

The logo for iFAST, featuring the word "iFAST" in white, bold, sans-serif font centered within a dark teal square background.

iFAST

**iFAST Corporation Ltd.
and its Subsidiaries**

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

**Unaudited Second Quarter and Half Year 2024
Financial Statements Announcement**

Second Quarter and Half Year 2024 Financial Statements and Dividend Announcement

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

Consolidated income statement for the second quarter and half year ended 30 June 2024

	Group			Group		
	2Q24 \$'000	2Q23 \$'000	Change %	1H24 \$'000	1H23 \$'000	Change %
Revenue	84,020	51,492	63.2	162,774	102,945	58.1
Interest revenue	9,727	2,717	258.0	16,934	5,194	226.0
Total revenue	93,747	54,209	72.9	179,708	108,139	66.2
Commission and fee expenses including securities brokerage expenses and handling and settlement expenses	(25,600)	(21,292)	20.2	(48,296)	(43,419)	11.2
Interest expenses excluding interest expense on lease liabilities	(6,767)	(1,112)	508.5	(11,926)	(1,906)	525.7
	61,380	31,805	93.0	119,486	62,814	90.2
Other income	142	842	(83.1)	658	1,242	(47.0)
Depreciation of plant and equipment	(1,026)	(645)	59.1	(2,030)	(1,569)	29.4
Depreciation of right-of-use assets	(2,565)	(1,863)	37.7	(5,329)	(3,719)	43.3
Amortisation of intangible assets	(3,030)	(2,757)	9.9	(5,929)	(5,334)	11.2
Staff costs excluding equity-settled share-based payment transactions	(20,875)	(12,561)	66.2	(39,257)	(24,313)	61.5
Equity-settled share-based payment to staff and advisers	(2,283)	(2,332)	(2.1)	(5,558)	(5,160)	7.7
Other operating expenses	(11,587)	(7,385)	56.9	(23,435)	(14,822)	58.1
	(41,366)	(27,543)	50.2	(81,538)	(54,917)	48.5
Results from operating activities	20,156	5,104	294.9	38,606	9,139	322.4
Interest expense on lease liabilities	(338)	(256)	32.0	(643)	(351)	83.2
Share of results of associates, net of tax	(6)	(1)	500.0	(36)	225	NM
Profit before tax	19,812	4,847	308.7	37,927	9,013	320.8
Tax expense	(3,982)	(1,585)	151.2	(7,912)	(3,039)	160.3
Profit for the period	15,830	3,262	385.3	30,015	5,974	402.4
Profit attributable to:						
Owners of the Company	16,034	3,594	346.1	30,544	6,571	364.8
Non-controlling interests	(204)	(332)	(38.6)	(529)	(597)	(11.4)
Profit for the period	15,830	3,262	385.3	30,015	5,974	402.4

NM denotes not meaningful.

FVOCI denotes fair value through other comprehensive income.

FVTPL denotes fair value through profit or loss.

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

Consolidated statement of comprehensive income for the second quarter and half year ended 30 June 2024

	2Q24	Group	Change	1H24	Group	Change
	\$'000	2Q23	%	\$'000	1H23	%
		\$'000			\$'000	
Profit for the period	15,830	3,262	385.3	30,015	5,974	402.4
Other comprehensive income						
Items that are or may be reclassified subsequently to profit or loss:						
Net change in fair value of financial assets-debt investments at FVOCI	26	(278)	NM	86	(306)	NM
Net change in fair value of financial assets-debt investments at FVOCI reclassified to profit or loss	-	-	NM	(24)	9	NM
Foreign currency translation differences for foreign operations	1,795	3,843	(53.3)	3,997	4,356	(8.2)
Share of other comprehensive income of associates	3	(16)	NM	(1)	(21)	NM
	1,824	3,549	(48.6)	4,059	4,038	0.5
Items that will not be reclassified subsequently to profit or loss:						
Net change in fair value of financial assets-equity investments at FVOCI	-	81	NM	(5)	79	NM
	-	81	NM	(5)	79	NM
Other comprehensive income for the period, net of tax	1,824	3,630	(49.8)	4,054	4,117	(1.5)
Total comprehensive income for the period	17,654	6,892	156.2	34,069	10,091	237.6
Attributable to:						
Owners of the Company	17,786	6,863	159.2	34,412	10,161	238.7
Non-controlling interests	(132)	29	NM	(343)	(70)	390.0
Total comprehensive income for the period	17,654	6,892	156.2	34,069	10,091	237.6

⁽¹⁾ amount less than \$1,000

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

	2Q24 \$'000	Group 2Q23 \$'000	Change %	1H24 \$'000	Group 1H23 \$'000	Change %
<u>Profit for the period is arrived at after charging / (crediting) the following:</u>						
Interest revenue						
- Interest revenue from banking operation						
on cash and cash equivalents	(5,245)	(653)	703.2	(9,411)	(1,251)	652.3
on investment in financial assets	(2,782)	(823)	238.0	(4,481)	(1,535)	191.9
on receivables	(7)	-	NM	(7)	-	NM
	(8,034)	(1,476)	444.3	(13,899)	(2,786)	398.9
- Interest revenue from non-banking operations						
on cash and cash equivalents	(497)	(337)	47.5	(827)	(653)	26.6
on clients trade settlement bank accounts	(992)	(609)	62.9	(1,867)	(1,191)	56.8
on investment in financial assets	(68)	(277)	(75.5)	(136)	(528)	(74.2)
on product financing	(123)	-	NM	(181)	-	NM
on receivables	(13)	(18)	(27.8)	(24)	(36)	(33.3)
	(1,693)	(1,241)	36.4	(3,035)	(2,408)	26.0
	(9,727)	(2,717)	258.0	(16,934)	(5,194)	226.0
Interest expenses excluding interest expense on lease liabilities						
- Interest expense from banking operation						
on deposits and balances of customers	6,189	971	537.4	10,932	1,631	570.3
	6,189	971	537.4	10,932	1,631	570.3
- Interest expense from non-banking operations						
on bank loans	334	141	136.9	750	275	172.7
on debt issued	235	-	NM	235	-	NM
on product financing	9	-	NM	9	-	NM
	578	141	309.9	994	275	261.5
	6,767	1,112	508.5	11,926	1,906	525.7
Other income						
- Net investment income	(122)	(152)	(19.7)	(539)	(444)	21.4
- Government grant	-	(34)	NM	(78)	(127)	(38.6)
- Gain on derecognition of an associate	-	(634)	NM	-	(634)	NM
- Miscellaneous income	(20)	(22)	(9.1)	(41)	(37)	11
	(142)	(842)	(83.1)	(658)	(1,242)	(47.0)
Tax expense						
- Current tax expense	3,957	1,770	123.6	8,073	3,298	144.8
- Deferred tax expense / (credit)	25	(185)	NM	(161)	(259)	(37.8)
	3,982	1,585	151.2	7,912	3,039	160.3
Lease expense						
(Reversal of impairment loss) / Impairment loss on investment in financial assets at amortised cost (net), included in other operating expenses	145	188	(22.9)	299	357	(16.2)
(Reversal of impairment loss) / Impairment loss on other financial assets (net), included in other operating expenses	(38)	(32)	18.8	15	125	(88.0)
Foreign exchange (gain)/ loss, net	(36)	27	NM	(36)	10	NM
Plant and equipment written off	(297)	227	NM	(1,339)	48	NM
Intangible assets written off	23	-	NM	52	-	NM
Equity-settled share-based payment transactions, included in staff costs	4	-	NM	4	-	NM
Equity-settled share-based payment transactions, included in other operating expenses	1,902	2,015	(5.6)	4,682	4,463	4.9
(Gain) / loss on redemption of investment in financial assets at FVOCI, included in investment income	381	317	20.2	876	697	25.7
Net gain on investment in financial assets at FVTPL, included in investment income	-	-	NM	(24)	9	NM
Gain on redemption of investment in financial assets at amortised cost, included in investment income	(115)	(143)	(19.6)	(504)	(435)	15.9
Dividend income from associate or other investment	(2)	-	NM	(2)	-	NM
	(5)	(9)	(44.4)	(9)	(18)	(50.0)

