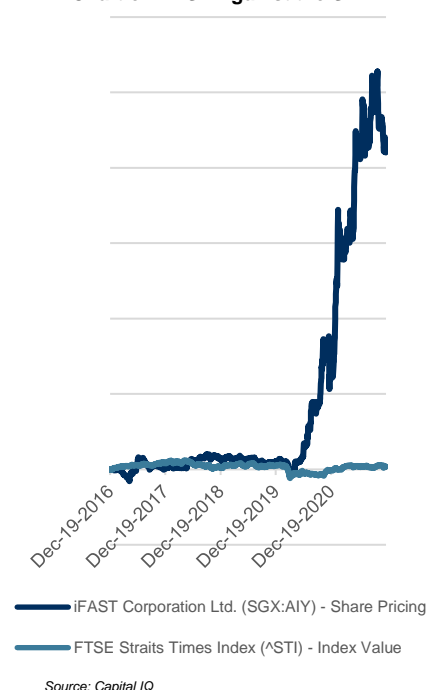


BUY

Price (15 Dec 21)	S\$8.09
Target Price	S\$12.26
Upside/Downside	53.06%
Market Cap (S\$m)	2,240
Shares Outstanding (m)	276.93
ROE (%)	20.3
3 Month Average Vol. (m)	23.11
52-Week Price Range	2.91 - 10.10

Figure 1: Logarithmic Price Chart of iFAST Against the STI



EXECUTIVE SUMMARY

We initiate coverage on iFAST Corporation Ltd with a **BUY** recommendation based on a target price of S\$12.26 implying upside of 53.06% from its closing price of S\$8.01 as of 15th December 2021. Our team has utilized a 5-year Discounted Cash Flow (DCF) valuation model as our primary method, and a relative-valuation based approach as our secondary valuation method.

Key Highlights

Pulling High-Net-Worth-Individuals (HNWIs) into Asia: iFAST remains in the good books of analysts due to its consistent increase in Assets Under Administration (AUA) and growth potential. Singapore is attractive to foreign investors as an offshore wealth management hub, with foreign assets accounting for majority of the country's total Assets Under Management (AUM). The rise in capital inflows provides iFAST with opportunities to tap on, following the increasing demand for asset and wealth management services. With the growing number of HNWIs and Ultra High-Net-Worth-Individuals (UHNWI), the demand for specialized financial advice that helps them to obtain attractive returns and retain wealth has dramatically increased, as suggested by the surge in the number of family offices in recent years. With financial institutions actively seeking business partnerships with family offices, we believe that the iFAST Global Prestige platform will have chances to promote itself through these financial institutions and ultimately satisfy the needs of the family offices. Thus, we anticipate that the rise in the number of family offices will provide iFAST with potential market opportunities. Furthermore, the politically stable environment in Singapore offers wealthy investors and business owners a sense of security and confidence to increase their investments within the country and therefore bring in more AUA for the firm.

Changing with the Winds: Demographic and wealth trends are constantly changing. A Roubini ThoughtLab study has shown that investors' behaviours and their demand for investment products shift in five years. Thus, it is important to adapt to changing consumer needs and iFAST does so by offering an extensive range of investment products while maintaining low fees, attracting the younger tech-savvy investors looking for low-cost investment options that can be accessed on the go.

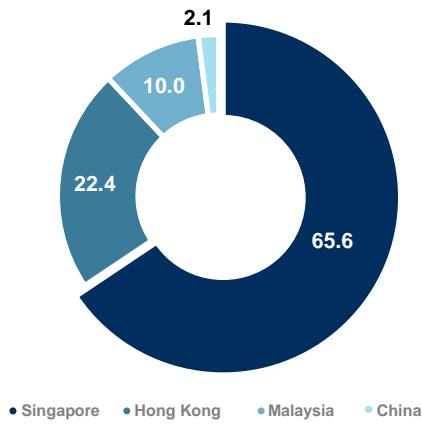
Road to Breaking into China Market: China has a high savings rate, with higher household savings per GDP compared to United States and Japan. As the Chinese develop their financial literacy, a rising disposable income translates to a greater demand for investment opportunities, thus boosting the potential of China's wealth management market. Furthermore, consumers in China are leaning towards fund investments rather than savings deposits, increasing the popularity of wealth management in the country. Publicly offered funds-of-funds (FOF) are expanding and fund management companies (FMCs) are regularly pumping out FOF products. Since the sale of funds contributes to majority of the firm's net revenue in China, we believe that iFAST can serve more consumers who want fund investments and portfolio advice through iFAST Global Market, while riding on the success of the trend.

ANALYSTS

- Wang Chloe
- Ting Hock Loong
- Gwyneth Goh Yu Xi
- Charmaine Gene Lim
- Eugene Chan Jun Hong

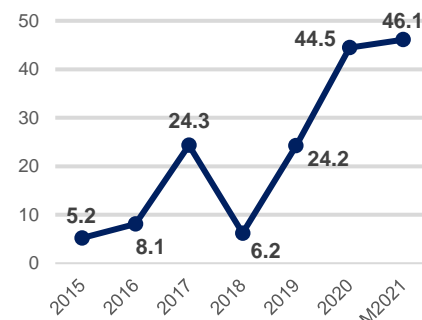
Key Financials	2018A	2019A	2020A	2021E	2022F	2023F
Revenue	121,243	125,411	169,926	219,591	281,435	356,963
Return on Equity	12.52%	10.38%	20.27%		27.24%	33.25%
Gross Margin	49.17%	51.99%	50.53%		53.40%	56.79%
Operating Profit Margin	35.49%	32.55%	26.04%	27.00%	24.50%	24.00%
Net Profit Margin	8.82%	7.42%	12.34%		17.54%	24.95%

Figure 2: 2020 Net Revenue by Geographical Segment



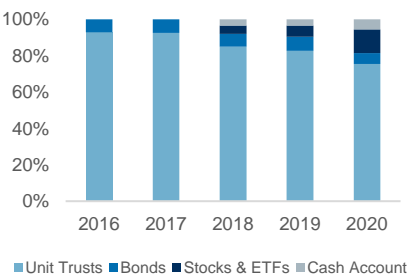
Source: Company Data

Figure 3: Assets Under Administration (AUA) Growth (%)



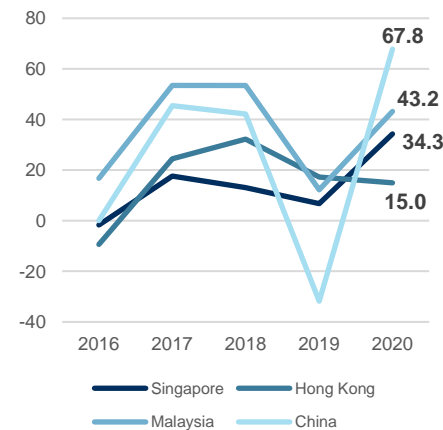
Source: Company Data

Figure 4: AUA Breakdowns by Products



Source: Company Data

Figure 5: iFAST Net Revenue Growth in Past 5 Years (%)



Source: Company Data

1. BUSINESS DESCRIPTION

iFAST Corporation Ltd is a fintech wealth management company headquartered in Singapore operating in Asia Pacific. They provide a wide range of investment products, services and Fintech Solutions to businesses and consumers. Originally incorporated in 2000 with 10 employees, they have grown to over 900 employees spanning across 5 different Asian market. iFAST reported S\$161,651M in total revenue for the first 9 months of 2021, hitting a record of S\$18.38Bn in Asset Under Administration (AUA).

1.1 Business Divisions

iFAST business segments comprises of Business-to-Business (B2B) offering variety of investment products targeting banks, financial institutions, financial advisory firms, internet companies, etc. Business-to-Consumer (B2C) which acts as a transactional platform offering wide ranges of investment products, and Business-to-Business-to-Consumer (B2B2C) focusing on providing innovative solutions to customers with self-built fintech knowledge.

1.2 Products & Services Offered

Business to Business (B2B)

Its B2B division caters to the specialised needs of wealth advisors in financial advisory companies, financial institutions, and banks with its different online platforms.

iFAST Central is a wealth management platform providing investment administration, transaction services, research and training, IT services and various backroom functions to financial institutions and its wealth advisors.

iFAST Global Prestige is an investment platform catering to the specific requirements of high-net-worth individuals (HNWIs) and their wealth advisors. This platform offers a wider range of investment products and bundle them together under a single account.

iFAST Pensions extends iFast B2B division administer pension schemes for companies via an internet platform, including the setting up of Trust Deed, IRAS approval, administrating the pension monies and investment, and providing trustees with appropriate and relevant advice.

iFAST Global Markets is an online platform offering users with wide range of investment and insurance products with competitive and transparent fees. Comes with a team of in-house wealth advisors to provide advice as needed.

Business to Customer (B2C)

iFAST offers Unit Trusts, Bonds, Stocks & ETFs and Cash Accounts to investors through its online wealth management platform Fundsupermart ("FSMone.com"). Its value proposition to DIY investors is a one stop platform offering multiple investment products at a competitive and transparent fee structure, with professional advice from financial advisors if required.

Fundsupermart (FSMOne.com) is an online website targeting DIY investors who prefer to transact on their own with extensive range of investment & insurance products and research & analyses from in-house research and industry specialists.

Fintech Solutions (B2B2C)

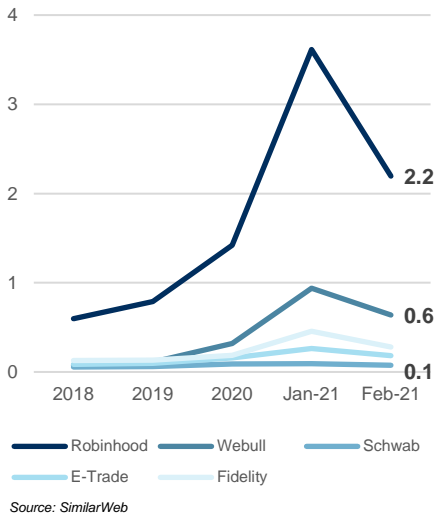
iFAST financial technology solutions help businesses to adapt against changes in regulations and stay connected with global markets and clients.

iFAST Fintech Solutions provides clients with robo-advisory solutions, proprietary application programming interface (API) to simplify software development and customised fintech solutions. iFast offers Unit Trusts, Bonds, Stocks & ETFs and Cash Accounts to investors through its online wealth management platform Fundsupermart ("FSMone.com") and iFast Global Markets.

1.3 Distribution Across Different Countries

iFAST Corporation Ltd. currently operates in East Asia – 68.29% of its AUA comes from Singapore, 17.35% from Hong Kong, 8.96% from Malaysia, and 5.41% from China and India. The net revenue generated in Singapore (iFAST Corporation Ltd.'s Headquarters) stands at S\$36.72 million, 67.15% of the Group's total revenue. Nevertheless, the Group's business in the other countries did not disappoint with favourable net revenue growths observed in 1H2021, ranging from 13% to 130.7% YoY in Hong Kong and China respectively. Despite the domination of its operations in Singapore, the Group continues to pursue opportunities in its overseas ventures. Successful in its tender for the electronic

Figure 6: Major online trading apps see elevated downloads since 2020 (Millions)



Mandatory Provident Fund (eMPF) platform project in Hong Kong, the Group expects revenue growth for the coming years.

2. INDUSTRY OVERVIEW & COMPETITIVE POSITIONING

2.1 Surging demand of investments lead to higher number of trading accounts created

The COVID-19 pandemic and work-from-home opportunities have sparked a slew of new retail investors, especially among younger, first-time retail investors, whereby the number signing up for online share-trading platforms account has been increased.

According to the survey from investment management firm Franklin Templeton, 80% of the approximately 500 young people polled are currently investors, and 88% are considering involving themselves in at least one investment products by next year. This trend spurs the demand for online investing platforms that are more cost-competitive. Through its FSMone, Fundsupermart.com, and Bondsupermart platforms, iFAST's B2C division caters to these individual investors.

2.2 More capital flowing into Singapore as global investors seek to access Asian investment opportunities

According to the Monetary Authority of Singapore, assets under management (AUM) in Singapore increased by 17% to S\$4.7 trillion in 2020, with net inflows accounting for 56% of the increase and valuation gains accounting for the remaining 44%, owing to high inflows into both conventional and innovative investment strategies, as well as valuation improvements across major asset classes.

Beside than providing as a conduit for worldwide investors to get access into Asian investment opportunities, Singapore also serves as a gateway for Asian investors to tap on global investment prospects. According to BCG global wealth market report, Hong Kong and Singapore are the second and third most popular location for offshore wealth management in the world right after Switzerland, in 2020. Singapore has accounted for US\$1.2 trillion of offshore wealth with AUM expected rising to US\$1.9 trillion by a CAGR of 9.1% in the next five years.

2.3 Digital advancement in Asia wealth management industry

Due to the rapid growth within Asia wealth management market, many traditional banks and wealth management firms are aggressively developing and strengthening their digital capabilities in order to gain competitive edges from the challengers. As there are more and more younger client generations and medium-sized affluent investors emerging, there will also be increasing need for financial advice as well as online offerings such as new digital products and self-service investment platforms. This induces traditional banks and wealth management firms to seek for more advanced and cost-effective solutions, such as the adoption of robo-advisors instead of a conventional financial advisor.

