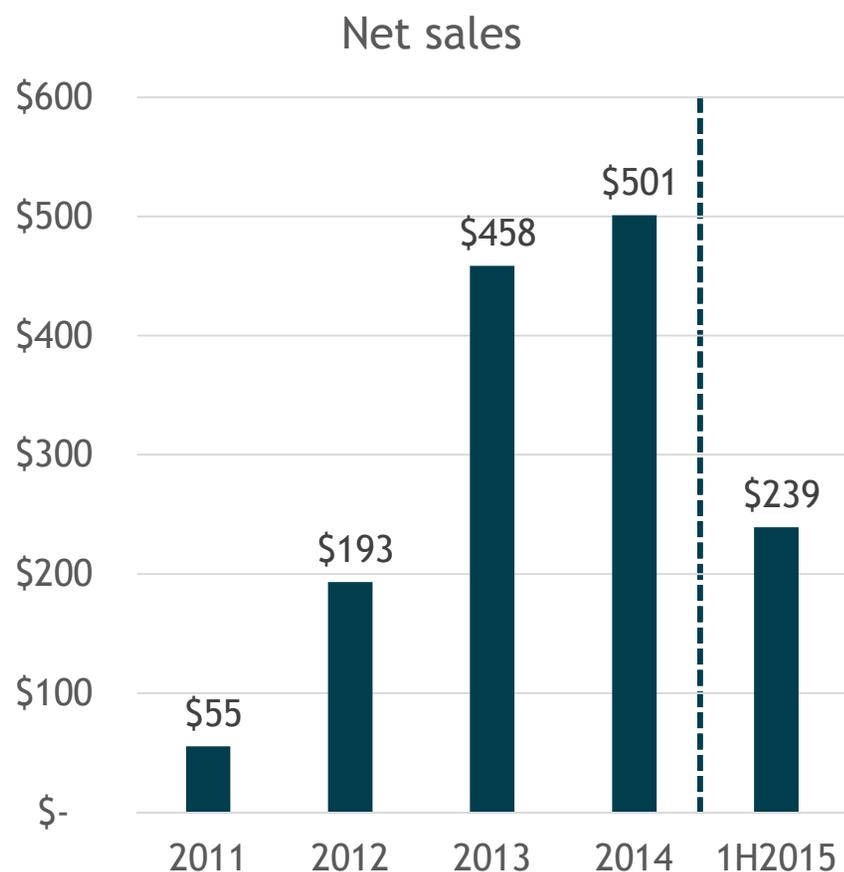


**Malaysia: 4.2%**

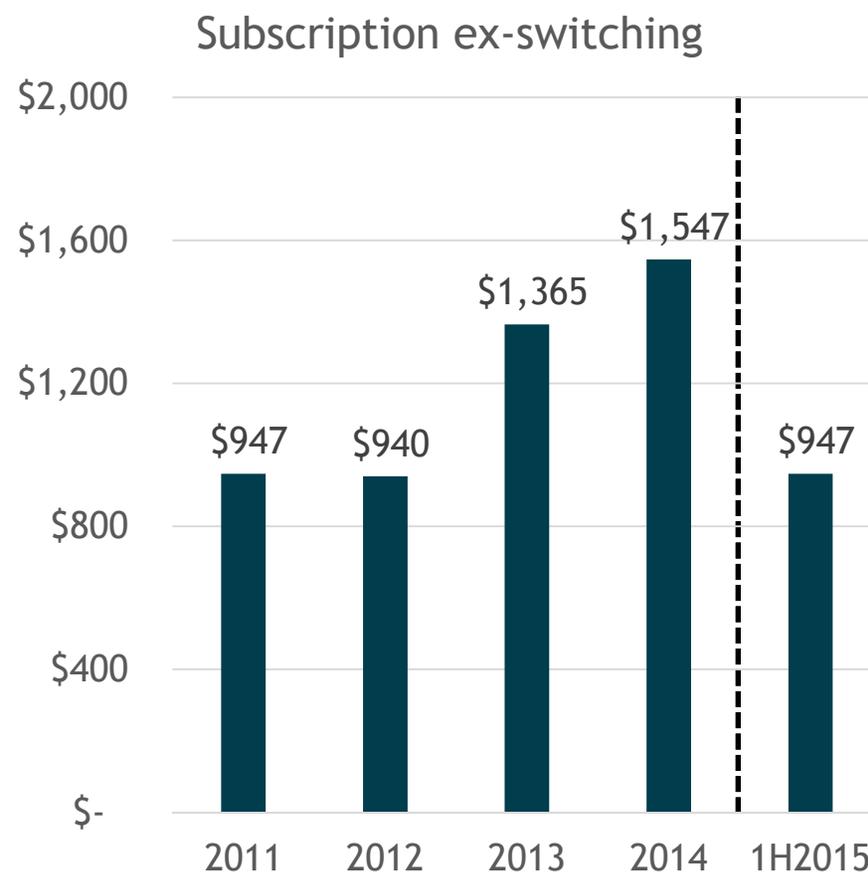
- AUA grew 14.7% YoY to S\$5.71 billion (as at 30 June 2015)
- AUA grew at a 10-year CAGR of 22.3% (as at 30 June 2015)
- AUA from the B2B and B2C segments grew 15.7% and 12.2% YoY respectively (as at 30 June 2015)

