

***This Letter (as defined herein) has been prepared by MoneyMax Financial Services Ltd. (the “Company”) and reviewed by the Company’s sponsor, United Overseas Bank Limited (the “Sponsor”), for compliance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (“SGX-ST”) Listing Manual Section B: Rules of Catalist.***

***This Letter has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this Letter, including the correctness of any of the statements or opinions made or reports contained in this Letter.***

***The contact person for the Sponsor is Mr. Lim Hoon Khiat, Senior Director, Equity Capital Markets, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, telephone: +65 6533 9898.***

## **MONEYMAX FINANCIAL SERVICES LTD.**

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 200819689Z)

### **Directors:**

Dato’ Sri Dr. Lim Yong Guan (Executive Chairman and CEO)  
Mr. Lim Yong Sheng (Non-Executive Director)  
Mr. Ng Cher Yan (Lead Independent Director)  
Mr. Khua Kian Kheng Ivan (Independent Director)  
Mr. Foo Say Tun (Independent Director)

### **Registered Office:**

7 Changi Business Park Vista  
#01-01, SOOKEE HQ  
Singapore 486042

12 April 2023

To: The Shareholders of MoneyMax Financial Services Ltd.

Dear Sir/Madam,

### **PROPOSED ADOPTION OF THE IPT GENERAL MANDATE**

*All capitalised terms used herein shall, unless otherwise defined, bear the same meanings as ascribed to them in the Schedule entitled “Definitions” to this Letter.*

#### **1. INTRODUCTION**

1.1 The Directors wish to refer the Shareholders to:

- (a) the Notice of 2023 AGM convening the 2023 AGM; and
- (b) Ordinary Resolution 9 as set out in the Notice of 2023 AGM in relation to the proposed adoption of the IPT General Mandate.

1.2 The purpose of this Letter is (i) to provide Shareholders with information relating to, and explaining the rationale for, the proposed adoption of the IPT General Mandate, and (ii) to seek Shareholders’ approval for Ordinary Resolution 9 (as set out in the Notice of 2023 AGM) which is to be tabled at the 2023 AGM. This Letter may not be relied upon by any persons (other than Shareholders) or for any other purpose.

**If you are in any doubt as to the contents herein or as to the course of action that you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.**

If you have sold or transferred all your Shares, you should immediately forward this Letter together with the Notice of 2023 AGM and the accompanying proxy form to the purchaser or the transferee or to the stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

- 1.3 The SGX-ST assumes no responsibility for the accuracy of any of the statements made, reports contained or opinions expressed in this Letter.
- 1.4 WongPartnership LLP is the Singapore legal adviser to the Company in connection with the proposed adoption of the IPT General Mandate.

## **2. THE PROPOSED ADOPTION OF THE IPT GENERAL MANDATE**

### **2.1 Introduction**

Chapter 9 of the Catalist Rules applies to transactions which an “entity at risk” enters into or proposes to enter into with a counterparty who is an “interested person” of the listed company. Such transactions are known as “**interested person transactions**”.

Chapter 9 of the Catalist Rules provides that an issuer may seek a general mandate from its shareholders to enable the Company, its subsidiaries, and its associated companies which are considered to be “entities at risk” (as that term is defined in Chapter 9 of the Catalist Rules) (collectively, the “**EAR Group**”) to enter into recurrent transactions of a revenue or trading nature or those necessary for its day-to-day operations (the “**IPT General Mandate**”) but not in respect of the purchase or sale of assets, undertakings or businesses. A general mandate is subject to annual renewal.

### **2.2 Definitions**

For the purposes of Chapter 9 of the Catalist Rules:

A “**transaction**” includes (a) the provision or receipt of financial assistance, (b) the acquisition, disposal or leasing of assets, (c) the provision or receipt of goods or services, (d) the issuance or subscription of securities, (e) the granting of or being granted options, and (f) the establishment of joint ventures or joint investments; in each case, whether or not in the ordinary course of business, and whether or not entered into directly or indirectly (for example, through one (1) or more interposed entities).