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	As at 30-Jun-24 \$'000	As at 31-Dec-23 \$'000	As at 30-Jun-24 \$'000	As at 31-Dec-23 \$'000
Assets				
Plant and equipment	11,714	8,534	351	424
Right-of-use assets	28,374	23,881	6,621	8,461
Intangible assets and goodwill	77,373	80,136	28,666	31,977
Subsidiaries	-	-	216,307	170,431
Associates	378	413	-	-
Other investments	88,973	32,965	3,830	4,480
Deferred tax assets	2,267	2,759	-	-
Contract costs	15,056	15,729	-	-
Prepayments and others	652	1,263	11	11
Total non-current assets	224,787	165,680	255,786	215,784
Current tax receivable	313	362	-	-
Other investments	176,788	82,802	11,176	9,947
Prepayments and others	6,309	6,739	245	235
Trade and other receivables	201,695	136,037	51,034	62,501
Uncompleted contracts - buyers	141,281	81,475	-	-
Money market funds	114,543	51,956	53,369	9,381
Cash at bank and in hand	446,006	307,850	2,680	3,473
Total current assets	1,086,935	667,221	118,504	85,537
Total assets	1,311,722	832,901	374,290	301,321
Equity				
Share capital	171,435	171,165	171,435	171,165
Reserves	107,352	79,031	49,723	50,379
Equity attributable to owners of the Company	278,787	250,196	221,158	221,544
Non-controlling interests	6,886	7,180	-	-
Total equity	285,673	257,376	221,158	221,544
Liabilities				
Debt issued	98,977	-	98,977	-
Deferred tax liabilities	3,243	3,342	2,498	2,525
Lease liabilities	18,812	15,625	3,046	4,904
Total non-current liabilities	121,032	18,967	104,521	7,429
Current tax payables	11,491	6,629	-	-
Lease liabilities	10,411	9,316	3,683	3,616
Bank loans	12,905	34,468	12,905	34,468
Deposits and balances of customers	646,625	358,622	-	-
Trade and other payables	82,550	66,119	32,023	34,264
Uncompleted contracts - sellers	141,035	81,404	-	-
Total current liabilities	905,017	556,558	48,611	72,348
Total liabilities	1,026,049	575,525	153,132	79,777
Total equity and liabilities	1,311,722	832,901	374,290	301,321

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

Amount repayable in one year or less, or on demand

	Group			
	As at 30-Jun-24		As at 31-Dec-23	
	\$'000		\$'000	
	Secured	Unsecured	Secured	Unsecured
Bank loans	-	12,905	-	34,468
	-	12,905	-	34,468

The Group uses its revolving multi-currency bank loan facilities to facilitate its working capital management from time to time. The revolving multi-currency bank loans bore interest at rates ranging from 0.30% to 5.83% (2023: 0.32% to 5.71%) per annum in the period and are repayable within the next 12 months from the reporting date.

Amount repayable after one year

	Group			
	As at 30-Jun-24		As at 31-Dec-23	
	\$'000		\$'000	
	Secured	Unsecured	Secured	Unsecured
Debt issued - fixed rate note	-	98,977	-	-
	-	98,977	-	-

On 11 June 2024, the Company issued a note of S\$100,000,000 with interest payable semi-annually at fixed rate of 4.328% per annum, and the note will be due on 11 June 2029. The issuance of the note is to enable the Group to diversify its funding sources in addition to equity and bank loans.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		Group	
	2Q24 \$'000	2Q23 \$'000	1H24 \$'000	1H23 \$'000
Cash flows from operating activities				
Profit for the period	15,830	3,262	30,015	5,974
Adjustments for:				
Depreciation of plant and equipment	1,026	645	2,030	1,569
Depreciation of right-of-use assets	2,565	1,863	5,329	3,719
Amortisation of intangible assets	3,030	2,757	5,929	5,334
Equity-settled share-based payment to staff and advisers	2,283	2,332	5,558	5,160
(Gain) / loss on redemption of investment in financial assets at FVOCI	-	-	(24)	9
Net gain on investment in financial assets at FVTPL	(115)	(143)	(504)	(435)
Gain on redemption of investment in financial assets at amortised cost	(2)	-	(2)	-
Share of results of associates, net of tax	6	1	36	(225)
Dividend income on investment in associates	(5)	(9)	(9)	(18)
Foreign exchange (gain)/ loss, net	(297)	227	(1,339)	48
Plant and equipment written off	23	-	52	-
Intangible asset written off	4	-	4	-
 (Reversal of impairment loss) / Impairment loss on investment in financial assets at amortised cost (net), included in other operating expenses	 (38)	 (32)	 15	 125
 (Reversal of impairment loss) / Impairment loss on other financial assets (net), included in other operating expenses	 (36)	 27	 (36)	 10
Premium or discount amortisation on investment in debt securities	(1,087)	(504)	(1,781)	(929)
Amortisation of debt issuance costs	10	-	10	-
Interest expense on lease liabilities	338	256	643	351
Gain on disposal of plant and equipment	-	(8)	-	(8)
Gain on derecognition of associate	-	(634)	-	(634)
Tax expense	3,982	1,585	7,912	3,039
	27,517	11,625	53,838	23,089
Changes in:				
Contract costs	570	(1,947)	1,143	(4,086)
Prepayments	894	632	244	79
Trade and other receivables	(20,435)	(9,542)	(55,111)	(15,483)
Uncompleted contracts - buyers	97,017	25,244	(59,329)	(26,046)
Uncompleted contracts - sellers	(97,102)	(25,255)	59,129	27,015
Deposits and balances of customers in banking operation	126,572	28,002	277,986	16,575
Trade and other payables	6,452	(72)	13,336	(393)
Cash generated from operations	141,485	28,687	291,236	20,750
Tax paid	(2,417)	(2,091)	(2,682)	(2,625)
Interest paid on lease liabilities	(345)	(256)	(650)	(351)
Net cash from operating activities	138,723	26,340	287,904	17,774
Cash flows from investing activities				
Purchase of plant and equipment	(3,016)	(3,153)	(5,072)	(3,451)
Purchase of intangible assets	(1,375)	(1,694)	(7,788)	(8,415)
Payment of direct costs for leases	(113)	(51)	(113)	(51)
Proceeds from disposal of plant and equipment	-	42	-	42
Dividend from associate or other investment	-	-	9	18
Purchase of investment in financial assets	(314,015)	(87,688)	(558,007)	(182,801)
Proceeds from redemption of investment in financial assets	230,751	85,298	414,185	162,523
Proceed from disposal of interest in associate	-	1,950	-	1,950
Net cash used in investing activities	(87,768)	(5,296)	(156,786)	(30,185)
Cash flows from financing activities				
Proceeds from exercise of share options	-	28	270	44
Purchase of treasury shares	(2,697)	(268)	(2,697)	(268)
Proceed from issuance of debt security, net of issuance costs	98,967	-	98,967	-
Drawdown of bank loans	20,881	15,161	32,952	15,193
Repayment of bank loans	(52,459)	(12,458)	(54,391)	(12,458)
Principal element of lease payments	(2,561)	(1,973)	(5,458)	(3,949)
Dividends paid to owners of the Company	(8,044)	(7,087)	(8,044)	(7,087)
Net cash from / (used in) financing activities	54,087	(6,597)	61,599	(8,525)
Net increase / (decrease) in cash and cash equivalents	105,042	14,447	192,717	(20,936)
Cash and cash equivalents at beginning of the period	452,462	116,691	359,806	151,130
Effect of exchange rate fluctuations on cash and cash equivalent held	3,045	3,010	8,026	3,954
Cash and cash equivalents at end of the period	560,549	134,148	560,549	134,148