# Net sales & subscription ex-switching

S\$ million



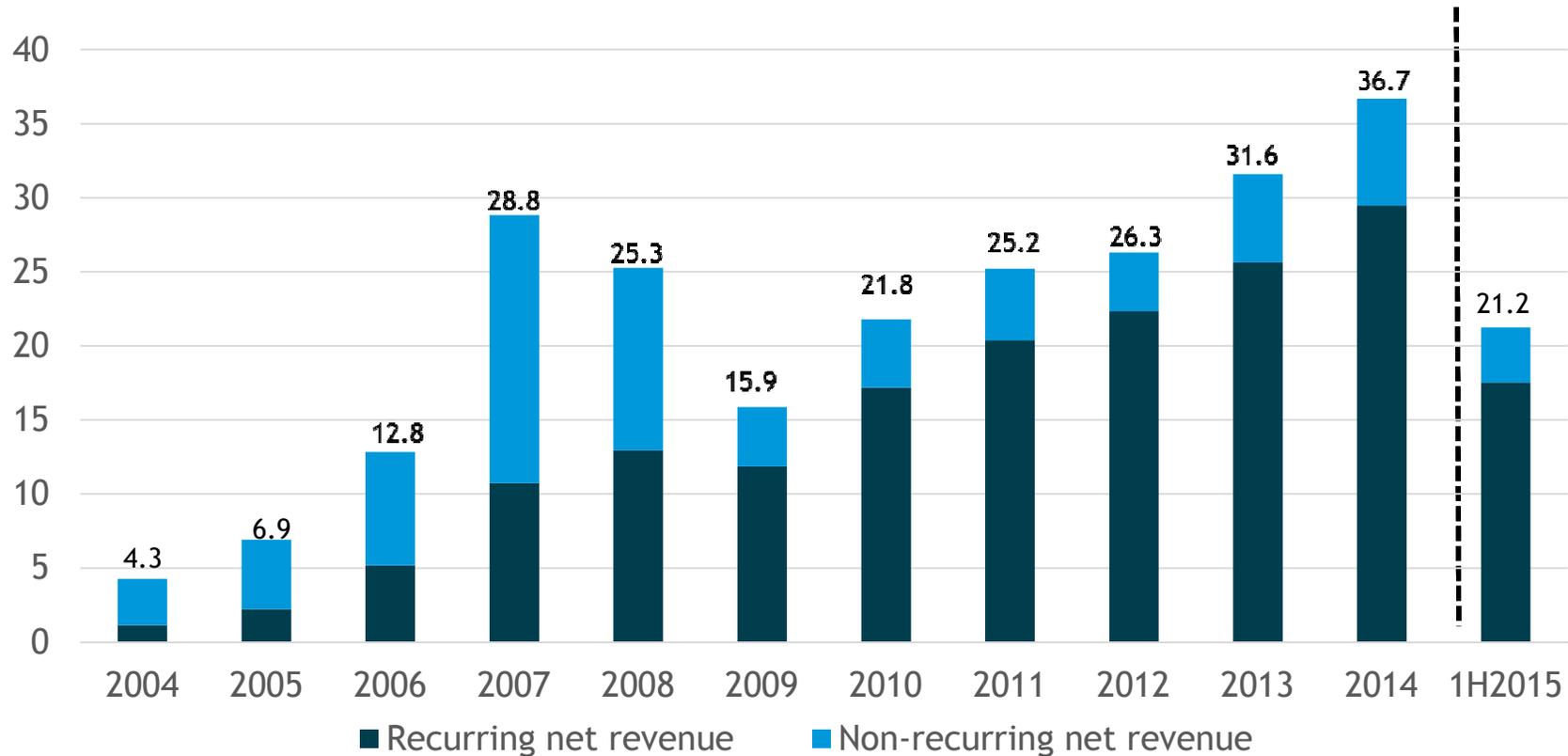
S\$ million



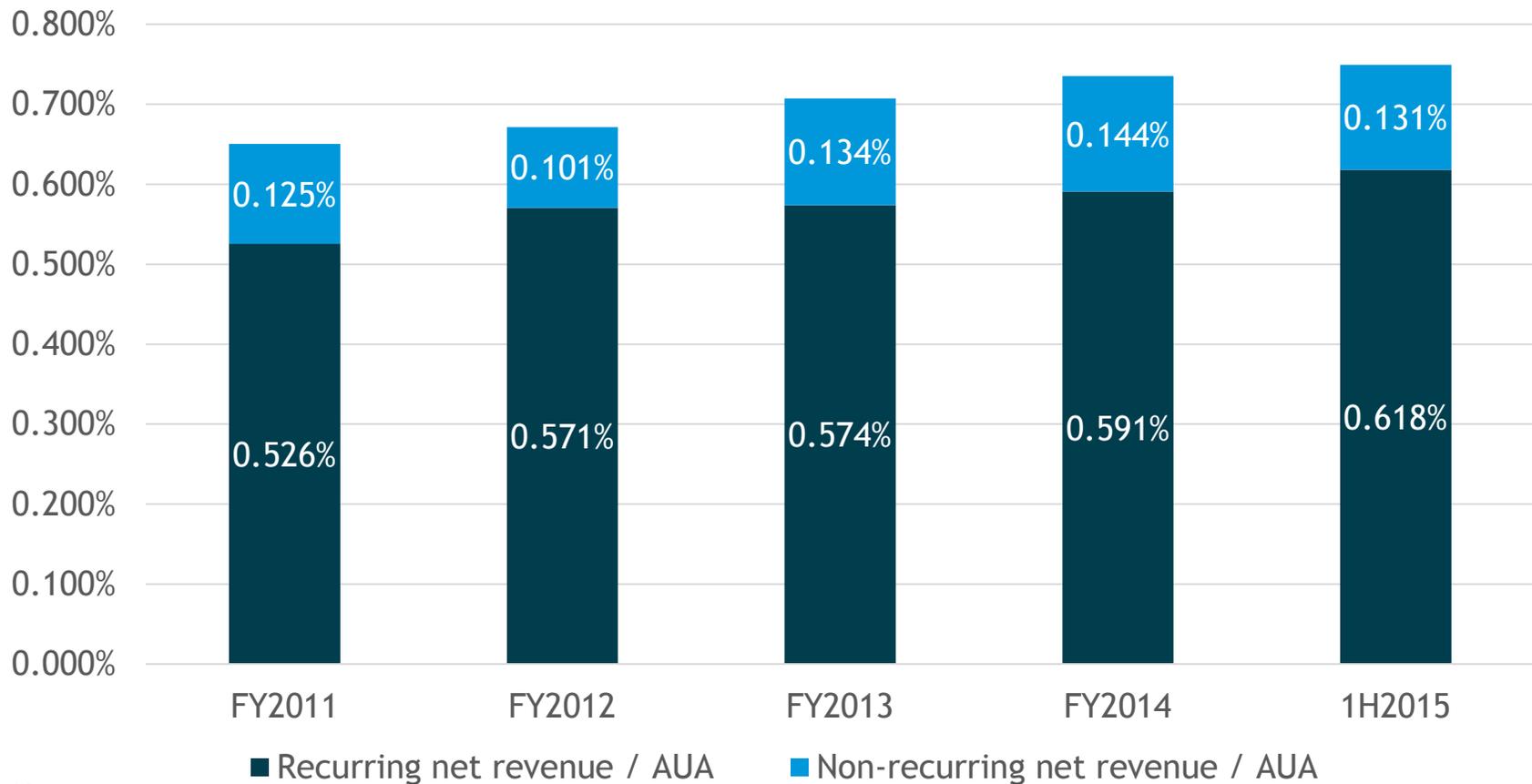
# Net revenue breakdown between recurring and non-recurring sources

Average contribution from recurring net revenue as opposed to non-recurring net revenue in the period from FY2011 to 1H2015 was 82.0%