An “**entity at risk**” means the listed company, any of its subsidiaries (other than subsidiaries that are listed on the SGX-ST or an approved exchange) or any of its associated companies (other than associated companies that are listed on the SGX-ST or an approved exchange or over which the listed group and/or its interested person(s) have no control).

An “**approved exchange**” means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles to Chapter 9 of the Catalist Rules.

An “**associated company**” means a company in which at least 20 per cent. (20%) but not more than 50 per cent. (50%) of its shares are held by the listed company and/or the listed company’s subsidiaries.

The term “**control**” refers to the capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of a company.

An “**interested person**” in the case of a company means (a) a director, chief executive officer or controlling shareholder of the listed company; or (b) an associate of such director, chief executive officer or controlling shareholder.

A “**controlling shareholder**” means a person who (a) holds (directly or indirectly) 15 per cent. (15%) or more of the nominal amount of all voting shares in the company (provided that the SGX-ST may determine that a person who satisfies the foregoing is not a controlling shareholder); or (b) in fact exercises control over a company.

An “**associate**” of a director, chief executive officer, substantial shareholder or controlling shareholder of a listed company (being an individual) includes his or her immediate family (that is, the spouse, child, adopted child, stepchild, sibling or parent) of such director, chief executive officer, substantial shareholder or controlling shareholder, the trustees of any trust of which such director, chief executive officer, substantial shareholder or controlling shareholder or his or her immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object, and any company in which such director, chief executive officer, substantial shareholder or controlling shareholder and his or her immediate family has an aggregate interest (directly or indirectly) of 30 per cent. (30%) or more; and, where a substantial shareholder or controlling shareholder is a company, “**associate**” means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30 per cent. (30%) or more.

### **2.3 Announcement and Shareholders’ Approval Requirements under Chapter 9**

Pursuant to Rule 905 of the Catalist Rules, a listed company will be required to make an immediate announcement of an interested person transaction if:

- (a) the transaction is of a value equal to, or more than, three per cent. (3%) of the listed group’s latest audited consolidated net tangible assets (“**NTA**”); or
- (b) the transaction, when aggregated with other transactions entered into with the same interested person (as defined in Rule 908 of the Catalist Rules) during the same financial year, is of a value equal to, or more than three per cent. (3%) of the listed group’s latest audited consolidated NTA.

Further, pursuant to Rule 906 of the Catalist Rules, an immediate announcement of and shareholders’ approval is required where:

- (a) the value of such transaction is equal to or more than, five per cent. (5%) of the listed group’s latest audited consolidated NTA; or
- (b) the value of such transaction when aggregated with the values of all other transactions previously entered into with the same interested person (as defined in Rule 908 of the Catalist Rules) during the same financial year is equal to or exceeds five per cent. (5%) of the latest audited consolidated NTA. However, a transaction which has been approved by shareholders, or is the subject of aggregation with another transaction that has been approved by shareholders, need not be included in any subsequent aggregation.

For the purposes of Chapter 9 of the Catalist Rules, the “**value**” of an interested person transaction is the amount at risk to the listed company, as illustrated in Rule 909 of the Catalist Rules.

It should be noted that interested person transactions which are below S\$100,000 in value are not subject to Rules 905 or 906 of the Catalist Rules. The SGX-ST may, however, aggregate any such transactions entered into during the same financial year and treat them as if they were one transaction in accordance with Rule 902 of the Catalist Rules.

### **2.4 Details of the IPT General Mandate**

The Group envisages that it will enter into the Mandated IPTs (as defined in paragraph 2.6 below) with the Mandated Interested Persons (as defined in paragraph 2.5 below) from time to time and in the ordinary course of business.

In view of the time-sensitive and recurrent nature of these commercial transactions and the need for efficient conduct of business, it would be advantageous for the EAR Group to obtain the IPT General Mandate as it will eliminate, among others, the need for the Company to convene separate general meetings on each occasion to seek Shareholders' approval as and when the Mandated IPTs arise, provided that such transactions are on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders.

If approved, the IPT General Mandate will authorise the EAR Group to enter into any of the Mandated IPTs, with any of the Mandated Interested Persons as set out in paragraph 2.5 below, provided that such transactions are entered into in accordance with the relevant review procedures for such Mandated IPTs. The said review procedures seek to ensure that the Mandated IPTs are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders.