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group										
	Attributable to owners of the Company										Total equity
	Share capital	Fair value reserve	Foreign currency translation reserve	Share option reserve	Performance share reserve	Equity reserve	Reserve for own shares	Accumulated profits	Total	Non-controlling interests	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
At 1 January 2024	171,165	(2,721)	(9,880)	3,389	32,934	(1,591)	(61)	56,961	250,196	7,180	257,376
Total comprehensive income for the period											
Profit / (Loss) for the period	-	-	-	-	-	-	-	30,544	30,544	(529)	30,015
Other comprehensive income											
Net change in fair value of financial assets at FVOCI	-	81	-	-	-	-	-	-	81	-	81
Net change in fair value of financial assets at FVOCI reclassified to profit or loss	-	(24)	-	-	-	-	-	-	(24)	-	(24)
Foreign currency translation differences for foreign operations	-	-	3,811	-	-	-	-	-	3,811	186	3,997
Share of other comprehensive income of associates	-	-	(1)	-	-	-	-	-	(1)	-	(1)
Total other comprehensive income	-	57	3,811	-	-	-	-	-	3,868	186	4,054
Total comprehensive income for the period	-	57	3,811	-	-	-	-	30,544	34,412	(343)	34,069
Transactions with owners, recorded directly in equity											
Contributions by and distributions to owners											
Share options exercised	270	-	-	-	-	-	-	-	270	-	270
Purchase of treasury shares	-	-	-	-	-	-	(2,697)	-	(2,697)	-	(2,697)
One-tier tax-exempt 2023 final dividend paid of 1.40 cents per share	-	-	-	-	-	-	-	(4,171)	(4,171)	-	(4,171)
One-tier tax-exempt interim dividend paid of 1.30 cents per share	-	-	-	-	-	-	-	(3,873)	(3,873)	-	(3,873)
Equity-settled share-based payment transactions	-	-	-	114	4,585	-	-	-	4,699	-	4,699
Total contributions by and distribution to owners	270	-	-	114	4,585	-	(2,697)	(8,044)	(5,772)	-	(5,772)
Changes in ownership interests in subsidiaries											
Effect on acquisition of additional interest in subsidiary	-	-	-	-	-	(49)	-	-	(49)	49	-
Total changes in ownership interests in subsidiaries	-	-	-	-	-	(49)	-	-	(49)	49	-
Total transactions with owners	270	-	-	114	4,585	(49)	(2,697)	(8,044)	(5,821)	49	(5,772)
At 30 June 2024	171,435	(2,664)	(6,069)	3,503	37,519	(1,640)	(2,758)	79,461	278,787	6,886	285,673

(1) Amount less than \$1,000

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (Cont'd)

	Group										
	Attributable to owners of the Company										Total equity \$'000
	Share capital	Fair value reserve	Foreign currency translation reserve	Share option reserve	Performance share reserve	Equity reserve	Reserve for own shares	Accumulated profits	Total	Non-controlling interests	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		
At 1 January 2023	171,059	(3,146)	(10,603)	3,165	22,101	(1,535)	(1,025)	42,472	222,488	8,229	230,717
Total comprehensive income for the period											
Profit / (Loss) for the period	-	-	-	-	-	-	-	6,571	6,571	(597)	5,974
Other comprehensive income											
Net change in fair value of financial assets at FVOCI	-	(227)	-	-	-	-	-	-	(227)	-	(227)
Net change in fair value of financial assets at FVOCI reclassified to profit or loss	-	9	-	-	-	-	-	-	9	-	9
Net change in fair value on disposal of financial assets at FVOCI transferred between reserves	-	(81)	-	-	-	-	-	81	-	-	-
Foreign currency translation differences for foreign operations	-	-	3,829	-	-	-	-	-	3,829	527	4,356
Share of other comprehensive income of associates	-	-	(21)	-	-	-	-	-	(21)	-	(21)
Total other comprehensive income	-	(299)	3,808	-	-	-	-	81	3,590	527	4,117
Total comprehensive income for the period	-	(299)	3,808	-	-	-	-	6,652	10,161	(70)	10,091
Transactions with owners, recorded directly in equity											
Contributions by and distributions to owners											
Share options exercised	44	-	-	-	-	-	-	-	44	-	44
Purchase of treasury shares	-	-	-	-	-	-	(268)	-	(268)	-	(268)
One-tier tax-exempt 2022 final dividend paid of 1.40 cents per share	-	-	-	-	-	-	-	(4,134)	(4,134)	-	(4,134)
One-tier tax-exempt interim dividend paid of 1.00 cents per share	-	-	-	-	-	-	-	(2,953)	(2,953)	-	(2,953)
Equity-settled share-based payment transactions	-	-	-	100	4,671	-	-	-	4,771	-	4,771
Total contributions by and distribution to owners	44	-	-	100	4,671	-	(268)	(7,087)	(2,540)	-	(2,540)
Changes in ownership interests in subsidiaries											
Measurement period adjustments to acquisition of subsidiary with non-controlling interests	-	-	-	-	-	(56)	-	-	(56)	(148)	(204)
Total changes in ownership interests in subsidiaries	-	-	-	-	-	(56)	-	-	(56)	(148)	(204)
Total transactions with owners	44	-	-	100	4,671	(56)	(268)	(7,087)	(2,596)	(148)	(2,744)
At 30 June 2023	171,103	(3,445)	(6,795)	3,265	26,772	(1,591)	(1,293)	42,037	230,053	8,011	238,064

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (Cont'd)

	Company						
	Attributable to owners of the Company						Total equity
	Share capital	Fair value reserve	Share option reserve	Performance share reserve	Reserve for own shares	Accumulated profits	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
At 1 January 2024	171,165	1,166	2,198	32,934	(61)	14,142	221,544
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	5,328	5,328
Other comprehensive income							
Net change in fair value of financial assets at FVOCI	-	81	-	-	-	-	81
Net change in fair value of financial assets at FVOCI reclassified to profit or loss	-	(24)	-	-	-	-	(24)
Total other comprehensive income	-	57	-	-	-	-	57
Total comprehensive income for the period	-	57	-	-	-	5,328	5,385
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Share options exercised	270	-	-	-	-	-	270
Purchase of treasury shares	-	-	-	-	(2,696)	-	(2,696)
Treasury shares re-issued	-	-	-	-	-	-	-
Issue of ordinary shares	-	-	-	-	-	-	-
Share issuance expenses	-	-	-	-	-	-	-
One-tier tax-exempt 2023 final dividend paid of 1.40 cents per share	-	-	-	-	-	(4,171)	(4,171)
One-tier tax-exempt interim dividend paid of 1.30 cents per share	-	-	-	-	-	(3,873)	(3,873)
Equity-settled share-based payment transactions	-	-	114	4,585	-	-	4,699
Total contributions by and distribution to owners	270	-	114	4,585	(2,696)	(8,044)	(5,771)
Total transactions with owners	270	-	114	4,585	(2,696)	(8,044)	(5,771)
At 30 June 2024	171,435	1,223	2,312	37,519	(2,757)	11,426	221,158

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (Cont'd)

	Company						
	<u>Attributable to owners of the Company</u>						Total equity
	Share capital	Fair value reserve	Share option reserve	Performance share reserve	Reserve for own shares	Accumulated profits	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
At 1 January 2023	171,059	742	1,974	22,101	(1,025)	4,844	199,695
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	10,851	10,851
Other comprehensive income							
Net change in fair value of financial assets at FVOCI	-	(227)	-	-	-	-	(227)
Net change in fair value of financial assets at FVOCI reclassified to profit or loss	-	9	-	-	-	-	9
Net change in fair value on disposal of financial assets at FVOCI transferred between reserves	-	(81)	-	-	-	81	-
Total other comprehensive income	-	(299)	-	-	-	81	(218)
Total comprehensive income for the period	-	(299)	-	-	-	10,932	10,633
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Share options exercised	44	-	-	-	-	-	44
Purchase of treasury shares	-	-	-	-	(268)	-	(268)
One-tier tax-exempt 2022 final dividend paid of 1.40 cents per share	-	-	-	-	-	(4,134)	(4,134)
One-tier tax-exempt interim dividend paid of 1.00 cents per share	-	-	-	-	-	(2,953)	(2,953)
Equity-settled share-based payment transactions	-	-	100	4,671	-	-	4,771
Total contributions by and distribution to owners	44	-	100	4,671	(268)	(7,087)	(2,540)
Total transactions with owners	44	-	100	4,671	(268)	(7,087)	(2,540)
At 30 June 2023	171,103	443	2,074	26,772	(1,293)	8,689	207,788