S\$ million



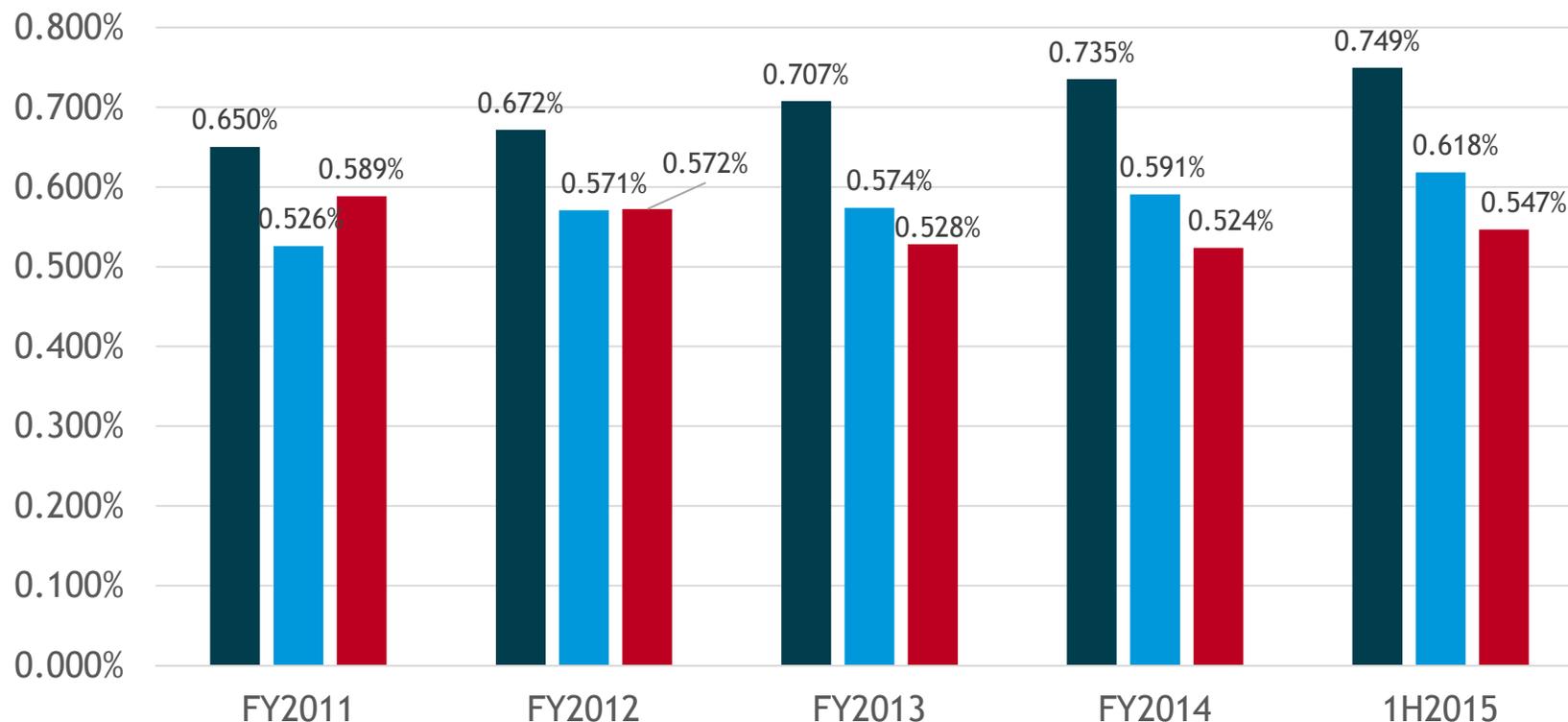
# Net revenue as a ratio of average AUA



**Note:**

1. The ratio for 1H2015 has been computed based on annualised recurring net revenue and non-recurring net revenue.

# Net revenue and operating expenses as a ratio of average AUA



■ Net revenue / AUA   ■ Recurring net revenue / AUA   ■ Operating expenses / AUA

**Note:**

1. The ratio for 1H2015 has been computed based on annualised recurring net revenue and non-recurring net revenue.

# Recurring and Non-Recurring Net Revenue

S\$ (Million)	FY2011	FY2012	FY2013	FY2014	1H2015
Recurring net revenue	20.38	22.34	25.62	29.48	17.52
Non-recurring net revenue	4.82	3.95	5.96	7.20	3.72
Total net revenue	25.20	26.29	31.58	36.68	21.24
YoY Change (%)	FY2011	FY2012	FY2013	FY2014	1H2015
Recurring net revenue	+18.6	+9.6	+14.7	+15.1	+26.0
Non-recurring net revenue	+4.8	-18.0	+50.9	+20.8	+7.1
Total net revenue	+15.6	+4.4	+20.4	+16.1	+22.2

- Net revenue represents revenue earned by our Group after commission and fee paid to B2B FAs and banks. It is the key indicator for our Group's business performance

# Net Revenue - Geographical Segment

S\$ (Million)	FY2011	FY2012	FY2013	FY2014	1H2015
Singapore	21.15	21.33	24.10	25.72	15.28
Hong Kong	3.65	4.39	6.50	9.48	5.07
Malaysia	0.40	0.57	0.98	1.48	0.89
Group	25.20	26.29	31.58	36.68	21.24
YoY Change (%)	FY2011	FY2012	FY2013	FY2014	1H2015
Singapore	+13.0	+0.9	+13.0	+6.7	+23.0
Hong Kong	+27.6	+20.3	+48.1	+45.8	+17.1
Malaysia	+90.5	+42.5	+71.9	+50.5	+42.9
Group	+15.6	+4.4	+20.4	+16.1	+22.2

# Net Revenue - B2B Business Segment

B2B Net Revenue (S\$ Million)	FY2011	FY2012	FY2013	FY2014	1H2015
Recurring net revenue	14.10	16.03	18.16	21.09	12.44
Non-recurring net revenue	2.68	2.11	3.06	4.46	2.18
Total B2B net revenue	16.78	18.14	21.22	25.55	14.62
YoY Change (%)	FY2011	FY2012	FY2013	FY2014	1H2015
Recurring net revenue	+20.2	+13.7	+13.3	+16.1	+25.5
Non-recurring net revenue	+32.0	-21.3	+45.0	+45.8	+5.0
Total B2B net revenue	+21.9	+8.1	+17.0	+20.4	+21.9

# Net Revenue - B2C Business Segment

B2C Net Revenue (S\$ Million)	FY2011	FY2012	FY2013	FY2014	1H2015
Recurring net revenue	6.28	6.31	7.46	8.39	5.08
Non-recurring net revenue	2.14	1.84	2.90	2.74	1.54
Total B2C net revenue	8.42	8.15	10.36	11.13	6.62
YoY Change (%)	FY2011	FY2012	FY2013	FY2014	1H2015
Recurring net revenue	+15.2	+0.5	+18.2	+12.5	+27.4
Non-recurring net revenue	-17.1	-14.0	+57.6	-5.5	+10.2
Total B2C net revenue	+4.9	-3.2	+27.1	+7.4	+22.9

# Profit/Loss - Geographical Segment

Profit/Loss After Tax (S\$ Million)	FY2011	FY2012	FY2013	FY2014	1H2015
Singapore	5.53	5.64	7.81 <sup>1</sup>	8.99 <sup>2</sup>	5.63
Hong Kong	(1.97)	(1.19)	0.40	2.10	1.00
Malaysia	(1.44)	(1.19)	(0.59)	(0.09)	0.01
China	-	-	-	(0.52)	(0.35)
Group	2.12	3.26	7.62	10.48	6.29

## Notes:

1. Excluding a one-off gain of S\$0.62 million on distribution to owners of the Company in October 2013.
2. Excluding IPO expenses of S\$1.95 million in December 2014.