## 2.5 Names and Relationship of Mandated Interested Persons

The IPT General Mandate, if approved, applies to the Mandated IPTs between the EAR Group, and the list of interested persons as set out below in the table below (collectively, the "**Mandated Interested Persons**").

S/N	Name	Nature of Relationship	Principal Business Activities
1.	Dato' Sri Dr. Lim Yong Guan	A Director and controlling Shareholder, sibling of Mr. Lim Yong Sheng and Mdm. Lim Liang Eng	-
2.	Mr. Lim Yong Sheng (together with Dato' Sri Dr. Lim Yong Guan, the " <b>Lim Family Directors</b> ")	A Director and controlling Shareholder, sibling of Dato' Sri Dr. Lim Yong Guan and Mdm. Lim Liang Eng	-
3.	Mdm. Lim Liang Eng (together with the Lim Family Directors, the " <b>Lim Family Shareholders</b> ")	A controlling Shareholder	-
4.	Money Farm Pte. Ltd.	A controlling Shareholder	Money Farm Pte. Ltd. is an investment holding company incorporated in Singapore. All of the equity interest in Money Farm Pte. Ltd. is collectively held by the Lim Family Shareholders.
5.	SK Jewellery Group Pte Ltd (" <b>SKGPL</b> ", together with its underlying companies, the " <b>SK Group</b> ")	An Associate of the Lim Family Shareholders <sup>(1)</sup>	SKGPL is an investment holding company incorporated in Singapore.

S/N	Name	Nature of Relationship	Principal Business Activities
6.	SKJ Group Pte. Ltd. (" <b>SKJGPL</b> ")	An Associate of the Lim Family Shareholders <sup>(1)</sup>	SKJGPL is a company incorporated in Singapore, which is involved in the business of importing, exporting, buying and selling and otherwise dealing in jewellery, and leasing of properties. SKJGPL also runs the sole proprietorship, Soo Kee Jewellery. It is a wholly owned subsidiary of SKGPL.
7.	SK Jewellery Pte. Ltd. (" <b>SKPL</b> ")	An Associate of the Lim Family Shareholders <sup>(1)</sup>	SKPL is a company incorporated in Singapore, which is involved in the business of retail sales of jewellery, watches and luxury goods. It is a wholly owned subsidiary of SKGPL.
8.	Love & Co. Pte. Ltd. (" <b>LCPL</b> ")	An Associate of the Lim Family Shareholders <sup>(1)</sup>	LCPL is a company incorporated in Singapore, which is involved in the business of retail sales of jewellery, watches and luxury goods. It is a wholly owned subsidiary of SKGPL.
9.	Love & Co. International Pte. Ltd. (" <b>LCIPL</b> ")	An Associate of the Lim Family Shareholders <sup>(1)</sup>	LCIPL is a company incorporated in Singapore, which is involved in the sale of jewellery, watches and luxury goods. It is a wholly owned subsidiary of SKGPL.
10.	SK Jewellery Sdn Bhd	An Associate of the Lim Family Shareholders <sup>(1)</sup>	SK Jewellery Sdn Bhd is a company incorporated in Malaysia, which is involved in the business of retail sales of jewellery, watches and luxury goods. It is a wholly owned subsidiary of SKGPL.
11.	Love & Co Sdn Bhd	An Associate of the Lim Family Shareholders <sup>(1)</sup>	Love & Co Sdn Bhd is a company incorporated in Malaysia, which is involved in the business of retail sales of jewellery, watches and luxury goods. It is a wholly owned subsidiary of SKGPL.
12.	SK Jewellery (Hong Kong) Limited	An Associate of the Lim Family Shareholders <sup>(1)</sup>	SK Jewellery (Hong Kong) Limited is a company incorporated in Hong Kong, which is involved in the business of logistics and distribution management (mainly relating to raw materials and finished jewellery products). It is a wholly owned subsidiary of SKGPL.
13.	SK Properties Pte. Ltd. (" <b>SKPPL</b> ")	An Associate of the Lim Family Shareholders <sup>(2)</sup>	SKPPL is a company incorporated in Singapore, which is involved in the business of leasing of properties.
14.	Sin Lian Pawnshop Pte. Ltd. (" <b>Sin Lian Pawnshop</b> ")	An Associate of the Lim Family Shareholders <sup>(2)</sup>	Sin Lian Pawnshop is a company incorporated in Singapore, which is involved in the business of pawnbroking. It is a wholly owned subsidiary of SKPPL.
15.	Soo Kee Investment Pte. Ltd. (" <b>SKIPL</b> ")	An Associate of the Lim Family Directors <sup>(3)</sup>	SKIPL is a company incorporated in Singapore, which is involved in the business of leasing of properties.