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

The number of shares in issue in the Company as at 30 June 2024 excluding treasury shares and subsidiary holdings was 297,633,129 ordinary shares (31 March 2024: 297,977,729 ordinary shares). The movements in the Company's share capital during the second quarter ended 30 June 2024 were as follows:

	Number of ordinary shares
As at 31 March 2024	297,977,729
Exercise of share options	-
Vesting of performance shares	23,900
Purchase of treasury shares	(368,500)
Re-issue of treasury shares	-
As at 30 June 2024	<u><u>297,633,129</u></u>

The 2024 iFAST Employee Share Option Scheme, iFAST Employee Share Option Scheme and iFAST Share Option Scheme 2013 ("iFAST ESOS")

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

	Number of share options
As at 31 March 2024	3,026,800
Share options granted	-
Exercised	-
Forfeited	-
As at 30 June 2024	<u><u>3,026,800</u></u>

As at 30 June 2024, the number of outstanding share options under the iFAST ESOS was 3,026,800 (30 June 2023: 3,468,078).

The 2024 iFAST Performance Share Plan and iFAST Corporation Performance Share Plan ("iFAST PSP")

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

	Number of performance shares
As at 31 March 2024	7,075,740
Performance shares granted but not vested	-
Vested	(23,900)
Forfeited	(45,200)
As at 30 June 2024	<u>7,006,640</u>

As at 30 June 2024, the number of outstanding performance shares granted but not vested under the iFAST PSP was 7,006,640 (30 June 2023: 6,892,500).

Treasury shares and subsidiary holdings

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

	Number of treasury shares
As at 31 March 2024	12,890
Purchased by way of on-market acquisition	368,500
Purchased by way of off-market acquisition	-
Re-issued	-
As at 30 June 2024	<u>381,390</u>

As at 30 June 2024, 381,390 (30 June 2023: 343,400) treasury shares were held by the Company that may be re-issued upon the exercise of share options under the iFAST ESOS and upon the vesting of performance shares under the iFAST PSP or for other uses pursuant to the Share Buy Back Mandate of the Company renewed at the Annual General Meeting held on 26 April 2024.

The Company has no subsidiary holdings as at 30 June 2024 and 30 June 2023.

As at 30 June 2024, the treasury shares held by the Company represented 0.1% (30 June 2023: 0.1%) of the total number of issued shares excluding treasury shares and subsidiary holdings.

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

	As at 30-Jun-24	As at 31-Dec-23
Total number of issued shares excluding treasury shares and subsidiary holdings	<u>297,633,129</u>	<u>295,702,851</u>

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

There were no sales, transfer, cancellation and/or use of treasury shares during the second quarter ended 30 June 2024.

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

There were no sales, transfer, cancellation and/or use of subsidiary holdings as at 30 June 2024.

2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the Group's external auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

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

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

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

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

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The financial information have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)") including *SFRS(I) 1-34 Interim Financial Reporting*, and the same accounting policies and methods of computation adopted in the audited financial statements of the last financial year, except for those disclosed under paragraph 5 below.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group and the Company have adopted the new and revised SFRS(I)s, and Interpretations of SFRS(I) ("SFRS(I) INTs") that are effective for the annual period beginning on 1 January 2024. The adoption of these SFRS(I)s and SFRS(I) INTs did not have any significant effect on the financial statements of the Group and the Company.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	2Q24	2Q23	1H24	1H23
(i) Based on weighted average number of ordinary shares on issue				
- Weighted average number of ordinary shares	297,844,796	295,213,374	297,173,753	294,230,458
Basic earnings per share (cents)	5.38	1.22	10.28	2.23
(ii) On a fully diluted basis of ordinary shares				
- Adjusted weighted average number of ordinary shares	305,827,035	302,065,558	305,923,538	302,274,704
Diluted earnings per share (cents)	5.24	1.19	9.98	2.17

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuers at the end of the (a) current financial period reported on and (b) immediately preceding financial year.

	Group		Company	
	30-Jun-24	31-Dec-23	30-Jun-24	31-Dec-23
Net asset value per ordinary share (cents)	93.67	84.61	74.31	74.92

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: -

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Consolidated Income Statement

Total revenue

Asia ex-Japan equities posted a positive performance in the second quarter of 2024 ("2Q24") as broad investor sentiment improved. With the improving investment climate, the Group recorded \$0.79 billion of net inflows in 2Q24, a 14.9% quarter-on-quarter ("QoQ") increase.

For the first half of 2024 ("1H24"), the Group saw net inflows of \$1.48 billion, representing a 69.4% year-on-year ("YoY") increase, benefiting from the Group's continuous efforts in improving the range and depths of products and services brought to clients and business partners in recent years.

Aided by healthy net inflows and positive financial market performance, the Group's assets under administration ("AUA") rose 6.3% QoQ, 12.8% year-to-date ("YTD") and 18.9% YoY to \$22.37 billion as of 30 June 2024.

The Group's total revenue rose 72.9% YoY to \$93.75 million in 2Q24 and 66.2% YoY to \$179.71 million in 1H24. Revenue growth was driven by contributions from the e-Pension division, as well as improvements across the Group's core wealth management platform business.

In addition, the Group's United Kingdom ("UK")-based banking operation saw a 168.7% YoY increase in 2Q24 revenue, while 1H24 revenue was 152.9% higher YoY, as the bank made good progress on the rollout of deposit services.

The following tables show the breakdown of the Group's total revenue, total revenue excluding interest revenue, and interest revenue of the banking operation and the non-banking operations of the Group respectively.

	Group			Group		
	2Q24	2Q23	Change	1H24	1H23	Change
	\$'000	\$'000	%	\$'000	\$'000	%
Non-banking operations	82,365	49,973	64.8	158,788	99,866	59.0
Banking operation	11,382	4,236	168.7	20,920	8,273	152.9
Total revenue	93,747	54,209	72.9	179,708	108,139	66.2

	Group			Group		
	2Q24	2Q23	Change	1H24	1H23	Change
	\$'000	\$'000	%	\$'000	\$'000	%
Non-banking operations	80,672	48,732	65.5	155,753	97,458	59.8
Banking operation	3,348	2,760	21.3	7,021	5,487	28.0
Total revenue excluding interest revenue	84,020	51,492	63.2	162,774	102,945	58.1

	Group			Group		
	2Q24	2Q23	Change	1H24	1H23	Change
	\$'000	\$'000	%	\$'000	\$'000	%
Non-banking operations	1,693	1,241	36.4	3,035	2,408	26.0
Banking operation	8,034	1,476	444.3	13,899	2,786	398.9
Interest revenue	9,727	2,717	258.0	16,934	5,194	226.0

Costs of revenue

Commission and fee expenses including securities brokerage expenses and handling and settlement expenses

The following table shows the breakdown of the Group's costs of revenue excluding interest expenses by the banking operation and non-banking operations of the Group.

	Group			Group		
	2Q24	2Q23	Change	1H24	1H23	Change
	\$'000	\$'000	%	\$'000	\$'000	%
Non-banking operations	25,000	20,848	19.9	47,127	42,535	10.8
Banking operation	600	444	35.1	1,169	884	32.2
Costs of revenue excluding interest expenses	25,600	21,292	20.2	48,296	43,419	11.2

The non-banking operations of the Group consists of two main business divisions, namely the Business-to-Customer ("B2C") and Business-to-Business ("B2B") divisions. For the B2B division of the Group, a substantial portion of front-end commission income and advisory fees from B2B customers are payable to financial advisers who serve these B2B customers. The Group also incurs securities brokerage expenses which relate to brokerage fees paid to third party brokers for the execution of client trades in securities listed on overseas exchanges of which the Group is not a member.