# 2Q2015 and 1H2015 results summary

- Our Group's AUA increased 14.7% YoY to S\$5.71 billion as at 30 June 2015, but registered a decline from its 31 March 2015 level of S\$5.75 billion, as market sentiment turned volatile on news over China and Greece and negatively affected the valuation of our investment products
- Our Group's net sales were positive at S\$96 million in 2Q2015 and S\$239 million in 1H2015 respectively; our subscription excluding switching stood at S\$473 million in 2Q2015 and S\$947 million in 1H2015 respectively
- Singapore continues to be the major contributor of our Group's profitability, with profit after tax of S\$2.88 million in 2Q2015 (up 21.1% YoY) and S\$5.63 million in 1H2015 (up 35.7% YoY) respectively
- Hong Kong registered a profit after tax of S\$0.61 million in 2Q2015 (up 10.0% YoY) and S\$1.00 million in 1H2015 (up 18.6% YoY) respectively
- Malaysia turned around, delivering a profit of S\$0.03 million in 2Q2015 and S\$0.01 million in 1H2015 respectively
- China, currently in a preparation phase, registered a loss of S\$0.23 million in 2Q2015 and S\$0.35 million in 1H2015 respectively

# Our mission

## 1. Grow our capabilities as an investment platform

- Our key focus continues to be on improving the range of products and services that we provide as an investment platform to ensure we can remain a leader in our industry
- As we upgrade the range of products and services, we will be able to cater to a broader group of customers and continue growing our AUA
- We continue to remain focused on providing quality services to our customers, guided by our mission statement, “To help investors around the world invest globally and profitably”

## 2. Focus on giving our B2B customers the capabilities of a ‘mini private bank’

- For our B2B customers, we continue to work on empowering FA firms with the capabilities of a ‘mini private bank’ and have the tools to seamlessly advise investors across a broad range of investment products

# Updates on FY2015 plans

## 1. Launch of Bonds and ETFs in Singapore

- Our Singapore subsidiary received regulatory approval for the distribution of bonds and ETFs in Singapore in 2Q2015
- In Singapore, ETFs are distributed on our B2B platform, while bonds are distributed on both our B2B and B2C platforms
- We believe that bonds are an important investment product that have seen a low penetration in Singapore and other markets we operate in, as they have been mostly offered to institutional and high net worth clients
- With the distribution of over 300 bonds, our transparent information on the pricing of bonds, and detailed research and other tools such as a Bond Selector to make easy comparisons across different bonds, we believe investors and the public can now have easier accessibility to bonds

# Updates on FY2015 plans (continued)

## 2. Proposed acquisition of a stockbroking firm in Hong Kong

- We have entered into an agreement for the acquisition of a stockbroking firm, Winfield Securities Limited, in June 2015, which is pending regulatory approval in Hong Kong
- The purchase consideration is the total of HK\$14.7 million and the proposed acquisition will be financed through IPO proceeds
- The acquisition will help our Group to add to its range of investment products and offer a higher value proposition to our customers, especially B2B FAs and other financial institutions
- For our B2B FAs and other financial institutions, the proposed acquisition will empower them with the capabilities of a ‘mini private bank’ as they can seamlessly advise investors across a broad range of investment products

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# Updates on FY2015 plans (continued)

## 3. Updates on China

- We have applied for the Third Party Funds Distribution licence in China in preparation for the launch of an investment platform
- While we do not have a concrete timeline on when we can receive the requisite approval, we continue to work on ensuring that we can focus on developing our IT system for our China business and the eventual provision of platform services, especially to potential B2B customers



# Section III: Appendices



# Business Overview

- We are an Internet-based investment products distribution platform with assets under administration (AUA) of S\$5.71 billion as at 30 June 2015 (stock code: AIY)
- Two main business divisions:
  - Business-to-Consumer (B2C) website, Fundsupermart.com, targeted at DIY investors (AUA of S\$1.45 billion); and
  - Business-to-Business (B2B) platform that caters to the specialised needs of over 150 financial advisory (FA) companies, financial institutions and banks (AUA of S\$4.26 billion)
- Distribution of 1,800 Investment Products (including over 1,600 funds), with funds, bonds and Singapore Government Securities (SGS), and ETFs distributed in Singapore; funds, bonds and ETFs in Hong Kong; and funds in Malaysia