Most traditional Asian banks in the wealth management industry are currently adapted to digital advancements, including expand their gains in digital capabilities, virtual bank licences, and acquire for more FinTech collaborations. Whilst some WealthTech players are meant to build advanced wealth management platforms and intuitive advisory solutions for those large banks and wealth management firms they partnered with.

2.4 Country's Regulations Play a Role in Success

iFAST Corporation Ltd operates in different markets (Singapore, Hong Kong, Malaysia, China, and India) and holds various licenses in the countries. As a result, its product offerings differ from market to market. These regulations are key drivers in defining the company's performance in the region. For example, its licenses and registrations held in Singapore allow it to offer 6 services and thus generate 68.29% of its AUA. This is in comparison with the 2 services provided in China and India respectively, generating a combined AUA of only 5.41%.

Furthermore, the Monetary Authority of Singapore (MAS) launched the FinTech Regulatory Sandbox in 2016 to allow financial institutions and start-ups with a budding fintech service or product to experiment in a controlled environment to reduce financial risks. To complement the FinTech Regulatory Sandbox, Sandbox Express was

Figure 7: Singapore third most popular location for private offshore wealth in 2020 (US\$ Trillion)

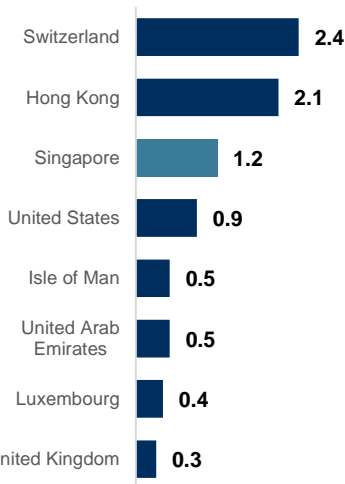


Figure 8: Higher population of HNWI's makes an impact towards Singapore's AUM

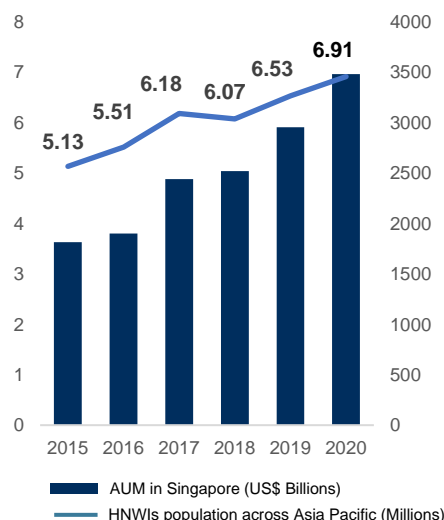


Figure 9: Internet Adoption Rate and Use of Online Financial Services by Country (%)

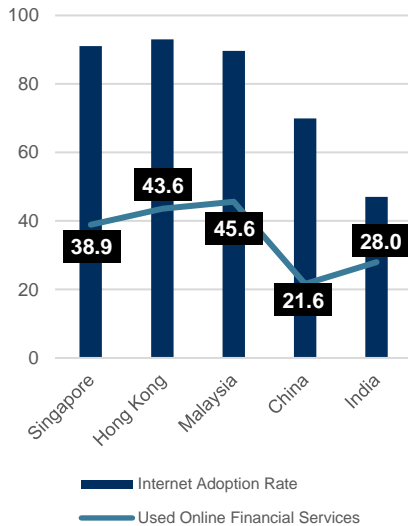
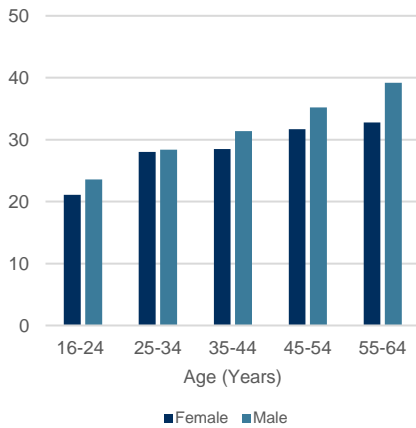


Figure 10: Use of Online Financial Services by Age and Gender (%)



Source: Datareportal

subsequently introduced in 2019 with accelerated approvals available within 21 days. A similar initiative was brought up in China in December 2019 when the People’s Bank of China (PBOC) announced the launch of its first sandbox regulatory mechanism in Beijing. The scheme expanded to six additional regions a while later in April 2020. These regulatory approaches contribute to various company’s success effectively as they facilitate innovation and aptly mitigate risks.

2.5 Digital Wealth Management Demographics

The current world population stands at 7.89 billion. 4.88 billion of these people are internet users, making up 61.8% of the population. The number of internet users rose by 4.8% from October 2020 to October 2021 this year, an increase of 222 million. Internet adoption rates vary from country to country and is a crucial variable which determines the success of the digital wealth management scene in that region. Hong Kong has the highest internet adoption rate at 93%, followed by Singapore at 91%, Malaysia at 89.6%, China at 69.9%, and finally India at 47%. All the afore mentioned countries have an above average internet adoption rate, except for India. Out of the 61.8% of people who use the Internet, a worldwide average of 28.5% of them aged 16 to 64 have used online (website or app) financial services in the past month. Malaysia has the highest rate of online financial services utilised at 45.6%, followed by Hong Kong at 43.6%, Singapore at 38.9%, India at 28%, and lastly China at 21.6%. The data can also be studied by grouping the participants according to their age and gender. The percentage of males that use these online platforms is higher than that of females in all the age groups. Furthermore, it is observed that more people adopt the online services as the age group increases, implying that the demand for digital wealth management increases with age.

2.6 Competitive Positioning

B2B Segment

iFAST Corp B2B segment has covered a wide range of services by providing its business partners and clients with a one-stop investment platform. Various investment products, in-house IT and research team as well as adviser-assisted wealth management plans are all available under B2B segment. iFAST Corp also provides a more efficient fee sharing structure to its partners and end-clients, due to a more scalable operation. Its partners and end-clients are benefited by the convenience of the platform which consolidate all its available products from the fund houses and saving their time entering into individual distribution agreements.

B2C Segment

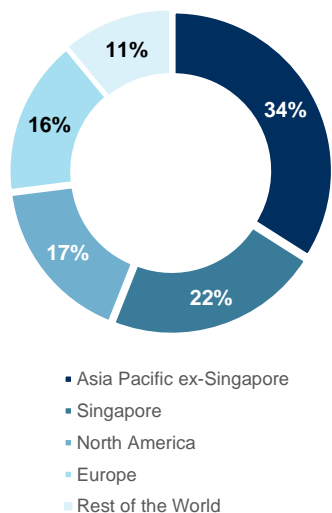
iFAST FSMOne provides extensive range of investment products and services, covering from bonds, funds, stocks, ETFs, insurances to managed portfolios. It provides a relatively low cost of structure amongst various Singapore-based brokerage platforms (see Appendix 4), with access to both Singapore and international markets. Despite having a slightly higher commission fees than popular low-cost online brokerages Tiger Brokers and moomoo, it serves well with its regular saving plans and investment advisory service (MAPS) that suits according to different portfolios.

Figure 11: Comparison Between Different Wealth Management Platforms in Singapore

Services/Products Provided	Unit Trust	Funds & ETFs	Insurance	Stocks	Advisers	In-house IT Capabilities	In-house Research Team
iFAST	✓	✓	✓	✓	✓	✓	✓
Aviva (Navigator)	✓		✓		✓		
Philips (FAME)	✓	✓			✓		✓
WelInvest					✓	✓	
AutoWealth		✓		✓		✓	

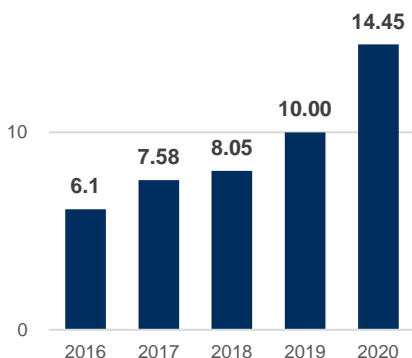
Source: Team Analysis

Figure 12: More than Half of Singapore's AUM is Sourced within Asia-Pacific (%)



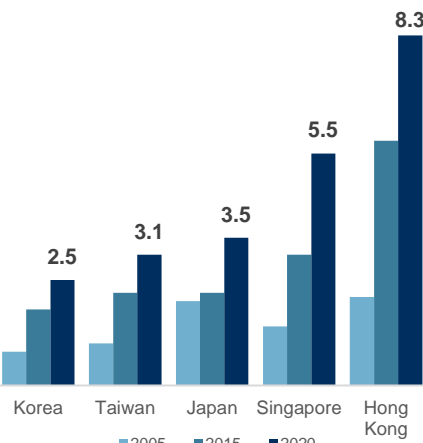
Source: MAS

Figure 13: iFAST Historical AUA (\$\$Billion)



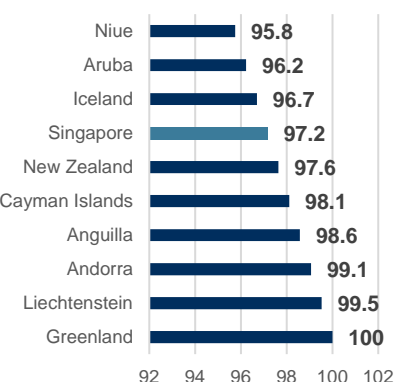
Source: Company Data, Team Analysis

Figure 14: Millionaires Across Various Asian Countries in Percentage (%)



Source: Credit Suisse Global Wealth Report 2021

Figure 15: Political Stability and Absence of Violence/Terrorism (Percentile Rank)



Source: The World Bank

3. INVESTMENT THESIS

3.1 Serving the needs of High-Net-Worth Individuals (HNWIs) in Asia

Singapore wealth management industry possess strong international competencies

As of end 2020, Singapore has been one of the leading offshore wealth management centres in the world, with foreign assets accounting for 78% of the country's total assets under management (AUM). Asia Pacific excluding Singapore has accounted for 34%, North America accounted for 17%, and Europe accounted for 16%, underlines Singapore's attractiveness as an offshore wealth management hub, followed by an effective regulatory framework and high-quality workforce. In the 2021 Deloitte International Wealth Management Centre Rankings, Singapore was ranked second only behind Switzerland.

By having more inflows of foreign assets into Singapore, this directly lead to the growth of the nation's AUM as well as increasing in iFAST Corp's assets under administration ("AUA") indirectly. More capital inflows would indirectly lead to growing demand for asset and wealth management services, which in turn providing opportunities for iFAST Corp to tap on it.

Emerging location as the set-up of family offices

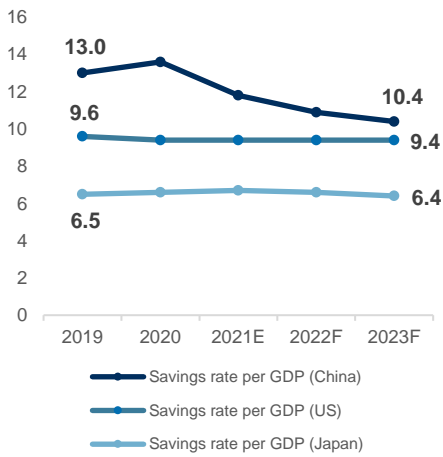
Singapore has long been regarded as a favoured wealth management and private banking centre for Asian families. Majority of Asian family offices are still in their first or second generation, and close to approach to their first wealth transfer, hence prompting the need for them to seek for financial advice that is sophisticated and specialised to help them invest more efficiently as well as retaining outstanding performance and returns. The number of family offices has increased dramatically in recent years, doubling year on year to almost 400 by the end of 2020.

With more HNW and ultra-HNW individuals and households growing within Asia Pacific, the number of family offices are anticipated to further increasing. Many financial institutions and wealth management firms are positively seeking for business partnerships with various family offices. We believe that iFAST Global Prestige platform under this environment is given chances to promote itself to these financial institutions and wealth management firms, offering platform services to fulfil the demand by a family office. The platform can serve as a tool to show the consolidated view of holdings by the family, thus building a clearer picture of their financial well-being and further assist them in making smart investment decisions. iFAST Global Markets, which meant to assist clients in setting up a separate investment accounts with financial planning advice is also given chances to approach potential market opportunities with surging of family offices.