The costs of revenue excluding interest expenses incurred by the non-banking operations of the Group rose 19.9% YoY to \$25.00 million in 2Q24 and 10.8% YoY to \$47.13 million in 1H24. This was mainly related to changes in client transaction volumes in stocks and ETFs for the B2B and B2C businesses as well as commission income and advisory fees from the B2B division compared to the respective year-ago periods.

The costs of revenue excluding interest expenses incurred by the Group's banking operation rose 35.1% YoY in 2Q24 and 32.2% YoY in 1H24 as banking activities ramped up and are primarily related to commission and fee expenses including handling and settlement expenses charged by counterparts in the course of providing transactional banking services to customers.

Interest expenses excluding interest expense on lease liabilities

The following table shows the breakdown of the Group's interest expenses excluding interest expense on lease liabilities by the Group's banking operation and non-banking operations.

	2Q24	Group	Change	1H24	Group	Change
	\$'000	2Q23		%	\$'000	
Non-banking operations	578	141	309.9	994	275	261.5
Banking operation	6,189	971	537.4	10,932	1,631	570.3
Interest expenses	6,767	1,112	508.5	11,926	1,906	525.7

The interest expenses excluding interest expense on lease liabilities incurred by non-banking operations are interest expenses on drawn-down amounts of revolving bank loan facilities and newly-issued debt due in June 2029 to facilitate the Group's working capital management in the period and for the future.

The interest expenses excluding interest expense on lease liabilities incurred by the banking operation are interest expenses on deposits and balances of customers placed with the Group's banking operation. The increase in banking operation's interest expenses was mainly due to the continued ramp up of customer deposits in 2Q24, which have increased substantially compared to the respective year-ago periods.

Net revenue

Net revenue of the Group comprises net interest revenue and net non-interest revenue which represents corresponding revenue earned by the Group after commission and fee expenses including securities brokerage expenses and handling and settlement expenses.

The Group's net revenue grew 93.0% YoY to \$61.38 million in 2Q24 and 90.2% YoY to \$119.49 million in 1H24, with the respective breakdown of net interest revenue and net non-interest revenue as follows:

	2Q24	Group	Change	1H24	Group	Change
	\$'000	2Q23		%	\$'000	
<u>Net interest revenue</u>						
Non-banking operations	1,115	1,100	1.4	2,041	2,133	(4.3)
Banking operation	1,845	505	265.3	2,967	1,155	156.9
Net interest revenue	2,960	1,605	84.4	5,008	3,288	52.3
<u>Net non-interest revenue</u>						
Non-banking operations						
- Business-to-Customer business	9,244	8,115	13.9	17,662	16,240	8.8
- Business-to-Business business	46,428	19,769	134.9	90,964	38,682	135.2
	55,672	27,884	99.7	108,626	54,922	97.8
Banking operation	2,748	2,316	18.7	5,852	4,604	27.1
Net non-interest revenue	58,420	30,200	93.4	114,478	59,526	92.3
Total net revenue	61,380	31,805	93.0	119,486	62,814	90.2

For the B2C division of the Group's non-banking operations, net revenue increased 13.9% YoY in 2Q24 and 8.8% YoY in 1H24. Compared to the relevant year-ago periods, the division saw higher levels of investment activity which led to broad-based increases in transaction-related fees. Increases in transactional processing fees related to investments by customers in exchange-listed stock securities added to net revenue, alongside higher service fees arising from the provision of currency conversion administration services resulting from increased trading volume of securities listed on foreign exchanges. Bond processing fee income and brokerage service fee from arranging for insurance policies also contributed to net revenue growth in the respective periods. Management fees from cash management solution services also contributed positively, while the overall decline in interest commission income arising from clients' AUA was a detractor.

For the B2B division of the Group's non-banking operations, net revenue increased 134.9% YoY in 2Q24 and 135.2% YoY in 1H24. Compared to the respective year-ago periods, recurring fee income related to AUA of investment products was generally higher as overall AUA increased on strong net inflows and positive market effects. Higher recurring fee income from portfolio management services was a key positive contributor as fund management assets rose substantially from the year-ago period. Transaction processing fees were generally stronger

compared to year-ago periods, with processing fee income from bonds a notable contributor. Compared to the respective year-ago periods, the Group's e-Pension division also made a more significant contribution to the B2B division's net revenue.

The following table shows the breakdown of the Group's net revenue on a recurring and non-recurring basis:

	2Q24 \$'000	Group 2Q23 \$'000	Change %	1H24 \$'000	Group 1H23 \$'000	Change %
Non-banking operations						
- Recurring net revenue	50,716	23,656	114.4	100,024	46,264	116.2
- Non-recurring net revenue	6,071	5,328	13.9	10,643	10,791	(1.4)
	<u>56,787</u>	<u>28,984</u>	<u>95.9</u>	<u>110,667</u>	<u>57,055</u>	<u>94.0</u>
Banking operation						
- Recurring net revenue	1,846	505	265.5	2,968	1,155	157.0
- Non-recurring net revenue	2,747	2,316	18.6	5,851	4,604	27.1
	<u>4,593</u>	<u>2,821</u>	<u>62.8</u>	<u>8,819</u>	<u>5,759</u>	<u>53.1</u>
Total net revenue	<u>61,380</u>	<u>31,805</u>	<u>93.0</u>	<u>119,486</u>	<u>62,814</u>	<u>90.2</u>

The business model of the Group's non-banking operations gives a stream of reliable recurring revenue which is substantially based on AUA. In 1H24, 90.4% of net revenue of the Group's non-banking operations was derived from recurring net revenue.

Recurring net revenue of the Group's non-banking operations is usually calculated based on a percentage of average AUA of investment products distributed on the Group's platforms, and mainly comprises trailer fees, platform fees, wrap fees, portfolio service management fees and net interest commission income arising from clients' AUA. The YoY increases in recurring net revenue in 2Q24 and 1H24 were boosted by higher recurring fee income related to the increase in AUA, including fee income arising from portfolio service management services. The Group's e-Pension division also contributed significantly to the Group's recurring net revenue in 2Q24 and 1H24, compared to the respective year-ago periods.

Non-recurring net revenue of the Group's non-banking operations mainly comprises commission income derived from investment subscription via front-end load commission or transaction processing fee; service fee arising from the provision of currency conversion administration services to customers and the provision of administration services to financial advisory firms; brokerage service fee from arranging for insurance policies, advertising fee earned from advertisements placed by third parties on iFAST websites and mobile applications; and IT solution development fee from provision of IT Fintech solutions to business partners. In 2Q24 and 1H24, upfront and processing fee revenue was generally higher compared to the respective year-ago periods as stronger bond transactional volumes lifted bond processing fee income, alongside higher service fees arising from the provision of currency conversion administration services resulting from increased trading volume of securities listed on foreign exchanges. For 1H24, the modest YoY decline in non-recurring net revenue was due to the recognition of non-recurring project development revenues in the year-ago period.

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

	2Q24 \$'000	Group 2Q23 \$'000	Change %	1H24 \$'000	Group 1H23 \$'000	Change %
Non-banking operations						
Singapore	24,105	19,298	24.9	46,446	37,557	23.7
Hong Kong	28,538	5,698	400.8	56,232	11,826	375.5
Malaysia	3,837	3,596	6.7	7,413	6,838	8.4
China	307	392	(21.7)	576	834	(30.9)
	<u>56,787</u>	<u>28,984</u>	<u>95.9</u>	<u>110,667</u>	<u>57,055</u>	<u>94.0</u>
Banking operation - United Kingdom	4,593	2,821	62.8	8,819	5,759	53.1
Total net revenue	<u>61,380</u>	<u>31,805</u>	<u>93.0</u>	<u>119,486</u>	<u>62,814</u>	<u>90.2</u>

In Singapore, net revenue increased 24.9% YoY in 2Q24 and 23.7% YoY in 1H24. This came on the back of broad-based AUA growth and higher transaction volumes compared to the year-ago periods, which led to increases in both recurring and non-recurring net revenue. With an increase in AUA, the Singapore operations saw higher recurring fee income related to the AUA of investment products, including strong growth in Auto-Sweep portfolio management solutions. Higher recurring fee income from portfolio management services was a key positive contributor as fund management assets rose substantially from the year-ago period. With the general recovery in global financial markets, upfront and processing fee revenue was generally higher as stronger transactional volumes lifted processing fee income across bonds, stocks, ETFs and UTs, while higher service fees arising from the provision of currency conversion administration services resulting from increased trading volume of securities listed on foreign exchanges also contributed positively. Overall, the AUA of Singapore operations increased by 16.4% YoY and 5.2% QoQ to a new record high as at 30 June 2024.