**fundsupermart.com**  
INVEST GLOBALLY AND PROFITABLY

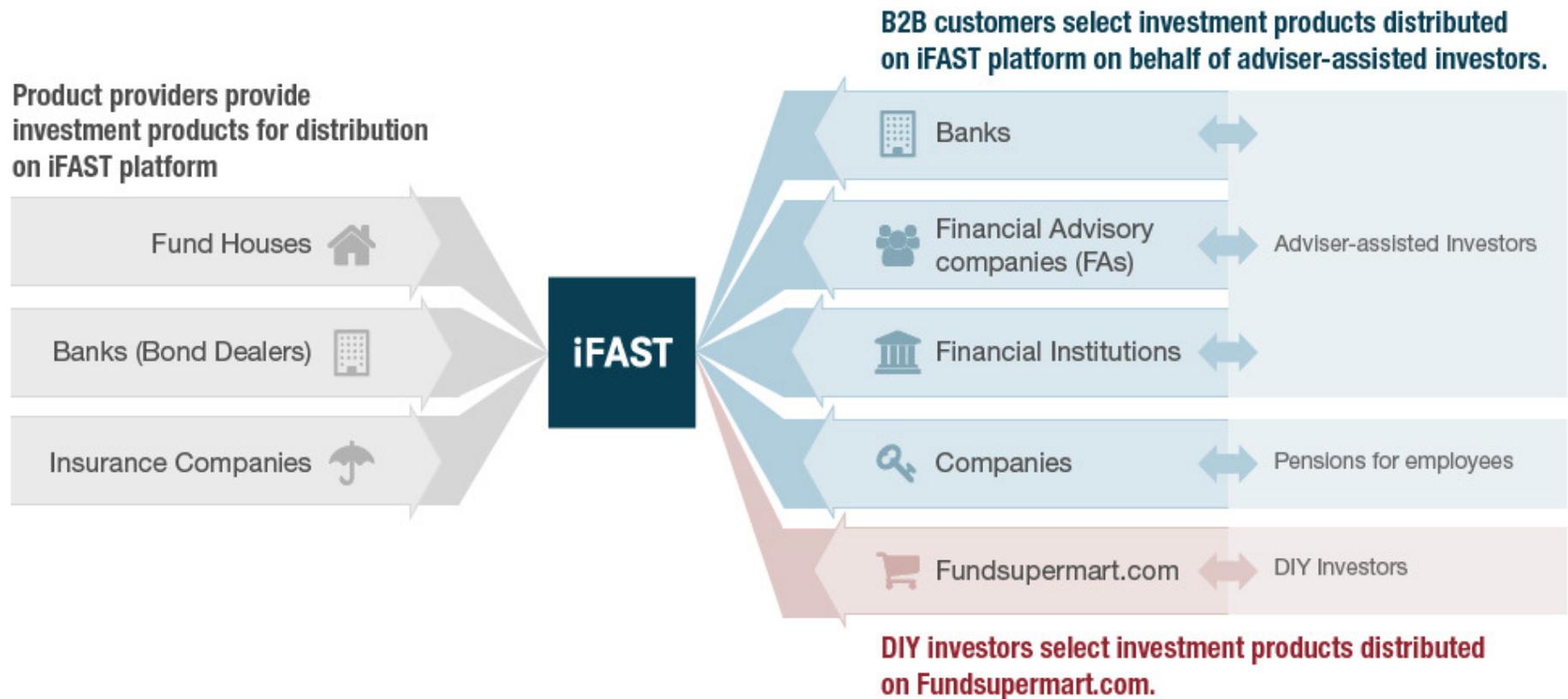


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# Business Model



# Investment Case



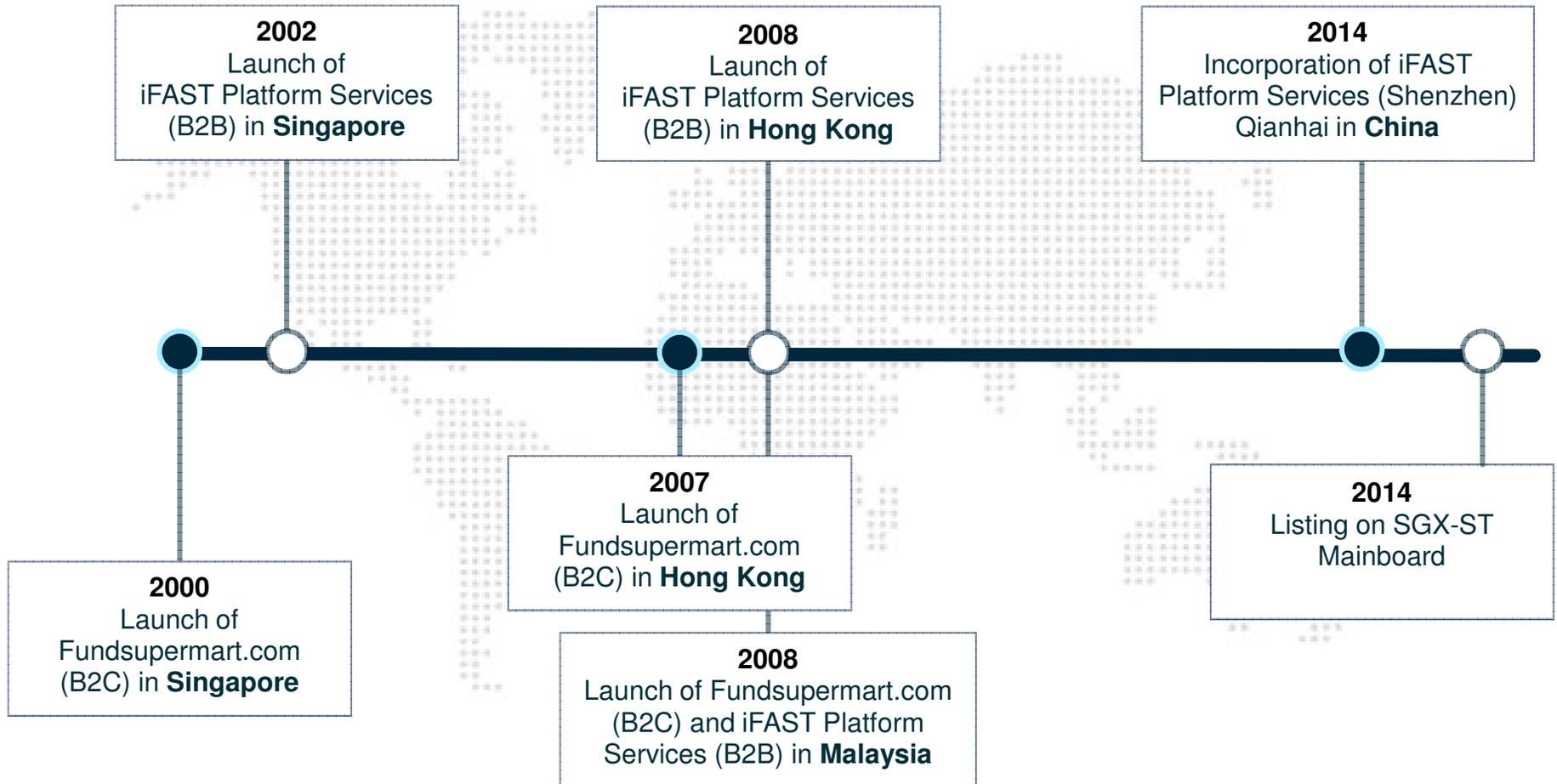
**An Established and Leading  
Investment Products  
Distribution Platform**