Singapore has a Politically Stable Environment

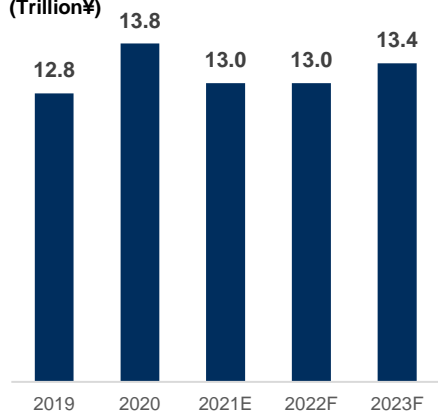
Singapore is a prosperous city-state with a diversified, open, and trade-driven economy, boasting a Gross Domestic Product (GDP) per capita of USD\$59,797.8 in 2020. It leads the Asia Pacific region in the financial, aviation, and shipping sectors. Most importantly, it is one of the region's most politically stable countries. According to the World Bank, Singapore has a 97.17% percentile rank as of 2020 for political stability and absence of violence or terrorism, with 0% being the lowest rank and 100% the highest. General elections are held once every 5 years, with the ruling People's Action Party (PAP) holding majority of the elected seats since 1959. Furthermore, Singapore recognises its position as a small state and actively maintains diplomatic relations with many nations. For example, the city-state played host to the meeting between Chinese President Xi Jinping and former Taiwan President Ma Ying-jeou back in 2015, and more recently the Trump-Kim Summit in 2018 which brought former United States President Donald Trump and North Korean Chairman Kim Jong-un together. This shows that Singapore's neutrality and security abilities are highly regarded globally, considering that it handled such high-profile bilateral meetings with little to no security or intelligence slip-ups. Singapore is also fully committed to the Association of Southeast Asian nations (ASEAN) which has contributed significantly to the region's peace and stability. Thus, the country is very attractive to the wealthy who own businesses or are looking to invest there as they do not have to worry about losing their business or money overnight due to the politically stable

Figure 16: Chinese Household Savings per GDP vs United States & Japan (%)



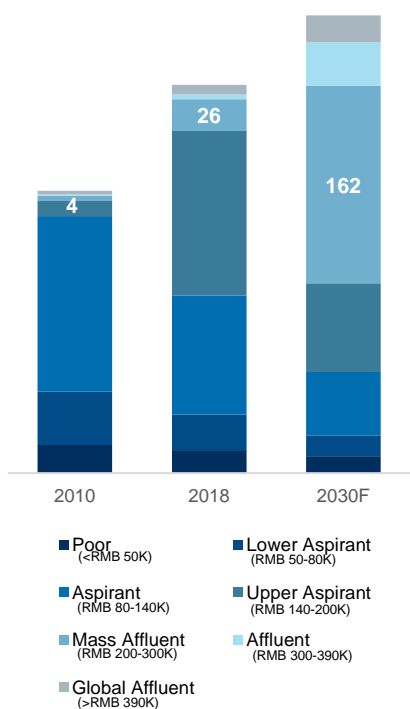
Source: National Bureau of Statistics of China, Euromonitor, Oxford Economics

Figure 17: Savings from Chinese Residents (Trillion¥)



Source: National Bureau of Statistics of China, iResearch

Figure 18: Number of Urban Households in China is Rising (Millions)



Source: Cancock Global Income Distribution Database, McKinsey Global Institute

environment. This in turn gives them a sense of security and strengthens their willingness to increase their investments and therefore bring in more AUA for iFAST Corporation Ltd.

3.2 Adapting to Changing Consumer Needs

Satisfying the demand in individual investors segments

Globally changing demographic and wealth trends have resulted in providers to engage in a more diversifying investors with variety of goals, behaviours, and product requirements. There are significant opportunities in the growing of individual investors segment (particularly younger tech savvy individuals), within Asia markets. Research from Roubini ThoughtLab has shown that, investors' behaviours and their demand for investment products will tend to alter in five years. 52% of investors has planned to expand their use of anytime, anywhere, any device access. 62% of investors prefer a do-it-yourself investment solution. We believe that iFAST FSMOne website/mobile application is expected to catch up with this demand. It offers an extensive range of more than 11,000 investment products in just one account, zero fee charge on all funds and managed portfolios, a flat fee on stocks/ETFs, which may attract younger generation of investors emphasising more on low-cost investment choice. As long as it continues to work on its appearance in its major operating markets, there is great chances for them to approach higher net inflows and growing of its assets under administration (AUA), especially in those large but highly competitive markets such as China and India.

3.3 Potential Gain in China market

High savings rate could potentially lead to wealth transfer into wealth management market

China has long been one of the countries with the highest savings rate, and the high savings rate reflects, to some extent, the enormous potential of China's wealth management market. With the gradual standardisation of the wealth management market and the continuous development of the Chinese people's financial awareness, personal savings will gradually transform into investment.

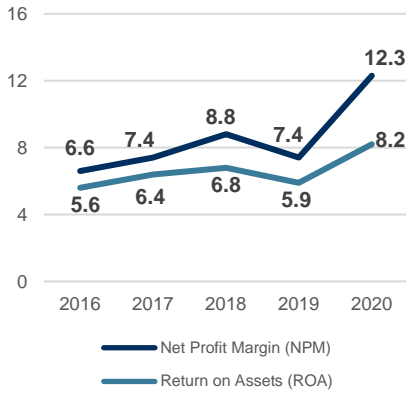
The long-term economic growth in China as an emerging market economy has elevated the number of middle-class urban households with their disposable incomes. In 2018, 12% of the urban households are amongst mass affluent and above, with disposable income reaching RMB200K and above. There has been an improvement comparing with the same demographic in 2010 having only 3%.

The Stronger Demand for Fund-of-Funds (FOF)

Consumers in China are likewise shifting from savings deposits towards fund investments in their wealth management and investing needs. Wealth management is thus becoming increasingly popular, as seen by this movement in investing preferences. Currently, publicly offered fund-of-funds (FOF) are witnessing significant expansion, and fund management companies (FMCs) are growing their supply of FOF products on a regular basis.

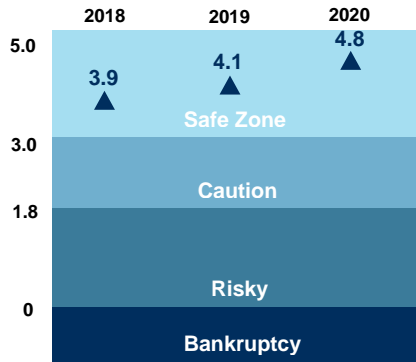
Majority of the net revenue contribution by iFAST Corp within their China operation comes from the sales of funds on the platform. In the China market, it majorly acts as provider of funds distribution and providing investment platform services to various financial institutions and financial advisers. We believe that under the strong momentum of this trend, the in-house team of wealth advisers under iFAST Global Market is able to serve more investors seeking for basket of funds and portfolio-advising.

Figure 19: Net Profit Margin vs Return on Assets Growth Rate (%)



Source: Company Data

Figure 20: iFAST Altman Z-Score



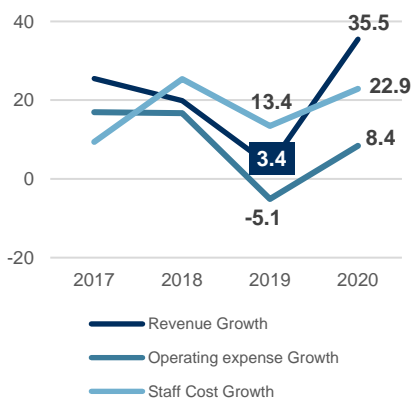
Source: Company Data, Team Analysis

Figure 21: DuPont Analysis

	2018	2019	2020
Return on Equity	12.5%	10.4%	20.3%
Tax Burden	86.6%	84.1%	82.6%
Interest Burden	96.2%	77.9%	81.9%
Operating Margin	10.6%	11.3%	18.3%
Asset Turnover	1.0x	0.9x	1.0x
Financial Leverage	1.7x	1.8x	2.1x

Source: Company Data

Figure 22: Growth Rate Comparison Between Revenue, Operating Expense and Staff Costs (%)



Source: Company Data

4. FINANCIAL ANALYSIS

4.1 Profitability

iFAST's Gross Profit Margin has been relatively constant at an average of 50.2% from 2016 to 2020, with no fluctuations exceeding 2.8% year on year (YoY). This shows that iFAST has an effective business model that has proven its profitability over time. Its EBITDA Margin is steadily increasing, a positive indicator that the firm has no cashflow problems and maximises its profitability since its operating expenses are dropping in relation to revenue. Net profit margin has been increasing since 2016 apart from a drop to 7.4% in 2019. Nevertheless, the net profit margin has been experiencing an impressive 5-year Compound Annual Growth Rate (CAGR) of 13.26%, showing that the margin will continue to grow due to the scalability of iFAST's business model. Its Return on Assets (ROA) had a 5-year CAGR of 7.93%, indicating that it is efficiently using its assets to generate profit.

4.2 Liquidity and Solvency

According to three-years comparisons of iFAST's Altman Z-Score analysis, the result has indicated that iFAST's financial strength is in the safe zone with a Z-Score of 4.80 in 2020. It is worth noting that its Z-Score has been steadily growing from 3.97 in 2018 to the 2020 value. The solid financial strength of iFAST year by year indicates that they are unlikely to go into bankruptcy thus providing investors a strong confidence.

4.3 Return on Equity

iFAST return on equity (ROE) has been positively climbing in the past years, from 12.5% in 2018 escalated towards 20.3% in 2020. Using the 5-Factor DuPont method, the ROE is mostly triggered by a significant increase in leverage ratio, followed by increasing in operating margin.

Rising leverage

The increase in financial leverage ratio reveals that iFAST has been raising its capital through issuing new shares and higher value of reserves. iFAST has gradually reduce funding via debts in the past few years. Despite facing the risk of giving out more ownership of the company, iFAST managed to provide investors a considerable return by increasing its net income.

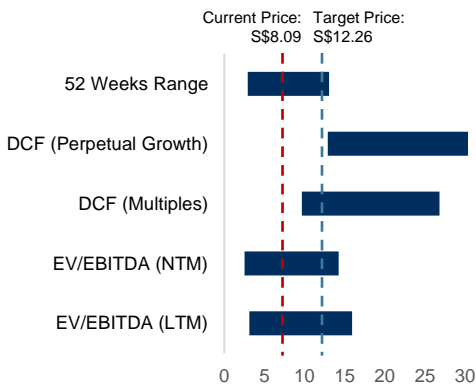
Operating (EBIT) Margin

The operating margin of iFAST has been steadily increased each year, from 10.6% in 2018 to 18.3% in 2020. The growing percentage indicates that iFAST core business is experiencing a stable growth as well as strong ability of iFAST's management in controlling their operating expenses. The proportion of staff cost to revenue will be crucial for iFAST's future margin as staff costs is the main driver under operating expenses. A consistent growth rate of staff costs will be important for iFAST to maintain or further improving its operating margin.

Asset Turnover

Asset Turnover ratio ranges between 0.86x to 1.03x in the past five years. In 2017, the ratio increases from 0.86x to 1.03x. This is mainly due to a 3% higher growth rate of revenue than in total assets. Despite experiencing a decline of turnover in the next two years, the ratio bounced back in 2020, mostly driven by a strong comeback in revenue streams, as well as surging of buyer contracts.

Figure 23: Football field analysis



Source: Team Analysis

Figure 24: WACC

WACC	
Beta	63.59%
Risk Free Rate	1.72%
Market Return	11.87%
Market Equity Risk Premium	10.15%
Cost Of Equity	8.17%
Pre-Tax Cost of Borrowing	3.00%
Marginal Tax Rate	17.00%
Cost Of Debt	2.49%
Weight - Equity	0.37
Weight - Debt	0.63
WACC	4.60%

Source: Team Analysis

Figure 25: Terminal Value

Terminal Value - Multiples	
Terminal Value - Multiples	
Total Revenue	645,390
EV/Revenue	6.6x
Terminal Value	\$4,259,576
Terminal Value - Perpetual Growth	
Final Year FCFF	\$ 104,156
Perpetual Growth Rate	3.0%
Discount Rate (WACC)	4.6%
Terminal Value	\$6,691,034
Implied Enterprise Value	
Present Value of Terminal Value (Multiples)	\$3,401,249
Present Value of Terminal Value (Perpetual Growth)	\$5,342,756
Sum of Present Value of FCFF	\$ 313,107
Enterprise Value - Multiples	\$3,714,357
Enterprise Value - Perpetual Growth	\$5,655,863
Implied Equity Value	
(-) Total Debt	-19,218
(+) Cash & Cash Equivalent	36,441
(-) Non-Controlling Interest	709
(-) Preferred Stock	-
Equity Value (Multiples)	\$3,696,425
Equity Value (Perpetual Growth)	\$5,637,931
Implied Share Price	
Share Price (Multiples)	\$ 13.39
Share Price (Perpetual Growth)	\$ 20.43
Upside/Downside	
Upside/Downside (Multiples)	66%
Upside/Downside (Perpetual Growth)	153%
	109%

Source: Team Analysis

5. VALUATION

Our team has adopted the 5-year Discounted Cash Flow valuation model as our primary valuation method and a relative valuation-based approach as our secondary. A Weighted Average Cost of Capital (WACC) of 4.6% is calculated, from a Beta of 0.64, Risk-Free Rate of 1.7% from Singapore's 10 Year Bond Yield, Market Return of 11.9% and a Cost of Debt of 2.5%.

A target price of S\$12.26 is arrived at using the Discounted Cashflow Valuation methodology with a weightage of 60% and Relative Valuation methodology with the remaining 40%. This target price represents a 52% upside from the closing price of S\$8.09 as of 15 December 2021.

5.1 Discounted Cash Flow

We arrived at a blended Discounted Cashflow target price of \$13.14 using both Exit Multiples and perpetual Growth Methodology with equal weightage to calculate the Terminal Value. The DCF uses a terminal growth rate of 2%, and an EV to Revenue multiple of 6.6x as the Exit Multiple.