In Hong Kong, net revenue increased 400.8% YoY in 2Q24 and 375.5% YoY in 1H24. The Group's ePension division was a significant positive contributor, while bond transaction processing fees also added positively. Despite still-muted Greater China investor sentiment, a recovery in transactional processing fees related to investments by customers in exchange-listed stock securities added to net revenue, alongside higher service fees arising from the provision of currency conversion administration services resulting from increased trading volume of securities listed on foreign exchanges. The AUA of the Hong Kong operations rose 9.2% YoY and 9.3% QoQ as of 30 June 2024.

The Malaysia operation's net revenue increased 6.7% YoY in 2Q24 and 8.4% YoY in 1H24. Net revenue was boosted by robust growth in AUA alongside broad-based increases in investment activity, which led to higher recurring and non-recurring net revenue. Higher recurring fee income related to the AUA of investment products was a positive contributor, including portfolio management services and higher interest commission income arising from clients' AUA. Upfront and processing fee revenue added positively on the back of stronger transactional volumes across most investment products. In addition, higher service fees arising from the provision of currency conversion administration services resulting from increased trading volume of securities listed on foreign exchanges was a positive contributor. Detracting from net revenue was a decline in IT solution development fee from provision of IT Fintech solutions to business partners. The AUA of the Malaysia operations rose 25.3% YoY and 6.7% QoQ to a new record high as of 30 June 2024.

In China, weak investor sentiment continued to weigh on broader financial market performance, as net revenue fell 21.7% YoY in 2Q24 and 30.9% YoY in 1H24. While net revenue was lower compared to the year-ago period, 2Q24 net revenue was 14.1% higher compared to the previous quarter, providing some respite from the generally weak trend of performance. Aided by a modest recovery in China equities in 2Q24, the AUA of the China operation posted a 5.6% YoY increase as of 30 June 2024, while on a QoQ basis, AUA rose by 4.7%.

The UK operation refers to the UK-based bank acquired by the Group at end of March 2022. The UK bank is a member of SWIFT and a direct member of Faster Payment and Clearing House Automated Payment System. The primary banking activities of UK operation are currently transactional banking service provision to customers, including UK Faster payments, international remittance, multi-currency bank deposit accounts and foreign exchange conversion services. In April 2023, the UK operation launched a digital banking platform, namely the Digital Personal Banking ("DPB") division, which offers savings and deposit services to retail customers. With the ramp up in customer acquisition and deposit-taking activity, the UK bank's customer deposit amounts grew 440.7% YoY to GBP376.89 million (\$646.62 million equivalent) as at 30 June 2024, contributing to higher net interest revenue.

Other income

Compared to the year-ago period, other income decreased by \$0.70 million in 2Q24 to \$0.14 million, and decreased by \$0.58 million to \$0.66 million in 1H24. The YoY declines were primarily due to the absence of a one-off gain of \$0.63 million in 2Q23 arising from the disposal of the Company's interest in Provident Holding Pte Ltd ("Provident"), following the de-recognition of Provident as an associate.

Operating expenses

Overall, the Group's total operating expenses increased by 50.2% YoY and 3.0% QoQ to \$41.37 million in 2Q24, while total operating expenses increased by 48.5% YoY to \$81.54 million in 1H24.

	Group			Group		
	2Q24	2Q23	Change	1H24	1H23	Change
	\$'000	\$'000	%	\$'000	\$'000	%
Non-banking operations						
Depreciation of plant and equipment	1,012	634	59.6	2,002	1,546	29.5
Depreciation of right-of-use assets	2,446	1,746	40.1	5,091	3,489	45.9
Amortisation of intangible assets	2,975	2,757	7.9	5,809	5,334	8.9
Staff costs excluding equity-settled share-based payment transactions	17,815	10,010	78.0	33,529	19,643	70.7
Equity-settled share-based payment to staff and advisers	2,213	2,332	(5.1)	5,407	5,160	4.8
Other operating expenses	8,611	4,750	81.3	16,643	9,591	73.5
	<u>35,072</u>	<u>22,229</u>	<u>57.8</u>	<u>68,481</u>	<u>44,763</u>	<u>53.0</u>
Banking operation	6,294	5,314	18.4	13,057	10,154	28.6
Total operating expenses	<u>41,366</u>	<u>27,543</u>	<u>50.2</u>	<u>81,538</u>	<u>54,917</u>	<u>48.5</u>

Operating expenses – non-banking operations

Excluding the banking operation, the Group's total operating expenses increased 57.8% YoY to \$35.07 million in 2Q24 while the operating expenses increased by 53.0% YoY to \$68.48 million in 1H24. This was primarily due to the Group's continued efforts in enhancing its wealth management platform capabilities including the Group's Hong Kong-based e-Pension division, as well as improving the range and depths of investment products and services being provided to customers in all its existing markets over the period so as to strengthen the Fintech Ecosystem of the Group and further scale up the businesses of the Group continuously.

Excluding the new banking operation, depreciation of plant and equipment increased by 59.6% YoY to \$1.01 million in 2Q24 and 29.5% YoY to \$2.00 million in 1H24, primarily due to the addition of plant and equipment compared to the respective year-ago periods. Depreciation of right-of-use ("ROU") assets increased by 40.1% YoY to \$2.45 million in 2Q24 and 45.9% YoY to \$5.09 million in 1H24. These increases were primarily related to the leasing of additional offices in Hong Kong to support the operations of the Group's e-Pension division.

Amortisation of intangible assets increased by 7.9% YoY to \$2.98 million in 2Q24 and 8.9% YoY to \$5.81 million in 1H24, due mainly to additions of intangible assets (including internally-developed IT software assets) over the period to support business expansion in the markets that the Group operates in and to continuously strengthen the Fintech capabilities of our investment platforms as well as the Fintech Ecosystem of the Group.

Equity-settled share-based payment to staff and advisers decreased by 5.1% YoY to \$2.21 million in 2Q24 but increased 4.8% YoY to \$5.41 million in 1H24. The decline for 2Q24 was primarily due to base-period effects due to a previous change in annual grant date for share awards to be granted to staff and advisers from the month of March in 2022 to the month of July in 2023. The annual share awards to staff and advisers are to motivate staff and advisers to achieve long-term growth together with the Group. Staff costs (excluding equity-settled share-based payment transactions) increased by 78% YoY in 2Q24 and 70.7% YoY in 1H24, mainly due to an increased number of staff supporting the Group's e-Pension division and higher staff bonus accrued in 1H24 resulting from higher growth of revenue achieved in the period.

Excluding the new banking operation, other operating expenses increased by 81.3% YoY to \$8.61 million in 2Q24 and 73.5% YoY to \$16.64 million in 1H24, due mainly to increased spending on IT and related technology security services, as well as the operation of the e-Pension division compared to the respective year-ago periods.

Operating expenses – banking operation

The UK-based banking operation acquired by the Group at the end of March 2022 is a member of SWIFT and a direct member of Faster Payment and Clearing House Automated Payment System. The primary banking activities of UK operation are currently transactional banking service provision to customers, including UK Faster payments, international remittance, multi-currency bank deposit accounts and foreign exchange conversion services. The UK banking operation has been working with the Group to develop new digital transaction banking (“DTB”) and digital personal banking (“DPB”) businesses and incorporate banking functions into the existing Ecosystem of the Group. The UK banking operation launched its DTB platform in late 2022 and launched its DPB platform in April 2023. The total operating expenses of the UK banking operation increased 18.4% YoY to \$6.29 million in 2Q24 and 28.6% YoY to \$13.06 million in 1H24, reflecting the launch and ramp up of new business segments over the respective periods.