**Scalable Business Model**

**Revenue Growth driven by  
Recurring Revenue which is  
based on Assets under  
Administration ("AUA")**

**Continued Growth of  
Investment Platforms in Asia  
ex-Japan**

# Our Milestones



# Our Value Proposition

## Suppliers

- One platform, multiple B2B and B2C customers
- No need to enter into individual distribution agreement and business relationship with customers



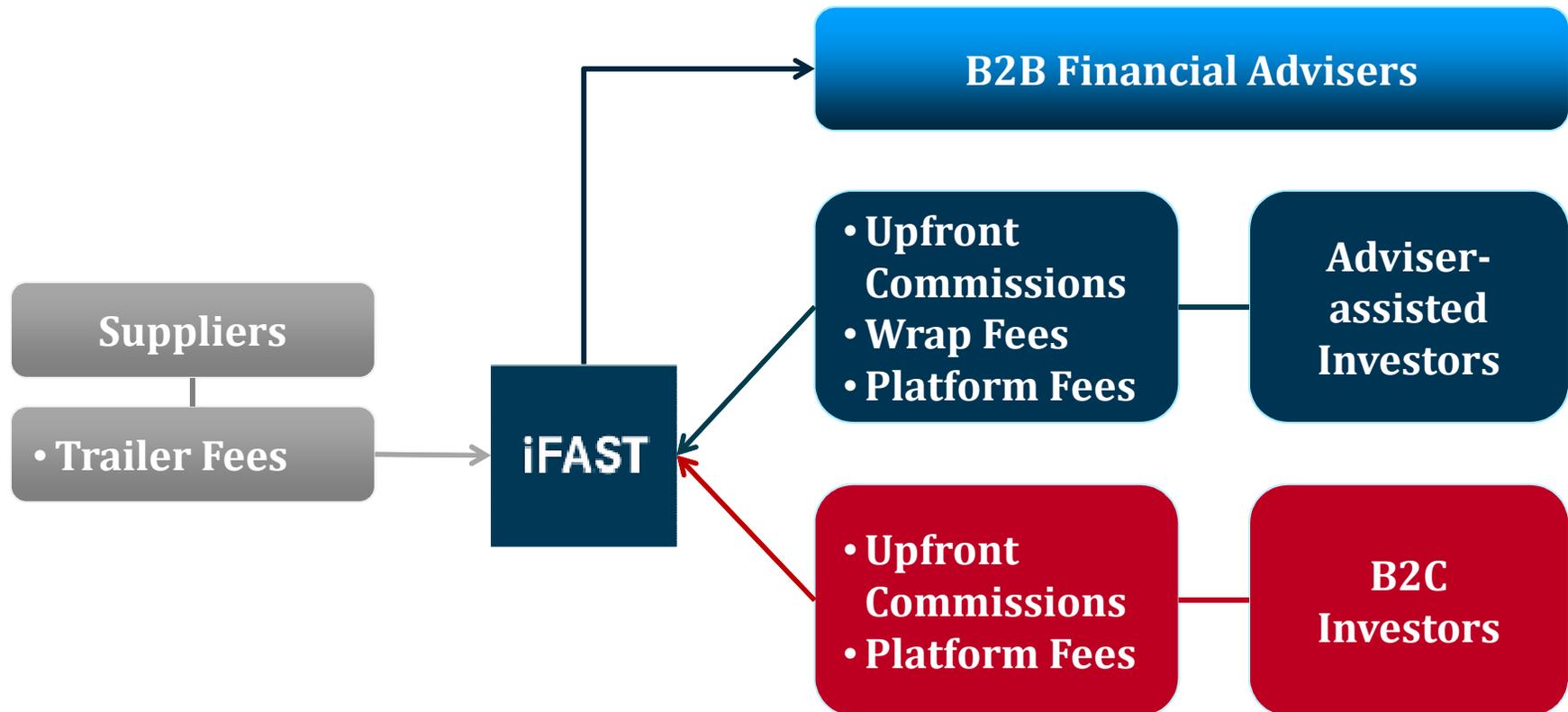
## B2B Financial Advisers

- One platform, multiple investment products
- Adoption of recurring revenue business model based on Assets Under Administration (“AUA”)
- Platform performs efficient collection of fees