5.2 Revenue Projections

The revenue is forecasted by breaking down iFAST's net revenue according to recurring and non-recurring. The recurring and non-recurring net revenue are then further broken down into various fees derived from that segment. Recurring net revenue is mostly forecasted based on the growth rate of iFAST's AUA, which we projected the growth rate for FY2021 to be 37.47%. The details of projected growth rate for each fee and total revenue can be found in Appendix 8.

5.3 Relative Valuation (Competitors Analysis)

We also used Relative Valuation to supplement our price target, using Next Twelve Months EV/EBITDA multiple of 14.02 to arrive at a price target of \$10.96. We used the multiple in the 75th percentile to account for iFAST being better poised to take advantage of the growing high net worth individuals in China than its competitors. Limitations in this valuation include inconsistency of revenue recognition accounting policies, and different geographical boundaries of business operations resulting in improper peer comparisons. To account for this fact, Relative Valuation would only account for a weightage of 40% in the final blended price target.

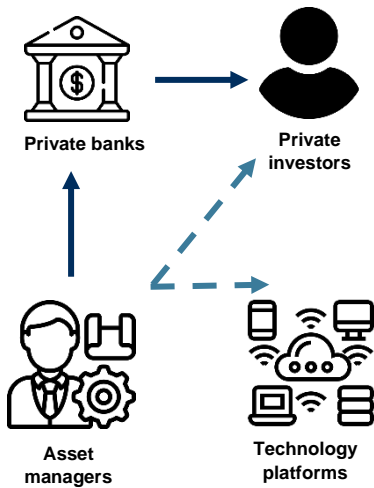
5.4 Sensitivity Analysis

Sensitivity Analysis was performed on the Discounted Cashflow Methodology, examining the impact on share price valuation from combinations of WACC and Exit Multiple, and WACC with Perpetual Growth Rates. We found that assuming WACC remains the same, there is a \$7.47 difference between the 8.6x and 4.6x Exit Multiples. With the Perpetual Growth Methodology, there is a \$10.91 difference between a 1% and 3% Perpetual Growth Rate. A lower WACC also impacted the valuation using Perpetual Growth more than the one using Multiples. The target price using Perpetual Growth Rate with a WACC of 2.6% is 8 times bigger than with a WACC of 6.6% compared to 20% rise using the Exit Multiples methodology.

5.5 Dividend Discount Model

A Dividend Discount Model (DDM) was created but not used in the valuation of iFAST for the fact that dividend payout remained the same since 2018. There is no public policy on dividend payouts however we concluded that the policy is likely to be equal payout for the foreseeable future regardless of the company future performance. Since dividends are unlikely to grow this methodology is not suitable for our valuation. iFAST hence is unlikely to be a dividend stock as the model with a 5% dividend constant growth rate values iFAST at \$1.05.

Figure 26: Potential shifts in the investment product distribution chain



Source: Deloitte

6. INVESTMENT RISKS

6.1 Market Risk (MR)

Competitive business models from outside the industry from the big internet players such as Google, Apple, Amazon, and Alibaba. More investors might be more reliant on these non-traditional investment providers. With new disruptive business models such as Robo-Advisors being introduced into the scene (i.e., EndowUs, Syfe and StashAway). Investors might be inclined to join them instead as they provide much more attractive incentives such as up to 100% trailer fees rebate and 0% sales charge per transaction. This would elicit some dissatisfaction amongst average consumers. Therefore, iFAST might expect a slower growth of AUA on the platform as they would be more incentivised to join other investment business models that would benefit them. iFAST will be losing its competitive edge thus they may not grow so fast.

Mitigation

With iFAST having built an ecosystem, they have much more expertise in terms of providing a secure platform and service to their customers. They are able to leverage on the expertise in fintech and cyber security and give their client a higher degree of assurance.

6.2 Operational Risk (OR)

More Risk at Hand that comes with Success

Although having failed at acquiring a digital banking license in Malaysia, would having a digital banking license further strengthen the groups' fintech ecosystem? Even after acquiring the license, there are still many uncertainties ahead. There are a few limitations when having acquired the license in the first 5 years where the minimum total capital funds are restricted to RM\$100m up to RM\$2b. After 5 years, the same fund is expected to have capital funds of RM\$300m and no asset limitations. Indicating that the digital banks has only 5 years to prove that the business model is successful in achieving its goals in value-adding to the "unserved" market segments.

Mitigation

Having developed their business models over the years, alongside with constant growth and exceeded expectations on profits and earnings. iFAST's business model has been proven to be profitable in the long and has constant turned out to be profitable. Hence, we believe that iFast would be successful in value-adding and filling the needs of the unserved market segments in Malaysia.

6.3 Strategic Risk (SR)

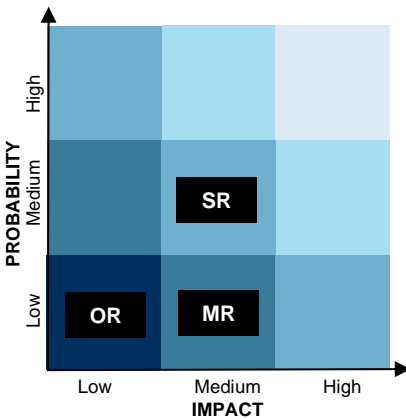
Mistake Expanding into China

Expansion into China might prove to be ineffective in increasing their revenue stream as China's stake in the portfolio is only a fraction of their total income. In FY2019, China revenue only made up of 0.86% of iFast portfolio. Subsequently, in FY2020 and 9M2021, the portfolio in China losses and decreased the overall profit margin of the group. Although the potential of tapping into China's market is massive, when taking into consideration the market size, the potential for losses is greatly increased.

Mitigation

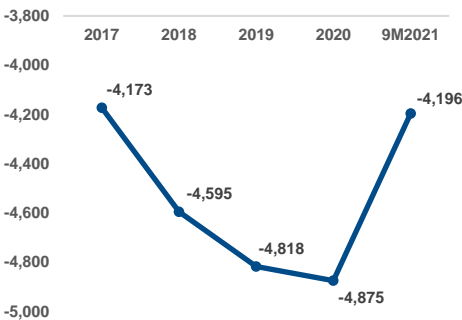
Considering the market size of China, iFAST losses are considerably small and has significantly reduced from FY2020 to 9M2021. If iFAST is able to leverage on the potential that China has to offer, they are definitely able to reach their target of \$100billion goal by 2028.

Figure 27: Risk Matrix



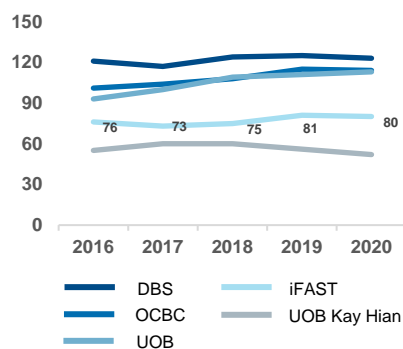
Source: Team Analysis

Figure 28: iFAST China's Losses over 5 years (\$m)



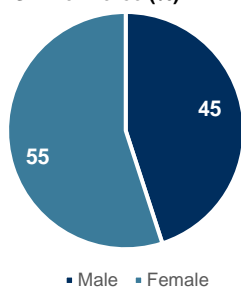
Source: Company Data

Figure 29: Governance & Transparency Index (GTI)



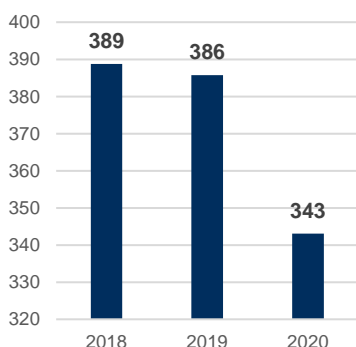
Source: Singapore Exchange Limited

Figure 30: Gender Breakdown of iFAST Workforce (%)



Source: Company Data

Figure 31: Energy Consumption at iFAST (Thousand kWh)



Source: Company Data

Figure 32: Directors and Senior

Name	Position
Lim Chung Chun	Chairman, Group Chief Executive Officer
Wong Soon Shyan	Group Chief Operating Officer, Chief Risk Officer
Leung Fung Yat David	Group Chief Financial Officer
Lim Wee Kiong	Managing Director of B2B Business in Singapore
Goh Bing Yuan	Director of IT Applications
Wong Tin Niam Jean Paul	General Manager of iFAST Singapore's B2C Division
Kelvin Yip Hok Yin	Managing Director of Platform Services of iFAST Hong Kong
Dennis Tan Yik Kuan	Managing Director of iFAST Malaysia Sdn Bhd
Bernard Teo Wee Howe	Legal Representative of iFAST China

Source: Company Data

7. ENVIRONMENTAL, SOCIAL, GOVERNANCE

iFAST falls behind its peers on ESG aspects according to the Governance & Transparency Index (GTI) used in the Singapore stock exchange (SGX). The GTI assess companies listed on the SGX on their corporate governance & practices, transparency, and adherence to the G20/OECD principles of governance.

7.1 Environmental

Due to the business nature of the company, it was not able to tackle environmental issues as part of its core operations. That has not stopped them from trying however, with management putting in place initiatives and policies to monitor both direct and indirect impact of its operations and organizing volunteer work to better the environment.

Green Workplace

iFAST has attempted to reduce the environmental impact of its operation by leasing its main office premise within Ocean Financial Centre, a building with BCA Green Mark Platinum certification. Recycling stations within the company premises were also created, with reminders to employees on ways to contribute as part of an initiative to improve its recycling efforts.

7.2 Social

Volunteerism & Charity

The company organized volunteering events with nonprofit organizations to distribute food to the less fortunate members of society in 2019 and 2020 amidst Covid-19 fears and lack of volunteers. During the SGX Bull Run 2020, iFAST participated and made a one-off donation to local NGOs such as The Asian Women's Welfare Association (AWWA) and Autism Association (Singapore).

Financial Literacy

Providing stakeholders with sufficient research updates and financial literacy education better their knowledge and financial well-being. Aside from publishing articles through various mediums, events such as webcasts and webinars are also hosted which are opened to the public.

Sponsorship of investment competitions hosted by local university investment clubs exposes students to real world situations faced in financial institutions, provides them with networking opportunity, improving their investment knowledge and skills.

ESG Investing

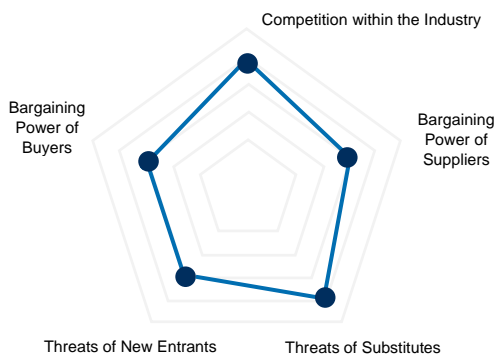
ESG investing and its products was promoted on its platforms to bring more awareness on the topic to its consumers. Publications on the topic was written by the unit trust research team, educating readers on unit trusts with exposure to ESG investing and how investors could contribute to a sustainable world through it.

7.3 Governance

iFAST has in place, policies that safeguard not only the interest of its consumers but also all stakeholders to comply with regulations and meet its governance requirements. The company is focused on addressing five factors in its governance, Customer Due Diligence, Ethics and Fair Dealing, Regulatory compliance, Data Privacy and Financial Disclosure & Adherence to listing rules. (See Appendix 15)

Management

iFAST Corp is led by a group of directors and senior. The management level has included Mr Lim Chung Chun, the Chairman, CEO and co-founder of iFAST Corp, Mr Wong Soon Shyan, Mr Leung Fung Yat David, Mr Lim Wee Kiong, Mr Goh Bing Yuan, Mr Wong Tin Niam Jean Paul, Mr Kelvin Yip Hok Yin, Mr Dennis Tan Yik Kuan and Mr Bernard Teo Wee Howe. The list of board of directors and iFAST's organisation distribution can be found in Appendix 13 & 14.



Competition within the Industry – High

iFAST face strong competitors in its B2B business verticals, due to its strategy to differentiate itself by offering a comprehensive fintech ecosystem. There are many big and small players within this field, from established traditional and private banks to start-ups that are slowly gaining significant market share, mostly focusing on digital wealth management and products offering.

Bargaining Power of Buyers – Moderate

For affluent or mass affluent (or below) individuals, they will be having lower bargaining power due to the nature of them having lesser assets under administration. They are more likely to select wealth service providers that are having more types of investment products or more advanced financial solutions, which highly depends on the provider itself, not the end-clients. While High-Net-Worth individuals (HNWIs) tend to have strong bargaining power comparing to the former as their higher amount of AUA can affect the revenue of service providers in a certain extent. Some ultra-HNWIs may also set up their own family offices to manage their own wealth, hiring professionals from each relative segment.

Bargaining Power of Suppliers – Moderate

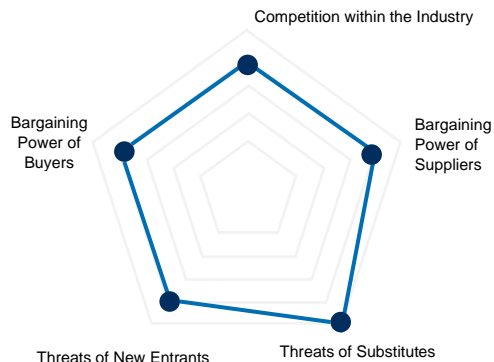
iFAST supply of investment products comes from fund houses, banks/bond dealers, stock exchanges and insurance companies. Suppliers that are able to provide products that are unique and attractive to the buyers will tend to have higher bargaining power. As there are many substitutes of each wealth management firms in this industry, suppliers can decide who they prefer to supply their products for. However, this may also depend on the amount of B2B partners the wealth management platform are collaborating, as this increases the chances for suppliers to sell off their products.