Interest expense on lease liabilities

Interest expense on lease liabilities increased by 32.0% YoY in 2Q24 to \$0.34 million and 83.2% YoY to \$0.64 million in 1H24, due mainly to the extension of the Malaysia operation’s office leasing period and additional offices leased in Hong Kong to support the e-Pension division operation.

Share of results of associates, net of tax

The Group’s share of results after tax of associates comprised share of results of associates, mainly including Raffles Family Office China Ltd and Harveston Capital Sdn Bhd for 2Q24 and 1H24. In the year-ago period, the Group’s share of results of associates also includes Providend Holding Pte Ltd (“Providend”).

The Group’s share of profit after tax of associates was a loss of \$0.04 million in 1H24 compared to a gain of \$0.23 million in 1H23. This was primarily due to the Group’s share of positive performance of Providend in 1H23 which was absent in 1H24, as a result from de-recognition of Providend as associate in June 2023.

Profit / (Loss) for the period, attributable to owners of the Company

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

	Group			Group		
	2Q24 \$'000	2Q23 \$'000	Change %	1H24 \$'000	1H23 \$'000	Change %
Singapore	8,867	6,224	42.5	17,137	10,759	59.3
Hong Kong	13,343	1,763	656.8	26,570	4,050	556.0
Malaysia	1,052	1,254	(16.1)	2,014	2,097	(4.0)
China ⁽²⁾	(1,676)	(1,832)	(8.5)	(3,384)	(3,586)	(5.6)
Other ⁽¹⁾	(6)	(1)	500	(36)	225	NM
Non-banking operations	21,580	7,408	191.3	42,301	13,545	212.3
United Kingdom - banking operation ⁽²⁾	(1,564)	(2,229)	(29.8)	(3,845)	(3,935)	(2.3)
Profit before tax ⁽²⁾	20,016	5,179	286.5	38,456	9,610	300.2
Tax expense	(3,982)	(1,585)	151.2	(7,912)	(3,039)	160.3
Net profit after tax⁽²⁾	16,034	3,594	346.1	30,544	6,571	364.8

Notes:

(1) Referring to share of results of associates.

(2) Attributable to owners of the Company.

NM denotes not meaningful

The Group's profit before tax from non-banking operations increased by 191.3% YoY from \$7.41 million in 2Q23 to \$21.58 million in 2Q24 and 212.3% YoY from \$13.55 million in 1H23 to \$42.30 million in 1H24. Driven by the Group's newer e-Pension division business as well as the continued progress of the Group's core wealth management platform business, the growth in profit comes on the back of a 95.9% YoY increase in non-banking net revenue in 2Q24, and a 94.0% YoY increase in non-banking net revenue for 1H24.

Tax expense increased by 151.2% YoY to \$3.98 million in 2Q24 and 160.3% YoY to \$7.91 million in 1H24, due mainly to higher taxable profit generated compared to the respective year-ago periods.

Overall, the Group's net profit increased by 364.8% YoY from \$6.57 million in 1H23 to \$30.54 million in 1H24.

Statement of Financial Position

The shareholders' equity of the Group increased to \$278.79 million as at 30 June 2024 from \$250.20 million as at 31 December 2023. The increase in shareholders' equity was due mainly to contribution of net profit generated in 1H24, partially offset by dividend payments to shareholders. Translation effects of foreign operations were positive over the period, with positive translation effects from the appreciation of Pound Sterling and the Hong Kong dollar in the period.

The Group's cash at bank and in hand rose from \$307.85 million as of 31 December 2023 to \$446.01 million as of 30 June 2024 on strong net cash flows from operating activities as well as net cash from financing activities, primarily from the net proceeds of a debt issuance in June 2024. Over the period, the Group's UK bank gathered more customer deposits, resulting in additional cash deposits placed with the Bank of England. The following table shows the nature of the Group's cash at bank and in hand categorised under cash with central banks, and cash with other banks.

	Group	
	30-Jun-24	31-Dec-23
	\$'000	\$'000
Cash with central banks	379,246	259,848
Cash on hand and with other banks	66,760	48,002
	<u>446,006</u>	<u>307,850</u>

Current assets increased to approximately \$1,087 million as at 30 June 2024 from \$667.22 million as at 31 December 2023. This was mainly due to increases in cash and cash equivalents, investments in financial assets, receivables from uncompleted contracts on securities dealing at the end of the period, as well as an increase in trade and other receivables at the reporting date.

Non-current assets increased to \$224.79 million as at 30 June 2024 from \$165.68 million as at 31 December 2023. This was mainly attributed to increases in non-current investments in financial assets, an increase in ROU assets, as well as an increase in plant and equipment.

The following table shows the nature of the Group's other investments categorised under non-current assets and current assets.

	Group	
	30-Jun-24 \$'000	31-Dec-23 \$'000
<u>Non-current</u>		
Sovereign bonds	-	3,181
Investment-grade corporate bonds	79,221	25,261
Other investment in financial instruments	9,752	4,523
	<u>88,973</u>	<u>32,965</u>
<u>Current</u>		
Sovereign bonds	67,297	26,614
Investment-grade corporate bonds	91,368	46,195
Other investment in financial instruments	18,123	9,993
	<u>176,788</u>	<u>82,802</u>

Total liabilities increased to approximately \$1,026 million as at 30 June 2024 from \$575.53 million as at 31 December 2023. This was mainly due to an increase in deposits and balances of customers, an increase in payables from uncompleted contracts on securities dealing at the end of the period, as well as a newly issued debt in June 2024, partially offset by a decrease in bank loans outstanding.

Consolidated Statement of Cash Flows

Net cash from operating activities increased from \$26.34 million in 2Q23 to \$138.72 million in 2Q24, and from \$17.77 million in 1H23 to \$287.90 million in 1H24. These were due mainly to higher cash generated from operations in the period and the significant increases in customer deposits related to the UK bank operation compared to the respective year-ago period.

Net cash used in investing activities increased from \$5.30 million in 2Q23 to \$87.77 million in 2Q24, and net cash used in investment activities increased from \$30.19 million in 1H23 to \$156.79 million in 1H24. The increases were primarily due to the higher amounts of investments in financial assets for the UK bank operation, compared to the respective year-ago periods.

Net cash from financing activities was \$54.09 million in 2Q24 compared to \$6.60 million used for financing activities in 2Q23. For 1H24, net cash from financing activities was \$61.60 million, compared to the \$8.53 million used for financing activities in 1H23. This was primarily due to net proceeds of \$98.97 million from the issuance of a debt security in June 2024, partially offset by dividends paid as well as a net repayment of bank loans in the period.

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

No forecast or prospect statement was previously provided.

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

In 2Q2024, the Group's net profit increased by 346% YoY to \$16.0 million, on the back of a 73% YoY increase in Group gross revenue to \$93.7 million, and a 93% YoY increase in net revenue to \$61.4 million.

The increase in profitability was driven by contributions from the ePension division, as well as improvements in the Group's core wealth management platform business.

At the end of 2Q2024, Group AUA increased to a record high of \$22.4 billion, driven by net inflows of \$0.79 billion during the quarter.

iFAST Global Bank's customer deposit amounts grew to \$647 million as at 30 June 2024, an increase of 80% year-to-date. This contributed to a 265% YoY growth in net interest income to \$1.8 million in 2Q2024. iFAST Global Bank adopts a conservative stance in terms of its balance sheet strategy, with the vast majority of the client deposits being held as cash with the Bank of England and with other banks, as well as in short duration sovereign bonds and investment grade bonds.

iFAST Group is steadily increasing our capability and presence as a global digital banking and wealth management group, with iFAST Global Bank as part of our global Fintech ecosystem. We expect iFAST Global Bank to become an important growth driver in 2025 and beyond.