S/N	Name	Nature of Relationship	Principal Business Activities
16.	Citipath Sdn Bhd	An Associate of the Lim Family Shareholders <sup>(4)</sup>	Citipath Sdn Bhd is a company incorporated in Malaysia, which is involved in the business of investment properties and leasing of properties.
17.	Bedok Land Sdn Bhd	An Associate of the Lim Family Shareholders <sup>(4)</sup>	Bedok Land Sdn Bhd is a company incorporated in Malaysia, which is involved in the business of investment properties and leasing of properties.

**Notes:**

- <sup>(1)</sup> Dato' Sri Dr. Lim Yong Guan, Mr. Lim Yong Sheng, and their immediate family together have an interest of 30 per cent. (30%) or more in SKGPL. As SKJGPL, SKPL, LCPL, LC IPL, SK Jewellery Sdn Bhd, Love & Co Sdn Bhd, and SK Jewellery (Hong Kong) Limited are subsidiaries of SKGPL, each of these entities is regarded as an Associate of the Lim Family Shareholders.
- <sup>(2)</sup> 51 per cent. (51%), 44 per cent. (44%), and five per cent. (5%) of SKPPL's shareholding are directly held by Dato' Sri Dr. Lim Yong Guan, Mr. Lim Yong Sheng, and Mdm. Lim Liang Eng, respectively, making SKPPL their Associate. Sin Lian Pawnshop is a wholly owned subsidiary of SKPPL.
- <sup>(3)</sup> 51 per cent. (51%) and 49 per cent. (49%) of SKIPL's shareholding are directly held by Dato' Sri Dr. Lim Yong Guan and Mr. Lim Yong Sheng, respectively, making SKIPL their Associate.
- <sup>(4)</sup> 51 per cent. (51%), 44 per cent. (44%), and five per cent. (5%) of Citipath Sdn Bhd and Bedok Land Sdn Bhd's shareholdings are directly held by Dato' Sri Dr. Lim Yong Guan, Mr. Lim Yong Sheng, and Mdm. Lim Liang Eng, respectively, making each of Citipath Sdn Bhd and Bedok Land Sdn Bhd their Associate.

## 2.6 Categories of Mandated IPTs

The categories of interested person transactions which are covered by the IPT General Mandate (the "**Mandated IPTs**"), if approved, are set out below:

- (a) Purchase of goods from Mandated Interested Persons ("**Purchase IPTs**"), and sale of goods to Mandated Interested Persons ("**Sales IPTs**")

The EAR Group purchases goods, such as precious metals (such as gold), gold-plated products (such as festive or commemorative gold-plated novelty products) and jewellery, from the Mandated Interested Persons from time to time, in particular, companies within the SK Group such as SKJGPL, SKPL, LCPL, SK Jewellery Sdn Bhd, and Love & Co Sdn Bhd, which are generally involved in the business of wholesaling, sales, and/or trading of goods, such as jewellery, precious metals (such as gold), gold-plated products (such as festive or commemorative gold-plated novelty products) and loose precious stones. The purchased goods are utilised by the EAR Group for various corporate purposes, including retail, corporate gifting, and corporate events, such as awards for the EAR Group's staff.

To facilitate the EAR Group's sale of pre-owned goods (such as jewellery and watches) at its retail outlets, the EAR Group also purchases the same from certain Mandated Interested Persons within the SK Group and Sin Lian Pawnshop from time to time.

While the EAR Group acquires pre-owned goods through its pawn-broking business and acquires pre-owned and trade-in goods through its retail outlets, the EAR Group also sells such goods, such as jewellery, precious metals, and loose precious stones, to the SK Group, including for use as raw materials in the manufacture of jewellery goods commissioned by the SK Group.