Threats of Substitutes – High

iFAST faces stiff competitions in its wealth management and financial advisory services. Their services providing for HNWIs face competition from other big players like private banks, including DBS, UBS, UOB and JP Morgan Chase or big company such as Ant Group. As a fintech solutions provider, iFAST also faces threats from many WealthTech start-ups such as StashAway, SYFE and Endowus which provide digital solutions to various wealth and asset management firms.

Threats of New Entrants – Moderate

Private banks or financial companies providing wealth management services which are very popular and having high reputations amongst investors usually create a barrier within the industry that new entrants are hard to tap into. Whilst for wealth management platform providers, the barriers can be lowered depends on how advanced the technological skills are possessing by new entrants.



Competition within the Industry – High

iFAST B2C business segments also face with large competitions, mostly from companies tapping into Singapore market from other countries such as China and United States. These new form of digital trading platforms come up with different pricing structure and marketing strategies of no-minimum investment amounts accompanied with zero-commission trading has prompted many younger and no-experienced investors.

Bargaining Power of Buyers – High

Retail or individual investors using online trading platforms nowadays are mostly very price-sensitive in terms of various fees charged on them. The switching cost are low for them thus having high bargaining power when selecting platform provider. For most retail or individual investors, their demand for various investment products are standardised and are able to fulfill by many trading platform providers.

Bargaining Power of Suppliers – High

As investment products on various trading platform are usually standardised and not differing too much, suppliers will be willing to pay more trailer fees on platform that having much more amount of active users. More users available on certain trading platform will benefit suppliers more by selling off more of their products thus earning more revenue. Hence, it depends on how the platform itself is influencing the market.

Threats of Substitutes – Very High

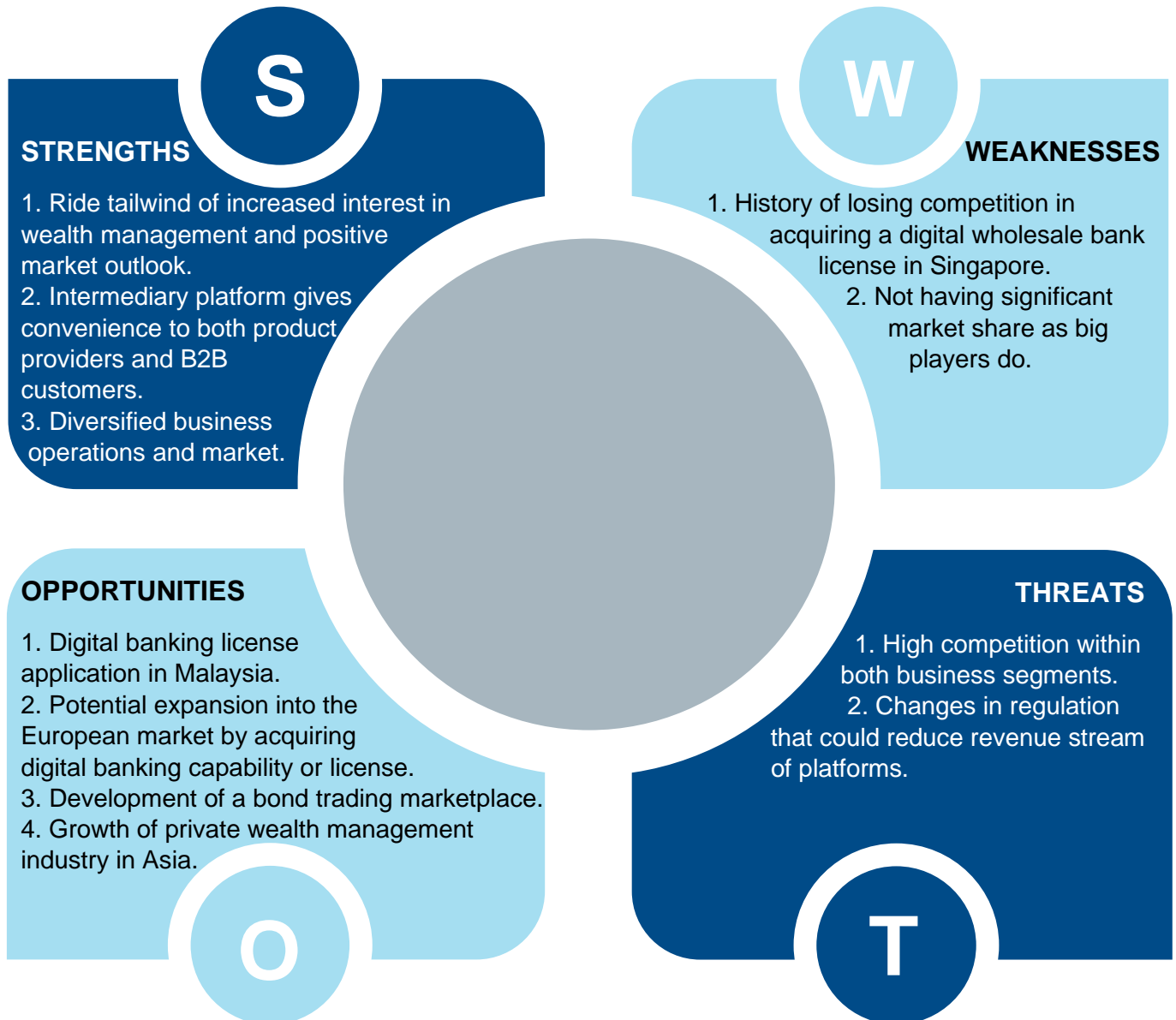
iFAST trading platform is similarly in a highly competitive space against local and international firms such as POEMS or Dollardex from Singapore, Tiger Brokers and moomoo from China and Hong Kong, as well as Robinhood, Interactive Brokers and SAXO Markets from USA and Denmark. Many of the platforms offer users equities, funds, bonds and much more at their fingertips with a convenient and accessible mobile application.

Threats of New Entrants – High

As switching costs within the industry are low, the new entrants who offered pricing that are much more lowered than current market price may attract a bunch of price-sensitive consumers in a short time, thus gaining their market share.

APPENDIX 2

SWOT Analysis



APPENDIX 3

Altman Z-Score Analysis

	2018	2019	2020
Current Assets	127,650,531	104,710,181	194,602,831
Current Liabilities	71,032,780	54,852,215	136,250,363
Total Liabilities	72,628,273	67,535,291	150,879,252
Total Assets	157,983,102	157,171,439	254,279,392
Retained Earnings	17,516,565	21,866,950	34,417,620
Revenues	121,243,110	125,411,117	169,925,561
Operating Income	11,004,063	11,177,706	25,773,411
Shares outstanding	266,045,476	268,178,072	271,051,587
Market Price (S\$/share)	1.07	1.04	3.03
Working Capital	56,617,751	49,857,966	58,352,468

Altman Z-Score

	Coefficient	2018	2019	2020
Z 1 (Working Capital/Total Assets)	1.20	0.36	0.32	0.23
Z 2 (Retained Earnings/Total Assets)	1.40	0.11	0.14	0.14
Z 3 (EBIT/Total Assets)	3.30	0.08	0.09	0.12
Z 4 (Market Cap/Total Liabilities)	0.60	3.92	4.13	5.44
Z 5 (Revenues/Total Assets)	1.00	0.77	0.80	0.67
Z-Score		3.97	4.15	4.80
Zone		Safe	Safe	Safe

APPENDIX 4

Comparison between different online brokerage accounts commission fees in Singapore

	Cash Account (CDP)	Pre-funded (CDP/Custodian Account)
FSMOne	S\$8.80 (Flat fee)	
CGS-CIMB Securities	S\$25	S\$15
Citibank Brokerage	S\$25	No minimum
DBS Vickers	S\$25	S\$10
KGI Securities	S\$25	S\$25
LIM & TAN Securities	S\$25	S\$18
Maybank Kim Eng	S\$25	S\$10
OCBC Securities	S\$25	S\$18
UOB Kay Hian	S\$25	S\$10
Standard Chartered	S\$25	S\$10
Philip Securities (POEMS)	-	S\$8
Tiger Brokers	-	S\$2.88
Futu Holdings (moomoo)	-	S\$2.49
Interactive Brokers	No minimum	
SAXO Capital Markets	-	S\$5

APPENDIX 5

Income Statement

Income Statement	Units	2016A	2017A	2018A	2019A	2020A	2021E	2022F	2023F	2024F	2025F	2026F
Revenue	[\$\$'000]	80,596	101,167	121,243	125,411	169,926	219,591	281,435	356,963	440,757	538,742	649,104
Cost of Revenue	[\$\$'000]	(39,904)	(51,722)	(61,623)	(60,209)	(84,069)	(102,340)	(121,610)	(145,000)	(180,927)	(219,172)	(265,390)
Net Revenue	[\$\$'000]	40,692	49,445	59,620	65,202	85,857	117,251	159,825	211,963	259,830	319,570	383,714
Other income	[\$\$'000]	1,884	1,079	1,163	2,039	5,209	2,196	5,629	7,139	8,815	10,775	12,982
Staff costs	[\$\$'000]	(19,275)	(21,087)	(26,436)	(29,984)	(36,839)	(43,918)	(56,287)	(71,393)	(88,151)	(107,748)	(129,821)
Other operating expenses	[\$\$'000]	(14,130)	(16,858)	(17,754)	(12,881)	(12,615)	(17,567)	(18,293)	(21,418)	(22,038)	(24,243)	(25,964)
Total operating income	[\$\$'000]	(31,522)	(36,865)	(43,026)	(40,826)	(44,245)	(59,290)	(68,952)	(85,671)	(101,374)	(121,217)	(142,803)
EBITDA	[\$\$'000]	9,171	12,580	16,594	24,376	41,612	57,962	90,874	126,291	158,455	198,353	240,911
Depreciation of plant and equipment	[\$\$'000]	(1,578)	(1,369)	(1,670)	(1,912)	(1,971)	(2,196)	(2,814)	(3,570)	(3,967)	(4,849)	(5,193)
Depreciation of right-of-use assets	[\$\$'000]	-	-	-	(6,130)	(7,091)	(6,588)	(5,629)	(7,139)	(8,815)	(10,775)	(12,333)
Amortisation of intangible assets	[\$\$'000]	(1,492)	(2,875)	(3,919)	(5,156)	(6,776)	(7,686)	(8,443)	(10,709)	(14,104)	(15,085)	(16,228)
Impairment loss on available-for-sale financial assets	[\$\$'000]	(685)	-	-	-	-	-	-	-	-	-	-
Total Depreciation & Amortisation	[\$\$'000]	(3,755)	(4,244)	(5,590)	(13,198)	(15,838)	(16,469)	(16,886)	(21,418)	(26,886)	(30,708)	(33,753)
EBIT	[\$\$'000]	5,416	8,335	11,004	11,178	25,773	41,492	73,988	104,874	131,569	167,645	207,157
Finance income	[\$\$'000]	838	740	1,003	1,202	837	1,318	1,801	2,285	2,821	3,448	4,154
Finance costs	[\$\$'000]	(2)	(2)	(175)	(1,266)	(812)	192	147	97	57	20	0
Net finance income/(costs)	[\$\$'000]	836	738	828	(64)	25	1,510	1,948	2,382	2,878	3,468	4,154
EBT	[\$\$'000]	6,252	9,074	11,832	11,114	25,798	43,002	75,936	107,255	134,447	171,113	211,312
Share of results of associates, net of tax	[\$\$'000]	(158)	(326)	517	(47)	(411)	(83)	(100)	(100)	(100)	(100)	(100)
Profit before tax	[\$\$'000]	6,094	8,747	12,349	11,067	25,387	42,919	75,836	107,155	134,347	171,013	211,212
Tax expense	[\$\$'000]	(761)	(1,255)	(1,661)	(1,762)	(4,423)	(4,392)	(5,629)	(7,139)	(8,815)	(10,775)	(12,982)
Profit for the year	[\$\$'000]	5,333	7,493	10,688	9,305	20,964	38,527	70,207	100,016	125,532	160,238	198,230
Earnings per share												
Basic earnings per share	[\$\$ cents]	2.08	2.92	4.10	3.55	7.80						
Diluted earnings per share	[\$\$ cents]	2.04	2.87	4.01	3.46	7.46						