The ePension division in Hong Kong will be an important growth driver in 2024 and 2025, while the overall wealth management platform is expected to continue to show healthy progress.

On an overall basis and barring unforeseen circumstances, the Group expects 2024 to see robust growth rates in revenues and profitability compared to 2023.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Name of dividend	Interim
Dividend type	Cash
Dividend rate	1.50 cents per ordinary share
Tax rate	One-tier tax exempt

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of dividend	Interim
Dividend type	Cash
Dividend rate	1.10 cents per ordinary share
Tax rate	One-tier tax exempt

(c) Date payable

The interim dividend will be paid on 21 August 2024.

(d) Record date

The Register of Members and Share Transfer Books of the Company will be closed on 8 August 2024 for the preparation of dividend warrants to the second interim dividend. Duly completed registrable transfers in respect of the shares in the Company received up to the close of business at 5.00 p.m. on 7 August 2024 ("Record Date") by the Company's Singapore Share Registrar, Tricor Barbinder Share Registration Services (A division of Tricor Singapore Pte. Ltd.), 9 Raffles Place, #26-01 Republic Plaza, Singapore 048619, will be registered to determine Members' entitlements to the second interim dividend. Members whose Securities Accounts with The Central Depository (Pte) Ltd are credited with shares in the Company as at 5.00 p.m. on the Record Date will be entitled to the second interim dividend.

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

Not applicable.

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

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

14. Confirmation by the Board pursuant to Rule 705(5) of the Listing Manual.

The directors of the Company confirm that to the best of their knowledge, nothing has come to the attention of the board of directors which may render the financial results for the second quarter and half year ended 30 June 2024 to be false or misleading in any material aspect.

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

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

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

Geographical segments	Singapore \$'000	Hong Kong \$'000	Malaysia \$'000	China \$'000	United Kingdom \$'000	Others \$'000	Total \$'000
1H24							
Revenue and expenses							
Revenue from external customers	77,141	65,243	12,626	744	7,020	-	162,774
Interest revenue from external customers	2,521	284	180	49	13,900	-	16,934
Inter-segment revenue	5,068	39	2,017	78	-	-	7,202
Total revenue	84,730	65,566	14,823	871	20,920	-	186,910
Depreciation of plant and equipment	(612)	(1,057)	(206)	(127)	(28)	-	(2,030)
Depreciation of right-of-use assets	(1,840)	(2,540)	(215)	(496)	(238)	-	(5,329)
Amortisation of intangible assets	(5,199)	(98)	(504)	(8)	(120)	-	(5,929)
Reportable segment profit / (loss) before tax	17,137	26,570	2,014	(3,518)	(4,240)	-	37,963
Share of results of associates	-	-	-	-	-	(36)	(36)
Assets and liabilities							
Reportable segment assets	294,613	175,114	44,034	4,569	793,014	-	1,311,344
Equity-accounted associates	-	-	-	-	-	378	378
Capital expenditure	1,870	3,084	2,019	153	208	-	7,334
Reportable segment liabilities	245,336	85,101	26,905	3,588	665,119	-	1,026,049
1H23							
Revenue and expenses							
Revenue from external customers	64,904	20,027	11,332	1,195	5,487	-	102,945
Interest revenue from external customers	1,982	228	147	51	2,786	-	5,194
Inter-segment revenue	2,457	76	1,963	97	-	-	4,593
Total revenue	69,343	20,331	13,442	1,343	8,273	-	112,732
Depreciation of plant and equipment	(1,086)	(136)	(196)	(128)	(23)	-	(1,569)
Depreciation of right-of-use assets	(1,752)	(1,117)	(145)	(475)	(230)	-	(3,719)
Amortisation of intangible assets	(4,887)	(33)	(396)	(18)	-	-	(5,334)
Reportable segment profit / (loss) before tax	10,759	4,050	2,097	(3,722)	(4,396)	-	8,788
Share of results of associates	-	-	-	-	-	225	225
Assets and liabilities							
Reportable segment assets	211,653	46,421	29,630	4,539	232,217	-	524,460
Equity-accounted associates	-	-	-	-	-	417	417
Capital expenditure	2,298	1,987	1,507	146	171	-	6,109
Reportable segment liabilities	110,016	20,401	15,166	3,318	137,912	-	286,813

17. Other notes to consolidated financial statements

17.1 Other investments - investments in financial instruments

	Group	
	30-Jun-24 \$'000	31-Dec-23 \$'000
<u>Non-current</u>		
Financial assets at FVOCI		
- Unquoted equity shares	3,874	4,523
	<u>3,874</u>	<u>4,523</u>
Quoted financial assets at amortised cost		
- Debt investments	85,099	28,442
	<u>85,099</u>	<u>28,442</u>
	<u>88,973</u>	<u>32,965</u>
<u>Current</u>		
Quoted financial assets at FVOCI		
- Debt investments	5,197	5,007
- Equity investments	28	34
	<u>5,225</u>	<u>5,041</u>
Quoted financial assets at FVTPL		
- Debt investments	11,546	8,504
	<u>11,546</u>	<u>8,504</u>
Quoted financial assets at amortised cost		
- Debt investments	160,017	69,257
	<u>160,017</u>	<u>69,257</u>
	<u>176,788</u>	<u>82,802</u>

17.2 Contract costs

	Group	
	30-Jun-24 \$'000	31-Dec-23 \$'000
<u>Non-current</u>		
Contract costs	15,056	15,729
	<u>15,056</u>	<u>15,729</u>

The Group finalised a prime subcontractor contract for a Hong Kong pension project in July 2021. The Group incurred certain pre-contract costs and also paid certain setup costs for performance obligations ("POs"), to be satisfied, stated in the contract. Such costs are incremental costs and are capitalised as contract costs as the Group expects to recover these costs. These costs are amortised in accordance with the pattern of revenue being recognised for the related POs stated in the contract. There was no impairment loss recognised on contract costs.

17.3 Fair value measurement

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

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

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

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

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

Investments in financial instruments

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

Intra-group financial guarantees

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

Accounting classifications and fair values

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

Group	30-Jun-24			31-Dec-23		
	Carrying amount \$'000	Fair value - Level 1 \$'000	Fair value - Level 3 \$'000	Carrying amount \$'000	Fair value - Level 1 \$'000	Fair value - Level 3 \$'000
Financial assets measured at fair value						
Unquoted equity shares	3,874	-	3,874	4,523	-	4,523
Quoted financial assets at FVOCI	5,225	5,225	-	5,041	5,041	-
Quoted financial assets at FVTPL	11,546	11,546	-	8,504	8,504	-
Money market funds	114,543	114,543	-	51,956	51,956	-
Financial assets not measured at fair value						
Uncompleted contracts - buyers	141,281			81,475		
Trade and other receivables	201,695			136,037		
Quoted financial assets at amortised cost	245,116	245,504	-	97,699	98,138	-
Cash at bank and in hand	446,006			307,850		
Financial liabilities not measured at fair value						
Uncompleted contracts - sellers	(141,035)			(81,404)		
Trade and other payables	(82,550)			(66,119)		
Deposits and balances of customers	(646,625)			(358,622)		
Bank loans	(12,905)			(34,468)		
Debt issued at amortised cost	(98,977)			-		

17.4 Held under trust

Certain non-banking subsidiaries in the Group receive and hold monies deposited by clients and other institutions in the course of the conduct of the regulated activities. These clients' monies are maintained in one or more trust bank deposit accounts or treasury accounts holding government debt securities allowed by regulators in the markets these subsidiaries operate in, which are separately maintained from the bank or treasury accounts of these subsidiaries in the Group.

	Group	
	30-Jun-24	31-Dec-23
	\$'000	\$'000
Client monies maintained in bank deposit accounts	871,138	905,844
Client monies maintained in government debt securities treasury accounts	10,405	1,828
Client ledger balances	<u>(881,543)</u>	<u>(907,672)</u>
	<u>-</u>	<u>-</u>

BY ORDER OF THE BOARD

Lim Kian Thong
Chief Financial Officer
25 July 2024