- Backroom functions managed by platform
- Competitive fee-sharing structure

## B2C Customers

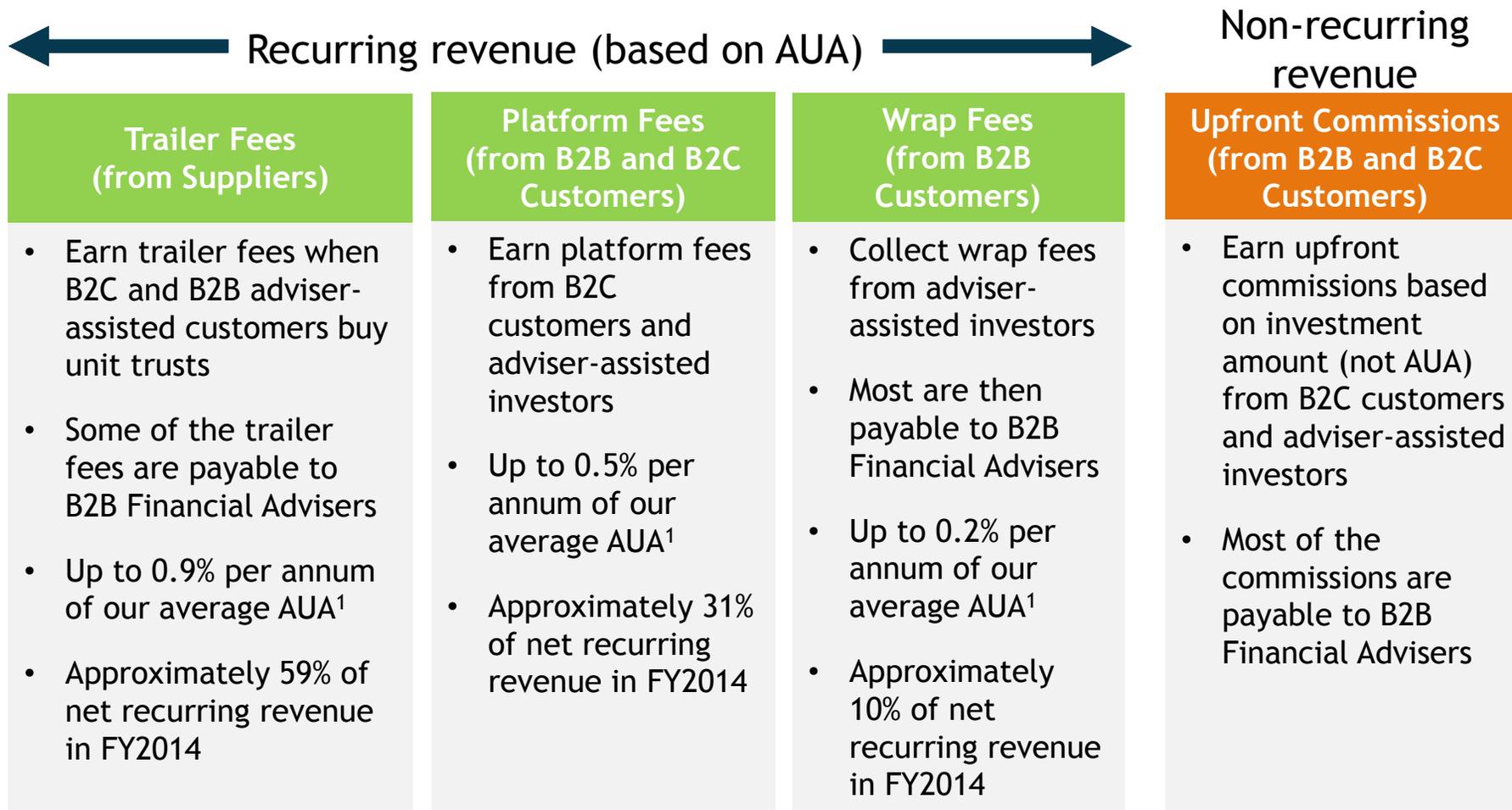
- One platform, multiple investment products
- Competitive and transparent fee structure
- Award-winning websites and mobile applications
- Availability of Client Investment Specialist if advice is required

# Fees Illustration



# AUA-driven Business Model

- When B2C customers and B2B adviser-assisted investors transact in investment products, the value of their investments is termed AUA



**Note:** 1. Calculated based on net revenue



Thank you.

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