APPENDIX 6

Balance Sheet

Balance Sheet	Units	2016A	2017A	2018A	2019A	2020A	2021E	2022F	2023F	2024F	2025F	2026F
Non-current assets												
Plant and equipment	[\$S'000]	2,187	2,308	3,255	3,689	4,283	6,040	8,291	11,147	15,114	19,962	26,453
Right-of-use assets	[\$S'000]	-	-	-	14,390	18,538	29,518	46,404	67,821	94,267	126,591	166,187
Intangible assets and goodwill	[\$S'000]	10,375	13,622	17,860	22,212	25,500	30,990	39,433	50,142	62,483	79,723	102,441
Subsidiaries	[\$S'000]	-	-	-	-	-	-	-	-	-	-	-
Associates	[\$S'000]	1,829	1,616	2,951	5,375	5,982	6,000	7,000	8,000	8,000	8,000	8,000
Other investments	[\$S'000]	-	3,849	5,062	5,329	3,945	6,588	11,257	14,279	17,630	21,550	25,964
Deferred tax assets	[\$S'000]	-	542	987	1,139	1,099	1,099	1,099	1,099	1,099	1,099	1,099
Club membership	[\$S'000]	11	-	-	-	-	-	-	-	-	-	-
Prepayments and others	[\$S'000]	302	346	218	328	329	606	687	857	1,026	1,215	1,412
Total non-current assets	[\$S'000]	14,704	22,283	30,333	52,461	59,677	80,840	114,171	153,344	199,619	258,141	331,557
Current assets												
Current tax receivable	[\$S'000]	80	34	2	30	203	203	203	203	203	203	203
Other investments	[\$S'000]	32,127	22,413	24,116	19,144	16,838	26,351	33,772	42,836	52,891	64,649	77,892
Prepayments and others	[\$S'000]	1,662	1,315	1,262	1,760	1,813	3,788	4,292	5,354	6,413	7,596	8,828
Trade and other receivables	[\$S'000]	24,091	28,135	30,011	34,720	44,990	60,162	77,105	97,798	120,755	147,601	177,837
Uncompleted contracts - buyers	[\$S'000]	-	9,056	10,958	24,246	94,318	87,837	84,431	71,393	88,151	107,748	129,821
Money market funds	[\$S'000]	1,490	2,619	640	616	4,833	0	0	0	0	0	0
Cash at bank and in hand	[\$S'000]	20,974	30,880	60,661	24,195	31,608	34,161	54,570	114,920	178,926	265,280	375,195
Total current assets	[\$S'000]	80,424	94,451	127,651	104,710	194,603	212,502	254,373	332,503	447,340	593,078	769,775
Total assets	[\$S'000]	95,128	116,734	157,983	157,171	254,279	293,342	368,544	485,848	646,959	851,218	1,101,333
Equity												
Share capital	[\$S'000]	64,148	65,545	65,969	66,180	66,976	66,976	66,976	66,976	66,976	66,976	66,976
Reserves	[\$S'000]	14,298	15,691	19,595	23,877	37,133	75,160	144,867	244,384	369,416	529,154	726,883
Equity attributable to owners of the Company	[\$S'000]	78,446	81,236	85,564	90,057	104,109	142,136	211,843	311,360	436,392	596,130	793,859
Non-controlling interests	[\$S'000]	150	17	(209)	(421)	(709)	(709)	(709)	(709)	(709)	(709)	(709)
Total equity	[\$S'000]	78,596	81,253	85,355	89,636	103,400	141,427	211,134	310,651	435,683	595,421	793,150
Liabilities												
Deferred tax liabilities	[\$S'000]	482	1,195	1,588	1,928	2,616	3,294	4,222	5,354	6,611	8,081	9,737
Lease liabilities	[\$S'000]	19	13	8	10,755	12,013	9,013	6,013	4,013	2,013	13	0
Total non-current liabilities	[\$S'000]	501	1,209	1,595	12,683	14,629	12,307	10,235	9,367	8,624	8,094	9,737
Current tax payable	[\$S'000]	504	1,079	1,663	1,530	3,078	3,953	5,066	6,425	7,934	9,697	11,684
Lease liabilities	[\$S'000]	-	-	-	4,366	7,205	5,705	3,705	1,705	0	0	0
Finance lease liabilities	[\$S'000]	5	5	5	-	-	-	-	-	-	-	-
Bank loans	[\$S'000]	-	-	37,354	3,806	-	-	-	-	-	-	-
Trade and other payables	[\$S'000]	15,523	24,252	21,080	20,956	31,736	42,113	53,974	68,459	84,529	103,320	124,486
Uncompleted contracts - sellers	[\$S'000]	-	8,936	10,929	24,195	94,232	87,837	84,431	89,241	110,189	134,686	162,276
Total current liabilities	[\$S'000]	16,032	34,273	71,033	54,852	136,250	139,608	147,175	165,830	202,652	247,703	298,446
Total liabilities	[\$S'000]	16,532	35,481	72,628	67,535	150,879	151,914	157,410	175,197	211,276	255,797	308,182
Total equity and liabilities	[\$S'000]	95,128	116,734	157,983	157,171	254,279	293,342	368,544	485,848	646,959	851,218	1,101,333
Held under trust												
Client bank accounts	[\$S'000]	156,078	275,461	312,635	410,723	943,960						
Client ledger balances	[\$S'000]	(156,078)	(275,461)	(312,635)	(410,723)	(943,960)						

APPENDIX 7

Cash Flow Statement

Cash Flow Statement	Units	2016A	2017A	2018A	2019A	2020A	2021E	2022F	2023F	2024F	2025F	2026F
Cash flows from operating activities												
Profit for the year	[\$S'000]	5,333	7,493	10,689	9,305	20,964	38,527	70,207	100,016	125,532	160,238	198,230
Adjustments for:												
Depreciation of plant and equipment	[\$S'000]	1,578	1,369	1,670	1,912	1,971	2,196	2,814	3,570	3,967	4,849	5,193
Depreciation of right-of-use assets	[\$S'000]	-	-	-	6,130	7,091	6,588	5,629	7,139	8,815	10,775	12,333
(Gain)/Loss on disposal of plant and equipment	[\$S'000]	-	(1)	-	1	-	-	-	-	-	-	-
Plant and equipment written off	[\$S'000]	0	19	20	0	-	-	-	-	-	-	-
Amortisation of intangible assets	[\$S'000]	1,492	2,875	3,919	5,156	6,776	7,686	8,443	10,709	14,104	15,085	16,228
Equity-settled share-based payment transactions	[\$S'000]	1,947	2,005	2,546	3,076	3,272	-	-	-	-	-	-
Dividend income on investment in financial assets at FVOCI	[\$S'000]	(691)	(653)	(732)	(584)	(554)	-	-	-	-	-	-
(Gain)/Loss on redemption of investment in financial assets at FVOCI	[\$S'000]	(438)	8	(142)	(12)	-	-	-	-	-	-	-
Changes in fair value of investment of investment in financial assets	[\$S'000]	(64)	-	-	-	-	-	-	-	-	-	-
Impairment loss on investment in financial assets at FVOCI	[\$S'000]	-	192	-	-	133	-	-	-	-	-	-
Impairment loss on available-for-sale financial assets	[\$S'000]	685	-	-	-	-	-	-	-	-	-	-
Gain on acquisition of a subsidiary	[\$S'000]	(262)	-	-	-	-	-	-	-	-	-	-
Net gain on investment in financial assets at FVTPL	[\$S'000]	-	(183)	(69)	(1,234)	(710)	-	-	-	-	-	-
Share of results of associates, net of tax	[\$S'000]	158	326	(517)	47	411	-	-	-	-	-	-
Dividend income on investment in associates	[\$S'000]	(27)	(36)	(36)	(36)	(36)	-	-	-	-	-	-
Foreign exchange loss, net	[\$S'000]	-	-	-	502	47	-	-	-	-	-	-
Intangible asset written off	[\$S'000]	-	2	-	-	2	-	-	-	-	-	-
Bad debt written off	[\$S'000]	5	2	-	-	-	-	-	-	-	-	-
Gain on derecognition of an associate	[\$S'000]	-	(19)	-	-	-	-	-	-	-	-	-
Unrealised exchange (gain)/loss, net	[\$S'000]	193	384	(0)	-	-	-	-	-	-	-	-
Net finance (income)/costs	[\$S'000]	(836)	(738)	(828)	64	(25)	-	-	-	-	-	-
Tax expense	[\$S'000]	761	1,255	1,661	1,762	4,423	-	-	-	-	-	-
Change in uncompleted contracts and trade and other receivables	[\$S'000]	9,834	14,301	18,181	26,088	43,767	54,997	87,093	121,434	152,418	190,946	231,983
Change in uncompleted contracts and trade and other payables	[\$S'000]	(5,297)	(13,415)	(3,538)	(19,314)	(80,726)	(8,691)	(13,537)	(7,655)	(39,716)	(46,442)	(52,309)
Change in prepayment	[\$S'000]	834	12,088	3,102	14,475	80,834	-	-	-	-	-	-
Change in current tax payables	[\$S'000]	-	-	-	-	-	-2,251	-585	-1,233	-1,228	-1,373	-1,429
	[\$S'000]	-	-	-	-	-	875	1,113	1,360	1,508	1,764	1,987
Cash generated from operations	[\$S'000]	5,371	12,973	17,746	21,249	43,875	48,913	82,539	133,201	150,001	188,183	228,988
Tax paid	[\$S'000]	(679)	(468)	(1,085)	(1,725)	(2,339)	-	-	-	-	-	-
Interest received	[\$S'000]	939	714	997	1,202	837	-	-	-	-	-	-
Interest paid on bank loans	[\$S'000]	(2)	(2)	(34)	(575)	(56)	-	-	-	-	-	-
Interest paid on lease liabilities	[\$S'000]	0	0	0	(771)	(756)	-	-	-	-	-	-
Net cash from operating activities	[\$S'000]	5,630	13,218	17,624	19,380	41,561	48,913	82,539	133,201	150,001	188,183	228,988
Cash flows from investing activities												
Purchase of plant and equipment	[\$S'000]	(1,334)	(1,535)	(2,605)	(2,374)	(2,546)	(3,953)	(5,066)	(6,425)	(7,934)	(9,697)	(11,684)
Purchase of intangible assets	[\$S'000]	(5,372)	(5,602)	(6,836)	(9,735)	(9,678)	(13,175)	(16,886)	(21,418)	(26,445)	(32,325)	(38,946)
Proceeds from disposal of plant and equipment	[\$S'000]	-	1	-	1	-	-	-	-	-	-	-
Additional investment in associates	[\$S'000]	(1,617)	(160)	(836)	(2,498)	(1,139)	(18)	(1,000)	(1,000)	0	0	0
Dividend received from an associate	[\$S'000]	20	35	36	36	36	-	-	-	-	-	-
Purchases of investment in financial assets	[\$S'000]	(32,471)	(60,577)	(84,462)	(144,038)	(162,861)	(12,157)	(12,091)	(12,084)	(13,407)	(15,678)	(17,658)
Proceeds from redemption of investment in financial assets	[\$S'000]	35,008	73,681	75,730	150,265	165,684	-	-	-	-	-	-
Dividends received from investment in financial assets at FVOCI	[\$S'000]	39	35	17	6	5	-	-	-	-	-	-
Acquisition of subsidiaries, net of cash acquired	[\$S'000]	(1,104)	(702)	-	-	-	-	-	-	-	-	-
Purchase of ROU	[\$S'000]	-	-	-	-	-	(17,567)	(22,515)	(28,557)	(35,261)	(43,099)	(51,928)
Net cash used in investing activities	[\$S'000]	(6,832)	5,175	(18,956)	(8,336)	(10,499)	(46,870)	(57,558)	(69,485)	(83,047)	(100,799)	(120,216)
Cash flows from financing activities												
Proceeds from exercise of share options	[\$S'000]	1,601	1,397	425	210	796	-	-	-	-	-	-
Purchase of treasury shares	[\$S'000]	(2,531)	(548)	(150)	-	(475)	-	-	-	-	-	-
Proceeds from shares issued to non-controlling interests of subsidiary	[\$S'000]	2,414	78	-	0	0	-	-	-	-	-	-
Drawdown of bank loans	[\$S'000]	-	-	37,262	3,805	-	-	-	-	-	-	-
Repayment of bank loans	[\$S'000]	-	-	-	(37,070)	(3,806)	-	-	-	-	-	-
Repayment of finance lease liabilities	[\$S'000]	(3)	(5)	(5)	-	-	-	-	-	-	-	-
Principal element of lease payments	[\$S'000]	-	-	-	(5,892)	(7,008)	(4,500)	(5,000)	(4,000)	(3,705)	(2,000)	(13)
Dividends paid to owners of the Company	[\$S'000]	(7,311)	(7,539)	(8,386)	(8,456)	(8,685)	(500)	(500)	(500)	(500)	(500)	(500)
Changes in:												
Deferred tax liabilities	[\$S'000]	-	-	-	-	-	678	928	1,133	1,257	1,470	1,655
Net cash used in financing activities	[\$S'000]	(5,829)	(6,616)	29,145	(47,402)	(19,177)	(4,322)	(4,572)	(3,367)	(2,948)	(1,030)	1,142
Net increase/(decrease) in cash and cash equivalents	[\$S'000]	(7,031)	11,777	27,813	(36,359)	11,885	(2,280)	20,409	60,350	64,006	86,354	109,914
Cash and cash equivalents at 1 January	[\$S'000]	29,520	22,464	33,498	61,301	24,811	36,441	34,161	54,570	114,920	178,926	265,280
Effect of exchange rate fluctuations on cash held	[\$S'000]	(25)	(742)	(10)	(132)	(255)	-	-	-	-	-	-
Cash and cash equivalents at 31 December	[\$S'000]	22,464	33,498	61,301	24,811	36,441	34,161	54,570	114,920	178,926	265,280	375,195

APPENDIX 8

Revenue Drivers

	Units	Historical					Projected					
		2016A	2017A	2018A	2019A	2020A	2021E	2022F	2023F	2024F	2025F	2026F
Assets Under Administration (AUA)	[\$\$B]	6.10	7.58	8.05	10.00	14.45	19.86	25.29	32.21	41.01	52.22	66.49
AUA Growth Rate	[%]		24.26%	6.20%	24.22%	44.50%	37.47%	27.33%	27.33%	27.33%	27.33%	27.33%
Revenue (Total)	[\$\$'000]	80,596	101,167	121,243	125,411	169,925	219,591	281,435	356,963	440,757	538,742	649,104
			26%	20%	3%	35%	29%	28%	27%	23%	22%	20%
Cost of Revenue	[\$\$'000]	(39,904)	(51,722)	(61,623)	(60,209)	(84,068)	(102,340)	(122,009)	(145,476)	(181,521)	(219,891)	(266,261)
Number of third party financial advisers using platforms		6,000	6,700	7,700	8,500	9,900	11,223	12,770	14,495	16,565	18,839	21,444
Growth %	[%]		11.67%	14.93%	10.39%	16.47%	13.36%	13.79%	13.50%	14.28%	13.73%	13.83%
Average pay to each adviser	[\$\$'000]	6.65	7.72	8.00	7.08	8.49	9.12	9.55	10.04	10.96	11.67	12.42
Growth %	[%]		16.07%	3.67%	-11.49%	19.88%	7%	5%	5%	9%	7%	6%
Net Revenue	[\$\$'000]	40,692	49,445	59,620	65,202	85,857	117,251	159,427	211,487	259,236	318,851	382,843
Total Recurring net revenue	[\$\$'000]	34,714	40,947	48,319	52,942	60,387	79,488	107,073	143,717	173,789	216,320	263,848
Total Non-recurring net revenue	[\$\$'000]	5,978	8,498	11,301	12,260	25,470	37,767	52,354	67,770	85,448	102,531	118,995
Recurring net revenue												
Trailer Fee	[\$\$'000]	22,252	25,756	29,813	31,553	36,353	48,487	69,824	97,161	116,437	146,012	178,106
Fund Houses		190	220	240	260	270	296	320	347	399	445	500
Investment Products		5,000	7,500	9,100	10,000	12,000	15,037	19,548	25,608	33,034	41,953	53,700
Growth %	[%]		50.00%	21.33%	9.89%	20.00%	25.31%	30.00%	31.00%	29.00%	27.00%	28.00%
Investment Products per Fund Houses		26.32	34.09	37.92	38.46	44.44	50.86	61.03	73.85	82.71	94.29	107.50
Growth %	[%]		29.55%	11.22%	1.44%	15.56%	14.44%	20.00%	21.00%	12.00%	14.00%	14.00%
Fees deriving from each investment product per fund houses		845.56	755.50	786.27	820.39	817.94	953.34	1144.01	1315.61	1407.71	1548.48	1656.87
Growth %	[%]		-10.65%	4.07%	4.34%	-0.30%	-0.63%	20.00%	15.00%	7.00%	10.00%	7.00%
Wrap Fee	[\$\$'000]	2,499	2,989	3,334	4,077	5,254	5,564	7,233	9,149	11,498	14,648	18,532
Total value of wrap accounts	[\$\$'000]	124,970	149,457	166,701	203,827	262,683	278,200	361,660	457,434	574,921	732,383	926,597
Growth %	[%]		19.59%	11.54%	22.27%	28.88%	20.57%	30.00%	26.48%	25.68%	27.39%	26.52%
Average Annual fee charged	[%]	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Platform Fee	[\$\$'000]	9,963	11,138	11,935	12,441	13,527	19,077	23,656	31,048	39,493	49,301	60,851
Number of customer accounts	[\$\$'000]	230,000	260,000	330,000	420,000	550,000	568,645	591,391	620,960	658,218	704,293	760,637
Average Market Value	[\$\$'000]	612.27	680.58	674.50	803.77	1068.26	1041.26	1203.52	1453.97	1762.52	2085.05	2480.76
Growth %	[%]		11.16%	-0.89%	19.17%	32.91%	15.58%	15.58%	20.81%	21.22%	18.30%	18.98%
Average platform fee charged	[%]	4.33%	4.28%	3.62%	2.96%	2.46%	3.39%	4.00%	5.00%	6.00%	7.00%	8.00%
Net Interest Income Arising from Clients AUA	[\$\$'000]		1,065	3,237	4,871	5,012	6,118	6,118	6,118	6,118	6,118	6,118
Others	[\$\$'000]					242	242	242	242	242	242	242
Non-recurring net revenue												
Transaction fee / Commission income (UT & Portfolio management services)	[\$\$'000]			5,922	6,927	15,766	22,469	41,397	55,886	72,404	88,037	102,686
Transaction fee / Commission income (Other products)	[\$\$'000]											
Number of Customer Accounts		230,000	260,000	330,000	420,000	550,000	568,645	591,391	620,960	658,218	704,293	760,637
Average Transaction Fee per Customer Account				0.02	0.02	0.03	0.04	0.07	0.09	0.11	0.13	0.14
Growth %	[%]				-8.09%	73.81%	32.86%	53.33%	43.10%	48.21%	45.65%	46.93%
Number of Third Party Financial Advisors using Platforms		6,000	6,700	7,700	8,500	9,900	11,223	12,770	14,495	16,565	18,839	21,444
Average Transaction Fee per Financial Advisor				0.77	0.81	1.59	2.40	3.62	5.45	8.21	12.37	18.65
Growth %	[%]				5.97%	95.42%	50.69%	50.69%	50.69%	50.69%	50.69%	50.69%
FX Margin	[\$\$'000]			2,712	2,685	6,317	6,317	6,317	6,317	6,317	6,317	6,317
Fintech Solutions, IT Fees	[\$\$'000]			1,706	1,864	2,445	8,039	3,697	4,625	5,785	7,235	9,050
Number of B2B Partners	[%]	240	290	350	400	460	541	633	747	881	1040	1227
Growth %	[%]		20.83%	20.69%	14.29%	15.00%	17.70%	16.92%	18.00%	18.00%	18.00%	18.00%
Average IT Fee per Partner	[%]			4.88	4.66	5.32	5.57	5.84	6.19	6.56	6.96	7.37
Growth %	[%]			-	-4.45%	14.10%	4.82%	4.82%	6.00%	6.00%	6.00%	6.00%
Others	[\$\$'000]			961	785	942	942	942	942	942	942	942

APPENDIX 9

Valuations: Discounted Cash Flow (DCF)

Discounted Cash Flow Model (DCF)							
Assumptions/Inputs							
WACC	4.6%						[S\$'000]
Cost of Debt	2.5%			Total Debt	19,218		
Cost of Equity	8.2%			Total Sharehol	103,400		
Tax Rate	17.0%			Shares Outsta	275,959		
Debt Ratio	15.7%			Current Share	8.09		
Equity Ratio	84.3%						
Free Cash Flow	Units	2021E	2022F	2023F	2024F	2025F	2026F
Period		0	1	2	3	4	5
FCFF	[S\$'000]	23,890	38,278	39,271	69,017	87,716	104,156
EBIT	[S\$'000]	43,408	74,109	103,500	131,690	167,954	204,454
Tax Rate	[%]	17%	17%	17%	17%	17%	17%
(+) Depreciation & Amortisation	[S\$'000]	16,650	16,897	21,300	26,897	30,733	33,560
(+) Changes in Working Capital	[S\$'000]	6,287	4,365	-11,844	2,484	2,771	2,870
(-) CAPEX	[S\$'000]	35,077	44,494	56,090	69,667	85,189	101,972
Discount Rate	[%]	1.00	0.96	0.91	0.87	0.84	0.80
Present Value of FCFF	[S\$'000]	23,890	36,594	35,891	60,300	73,265	83,168

Terminal Value - Multiples	
Terminal Value - Multiples	
Total Revenue	645,390
EV/Revenue	6.6x
Terminal Value	\$ 4,259,576
Terminal Value - Perpetual Growth	
Final Year FCFF	\$ 104,156
Perpetual Growth Rate	3.0%
Discount Rate (WACC)	4.6%
Terminal Value	\$ 6,691,034
Implied Enterprise Value	
Present Value of Terminal Value (Multiples)	\$ 3,401,249
Present Value of Terminal Value (Perpetual Growth)	\$ 5,342,756
Sum of Present Value of FCFF	\$ 313,107
Enterprise Value - Multiples	\$ 3,714,357
Enterprise Value - Perpetual Growth	\$ 5,655,863
Implied Equity Value	
(-) Total Debt	-19,218
(+) Cash & Cash Equivalent	36,441
(-) Non-Controlling Interest	709
(-) Preferred Stock	-
Equity Value (Multiples)	\$ 3,696,425
Equity Value (Perpetual Growth)	\$ 5,637,931
Implied Share Price	
Share Price (Multiples)	\$ 13.39
Share Price (Perpetual Growth)	\$ 20.43
Upside/Downside	
Upside/Downside (Multiples)	66%
Upside/Downside (Perpetual Growth)	153%
	109%

APPENDIX 10

Valuations: Trading Comparables

	Ticker	Local Currency	Share Price US\$	Market Data			Financial Data		Valuation	
				52 Week High Price US\$	52 Week Low Price US\$	Market Cap US\$m	Total Enterprise Value US\$m	EV/EBITDA LTM NTM		
iFAST Corp										
SGX	S68	SGD	6.86	8.87	6.53	7,336.1	6,958.9	16.44x	15.03x	
Bursa Malaysia	BURSA	MYR	1.52	2.28	1.50	1,231.8	578.1	8.46x	11.48x	
HK Exchange	0388	HKD	59.32	75.24	49.22	75,047.9	55,550.2	13.00x	11.02x	
Noah Holdings	NOAH	CNY	33.71	52.77	32.79	2,020.7	1,292.7	5.63x	6.99x	
Lufax	LU	CNY	6.14	18.30	5.46	15,118.5	16,792.3	3.69x	2.90x	
Futu Holdings	FUTU	HKD	41.70	204.25	35.49	6,116.2	7,528.1		13.50x	
Up Fintech	TIGR	CNY	5.43	38.50	4.63	821.5	659.3		7.49x	
Interactive brokers	IBKR	USD	75.18	80.57	54.60	7,380.7	30,311.3			
Charles Schwab	SCHW	USD	79.38	84.49	50.02	150,075.8	148,382.8			14.19x
Max								16.44x	15.03x	
75th Percentile								14.72x	14.02x	
Median								8.46x	11.25x	
Mean								9.44x	10.33x	
25th Percentile								4.66x	7.12x	
Min								3.69x	2.90x	

Inputs	
	<u>LTM</u> US\$m
Total Revenue	153.56
Cash & Cash Equivalent	111.82
Total Debt	52.11
Non-Controlling Interest	(2.30)
Outstanding Shares	276.93
Current Share Price	8.14

EV/EBITDA (LTM)						
	Max	75th Percentile	Median	Mean	25th Percentile	Min
Total Implied Enterprise Value	2524.51	2260.39	1299.11	1450.20	715.55	567.18
Total Implied Equity Value	2586.52	2322.40	1361.12	1512.21	777.56	629.19
Implied Share Price (USD)	9.34	8.39	4.92	5.46	2.81	2.27
Implied Share Price (SGD)	12.78	11.47	6.72	7.47	3.84	3.11
Upside/Downside	56.95%	40.92%	-17.41%	-8.24%	-52.82%	-61.82%

EV/EBITDA (NTM)						
	Max	75th Percentile	Median	Mean	25th Percentile	Min
Total Implied Enterprise Value	2307.99	2152.94	1727.54	1585.67	1092.65	445.32
Total Implied Equity Value	2370.01	2214.95	1789.55	1647.68	1154.67	507.34
Implied Share Price (USD)	8.56	8.00	6.46	5.95	4.17	1.83
Implied Share Price (SGD)	11.71	10.94	8.84	8.14	5.70	2.51
Upside/Downside	43.81%	34.40%	8.59%	-0.02%	-29.94%	-69.22%

APPENDIX 11

Dividend discount model (DDM)

Dividends Assumptions	2017A	2018A	2019A	2020A	2021E	2022F	2023F	2024F	2025F	2026F
Net Profit	7,492	10,689	9,305	20,964	40,409	70,326	98,669	125,651	160,541	195,577
Payout Ratio	101%	78%	91%	41%	23%	14%	10%	8%	7%	6%
Dividend Payout	[S\$'000] 7,539	8,386	8,456	8,685	9,119	9,575	10,054	10,557	11,085	11,639
Dividend Payout Growth Rate		11%	1%	3%	5%	5%	5%	5%	5%	5%
Outstanding Shares	264,672,618	266,776,679	268,956,579	272,843,735	272,843,735	272,843,735	272,843,735	272,843,735	272,843,735	272,843,735
Dividend Per Share	\$ 0.028	\$ 0.031	\$ 0.031	\$ 0.032	\$ 0.033	\$ 0.035	\$ 0.037	\$ 0.039	\$ 0.041	\$ 0.043
DDM - Constant Growth										
Discount Rate (Cost of Equity)	8.17%									
Growth Rate	5.00%									
Valuation	\$ 1.053									

Dividends Assumptions	2017A	2018A	2019A	2020A	2021E	2022F	2023F	2024F	2025F	2026F
Net Profit	7,492	10,689	9,305	20,964	40,409	70,326	98,669	125,651	160,541	195,577
Payout Ratio	101%	78%	91%	41%	29%	23%	24%	28%	33%	41%
Dividend Payout (GR)	[S\$'000] 7,539	8,386	8,456	8,685	11,725	15,828	23,743	35,614	53,421	80,131
Dividend Payout Growth Rate		11%	1%	3%	35%	35%	50%	50%	50%	50%
Outstanding Shares	264,672,618	266,776,679	268,956,579	272,843,735	272,843,735	272,843,735	272,843,735	272,843,735	272,843,735	272,843,735
Dividend Per Share	\$ 0.028	\$ 0.031	\$ 0.031	\$ 0.032	\$ 0.043	\$ 0.058	\$ 0.087	\$ 0.131	\$ 0.196	\$ 0.294

DDM - Multi-Stage			
Year	Dividends	Terminal	PV
1	\$ 0.043		\$ 0.040
2	\$ 0.058		\$ 0.050
3	\$ 0.087		\$ 0.069
4	\$ 0.131		\$ 0.095
5	\$ 0.196		\$ 0.132
6	\$ 0.294	\$ 9.714	\$ 9.898
Growth Rate	5% Valuation		\$ 10.28
Discount Rate (Cost of Equity)	8%		

APPENDIX 12

Sensitivity Analysis

Sensitivity Analysis (Implied Share Price)						
		Exit Multiple				
		4.6x	5.6x	6.6x	7.6x	8.6x
WACC	2.6%	\$ 10.60	\$ 12.66	\$ 14.72	\$ 16.77	\$ 18.83
	3.6%	\$ 10.12	\$ 12.08	\$ 14.04	\$ 16.00	\$ 17.96
	4.6%	\$ 9.66	\$ 11.53	\$ 13.39	\$ 15.26	\$ 17.13
	5.6%	\$ 9.23	\$ 11.01	\$ 12.79	\$ 14.57	\$ 16.35
	6.6%	\$ 8.82	\$ 10.52	\$ 12.22	\$ 13.91	\$ 15.61

Sensitivity Analysis (Implied Share Price)						
		Perpetual Growth Rate				
		2.0%	2.5%	3.0%	3.5%	4.0%
WACC	2.6%	\$ 57.26	\$ 330.34	-\$ 85.05	-\$ 37.17	-\$ 23.57
	3.6%	\$ 21.22	\$ 30.48	\$ 55.09	\$ 317.78	-\$ 81.80
	4.6%	\$ 12.88	\$ 15.76	\$ 20.43	\$ 29.34	\$ 53.02
	5.6%	\$ 9.17	\$ 10.53	\$ 12.41	\$ 15.18	\$ 19.68
	6.6%	\$ 7.08	\$ 7.85	\$ 8.84	\$ 10.15	\$ 11.96

Blended Target Price	
DCF Price Target	\$13.14
Weightage	0.6
EV/EBITDA (NTM, 75th Percentile)	\$10.96
Weightage	0.4
Blended Target Price	\$12.26

APPENDIX 13

Organisation at a glance



APPENDIX 14

Board of Directors

Board of Directors	Background Information
	<p><u>Mr Lim Chung Chun</u> Mr Lim is the Chairman, CEO and co-founder of iFAST Corp. Mr Lim is responsible for setting the strategic direction of iFAST Corp together with the Board and oversees the entire overall management of our Group. From 1991 to 1998, Mr Lim was an investment analyst with two securities companies in Singapore and eventually rose to become the Head of Research at ING Barings Securities Pte. Ltd. He co-founded Fundsupermart.com Pte. Ltd. in 2000. Mr Lim graduated with a Bachelor of Engineering (Electrical) from the National University of Singapore in 1991, and obtained a Diploma in Investment from the Institute of Banking and Finance in 1993.</p>
	<p><u>Mr Yao Chih Matthias</u> Mr Yao is the Lead Independent Director and was appointed to iFAST's Board on 1 January 2014. He was reappointed to the Board on 27 April 2020. Mr Yao was previously the Minister of State at the Ministry of Defence, Minister of State at the Prime Minister's Office and Senior Minister of State at the Prime Minister's Office. From 2004 to 2011, he was the Mayor of South East District, Deputy Speaker of Parliament from 2006 to 2011, and Member of Parliament for the MacPherson Single Member Constituency from 1991 to 2011. From 2009 to 2018, Mr Yao was a member of the HDB Board. Mr Yao is also Managing Director of Agmton Pte. Ltd. He was awarded the Overseas Merit Scholarship in 1975 and holds a Bachelor of Commerce (Honours) from the University of Birmingham, UK in 1978.</p>
	<p><u>Mr Kok Chee Wai</u> Mr Kok is an Independent Director of iFAST Corp and was appointed to the Board on 1 January 2014. He was reappointed to the Board on 27 April 2020. Mr Kok has been a partner in Allen & Gledhill LLP since 1998. He is the Co-Head of the firm's Financial Services Department, regional Energy, Infrastructure & Projects Practice, and Banking & Finance Practice. He has broad and deep experience in domestic and international financing. His general banking and finance practice includes acting for lenders and major corporates on domestic and cross-border syndicated loans, structured and acquisition financing and debt restructuring. He also regularly acts for banks and sponsors on limited recourse project financing in various sectors and has acted in many of the Public-Private-Partnership ("PPP") and other infrastructure projects in Singapore and in the region. Mr Kok is a member of the Banking Law Committee of the International Bar Association. Mr Kok graduated from the National University of Singapore with an LLB (Hons) degree in 1991. He was admitted to the Singapore Bar in 1992, when he joined Allen & Gledhill LLP.</p>
	<p><u>Mr Ng Loh Ken Peter</u> Mr Ng is an Independent Director and was appointed to the Board on 1 January 2014. He was reappointed to the Board on 16 April 2019. Mr Ng has been in financial advisory, fund management and mortgage lending for over three decades, and has held senior positions in several large institutions. He has been the Managing Director of Peterson Asset Management Pte Ltd since 2000. He is also a Director of Procurri Corporation Limited, a company listed on the SGX. Mr Ng was the General Manager of Investments in Hong Leong Assurance Bhd, based in Malaysia. For nine years to 1996, he served as Head of Treasury, Investment and Corporate divisions at various stages of his career with The Great Eastern Life Assurance Co Ltd. Prior to that, Mr Ng was the Senior Manager of an international public accounting firm. From 2009 to 2010, he also served as a member on the Accounting and Corporate Regulatory Authority's Investment Committee. Mr Ng graduated from the National University of Singapore with a Bachelor of Accountancy degree (with Honours) in 1977. He is also a Chartered Financial Analyst charterholder. Mr Ng completed the Advanced Management Program at Harvard Business School in 1993.</p>
	<p><u>Mr Mark Rudolph Duncan</u> Mr Duncan is an Independent Director of iFAST Corp and was first appointed to the Board on 1 January 2021. He was reappointed to the Board on 23 April 2021. Mr Duncan is currently the CEO of Typhoon Wealth Limited, a financial services advisory company focused on technology implementation in banking and wealth management. He is based in Hong Kong. He was the Global Head of Equity for the Macquarie Group from 2012 to 2017, and also the Chief Executive of Macquarie Bank's Hong Kong bank branch during this period. Prior roles included Head of Asian Equity for Macquarie Group, and Country Equity Head roles in Taiwan, South Korea, Singapore and Malaysia with Macquarie and ING Barings. He has broad experience across Asian capital markets, wealth management, regulatory compliance, technology and operations. Mr Duncan graduated from the Ecole Supérieure de Commerce Marseille and Middlesex University with a BA(Hons) degree in European Business Management in 1993.</p>
	<p><u>Mr David Toh Teng Peow</u> Mr Toh is an Independent Director and was appointed to the Board on 18 April 2018. He was reappointed to the Board on 23 April 2021. Mr Toh is CEO and Director at NTUitive, a wholly owned subsidiary of the Nanyang Technological University of Singapore ("NTU") responsible for commercialising the university's scientific research and incubating startups. Prior to his current role at NTUitive, Mr Toh spent 11 years working in investment banks such as ING Barings and Lehman Brothers where he was a top-rated Asia Pacific technology sector analyst. In that capacity, he also advised listed and private technology companies on corporate strategy and fund raising. After leaving investment banking, he worked as a fund manager at DBS Asset Management before setting up his own Asia Pacific focused absolute return equity fund. Mr Toh is a keen advocate of technology startups and has been an active angel investor since the late 1990s. Mr Toh also sits on the Singapore Stock Exchange Listings Advisory Committee where he provides opinions on technology companies seeking IPOs. He graduated with concurrent degrees in B.Sc. Materials Science & Engineering and a B.A. in Government and Asian Studies from Cornell University in 1991.</p>
	<p><u>Ms Janice Wu Sung Sung</u> Ms Wu is a Non-Executive Director of iFAST Corp's and was appointed to the Board on 18 April 2018. She was reappointed to the Board on 23 April 2021. Ms Wu is currently Executive Vice-President, Corporate Development at Singapore Press Holdings Limited ("SPH") and is responsible for leading its multi-discipline business development team in sourcing and executing mergers and acquisitions initiatives. Ms Wu also heads the Corporate Planning and Risk functions and sits on the Investment Committee of SPH's venture capital fund, SPH Ventures. Ms Wu has held various positions across functions with active involvement in legal advisory work, Merger and Acquisition transactions, joint ventures, property acquisitions, corporate planning and analytics. She sits on the board of several companies, including Mindchamps PreSchool Limited, M1 Limited, SPH Radio Pte. Ltd., The Seletar Mall Pte. Ltd. and The Woodleigh Mall Pte Ltd. Ms Wu holds a Bachelor of Laws (Honours) from the National University of Singapore and was admitted as an advocate and solicitor of the Supreme Court of Singapore in 1993.</p>
	<p><u>Mr Lim Wee Kian</u> Mr Lim is a Non-Executive Director of iFAST Corp and was appointed to the Board on 28 April 2004. He was reappointed to the Board on 27 April 2020. Mr Lim is Head of Foreign Exchange, Treasury and Markets at DBS Bank and has been with the bank since August 2004. Prior to joining DBS Bank, he was with various investment banks and was a member of the teams engaged in the trading of foreign exchange and interest rate products.</p>
	<p><u>Mr Wong Tin Niam Jean Paul</u> Mr Wong Tin Niam ("Mr Wong") is an Executive Director and was appointed to our Board on 1 May 2021. Mr Wong is the General Manger of iFAST Singapore's B2C division, FSMOne.com. He is also the Director of the Corporate Communications department, which looks after the Investor Relations function for iFAST Corp. Mr Wong was part of the team working on the company's IPO on the SGX-ST Mainboard in 2014. In his earlier years with the company, he was part of the Content team producing financial education and other investment-related content. Mr Wong has been with the company since 2004. He graduated with a degree of Bachelor of Social Sciences in Economics from the National University of Singapore in 2003.</p>

APPENDIX 15

Five Factors in iFAST's Governance

1. Customer Due Diligence

Some investors may require some form of guidance in selecting products suitable to their risk profile and investment strategy. The company has therefore created internal investment advisory teams to assist B2C customers with relevant advice.

With investment products being iFAST core product offering, utmost diligence is performed on their suitability and legitimacy to investors. Every product goes through a three-phase check, firstly on the providers financial and regulatory information, then on the product structure to ensure compliance with regulators and lastly an independent research analysis on the investment strategy, fees and risk level to safeguard investors.

2. Ethics and Fair Dealing

The company sees fair dealing as conducting itself in a transparent and ethical way to deliver value and fair dealing outcome for all its shareholders. Under this directive, iFAST has a fair dealing committee to oversee implementation of initiatives and a compliance department to conduct checks on initiatives and work processes.

The company also has internal policies to ensure all marketing materials provided are subjected to rigorous approval process through the head of department and compliance team to ensure no misrepresentation and regulatory lapses.

The compliance department are required to take and pass rules and regulation modules relevant to the business operation and encouraged to keep up to date on latest regulatory and compliance development through courses, workshops, and relevant certification.

3. Equal Employment Opportunities

The company has a policy of equal employment opportunity, with a gender diverse workforce of 54.7% female employees. iFAST implemented grievance-handling channels for all employees to voice any discriminatory behavior concern to human resources, creating a safe and healthy workplace environment for everyone.

4. Data Privacy

The company has an internal tech risk department that develops and implement cybersecurity initiatives and policies, and a SecOps department tasked with devising preventive measures against such lapses and investigating any security incidents.

iFAST has also took steps to educate consumers on information security best practices and implemented biometrics and digital token as two-factor authentication ("2FA") feature back in 2015. Together with Data Protection Officers ("DPO"), these measures help secure customers online transactions and personal data to preserve the privacy of its consumers and meet regulatory compliance with regards to consumer data.

5. Financial Disclosure & Adherence to listing rules.

In accordance with listing rules by the Singapore Stock Exchange, iFAST ensures shareholders and investors are kept up updated of developments related to the business via timely disclosures of events. Such disclosures are made either available on its investor relations site or at events such as the Annual General Meeting ("AGM") and Extraordinary General Meeting ("EGM").