Shareholders may refer to page 48 of the Annual Report for further details and the aggregated values of the Purchase IPTs and the Sales IPTs conducted with the Mandated Interested Persons during FY2022.

(b) Provision of central support services (“**Support Services**”) by and to Mandated Interested Persons

Following the Company’s listing on the SGX-ST in 2013, the Group has been outsourcing certain Support Services, including logistics and warehousing, human resources and technical and hardware maintenance, to the SK Group, for overall cost efficiency. The Group has also from time to time been providing certain Support Services, including risk and compliance function services and supply chain support services to certain members of the SK Group. The fees charged by and/or to the SK Group for the provision of such Support Services to and by the Group are based on cost-sharing arrangements.

*Central Support Services Agreement*

During FY2022, pursuant to a central support services agreement dated 1 January 2022 (the “**Central Support Services Agreement**”) between the Company and SKPL and LCPL (the “**SK Service Providers**”), certain Support Services are currently being provided by the SK Service Providers to the Company, and by the Company to the SK Service Providers (in each case, including to outlets operated by the SK Service Providers or the SK Group in Singapore, as the case may be). The EAR Group has carried out the interested person transactions pursuant to the Central Support Services Agreement as disclosed under page 48 of the Annual Report.

Under the Central Support Services Agreement, the Support Services which are provided by the SK Service Providers to the EAR Group include:

- project management, including managing renovation and maintenance projects;
- information technology hardware support services, including training, deploying and providing suitably qualified technical support staff to assist with information technology hardware, including purchasing, deploying, replacing and/or repairing of such hardware, when required;
- deploying suitably qualified staff to provide data protection officer support;
- warehousing and logistics services, including storing and warehousing of goods and articles in secure storage facilities, transporting and delivering goods and articles between the Company’s shops, provision of secure storage facilities, and carrying out of other day-to-day warehousing and logistics management functions;
- cross-covering support (where required, if primary staff are absent for any reason) for information technology hardware and software support assistance, personal assistants to management, cash management services, and human resource management services; and
- other administrative services, such as providing cleaning services and front desk receptionist services for the Company’s offices.

Under the Central Support Services Agreement, the Support Services which are provided by the EAR Group to the SK Service Providers include:

- risk and compliance function services, including internal controls review for operations, supporting formulation and execution of group policies and procedures, providing guidance on best practices for risk management and compliance, and assisting in other day-to-day internal audit functions; and
- supply chain support services, including managing diamond sorting and job order departments, overseeing supply chain operations, involving in enterprise resource planning implementation and carrying out of other day-to-day supply chain management functions.

The Central Support Services Agreement further provides that the parties may request for the provision of other additional services, subject to conditions and upon terms to be mutually agreed between the parties.

The monthly fee payable under the Central Support Services Agreement is principally based on estimated staff and related costs involved in the provision of the Support Services by the relevant parties, apportioned by time. For FY2022, as the apportioned costs of the Support Services provided by the SK Service Providers to the EAR Group were higher than and thus offset by the apportioned costs of the Support Services provided to the SK Service Providers by the EAR Group, a monthly fee was payable by the Company under the said cost-sharing arrangement. As estimated staff and related costs involved in the provision of the Support Services may vary from year to year, and utilisation rates may also differ from year to year, the monthly fee may be subject to revision on an annual basis. Any annual revision to the monthly fee shall require *inter alia* the prior approval of the Company. As of the date of this Letter, the monthly fee has not been revised since the date of the Central Support Services Agreement.

Shareholders may refer to page 48 of the Annual Report for further details and the aggregated values of Support Services conducted during FY2022.

#### *Support Services provided by or to other Mandated Interested Persons*

While the Central Support Services Agreement predominantly focuses on the EAR Group's operations in Singapore, given that the EAR Group's operations are also located overseas, particularly in Malaysia, the EAR Group also expects to obtain and provide Support Services under similar cost-sharing arrangements in the ordinary course of business, from and to certain Mandated Interested Persons which may be based overseas from time to time.

The scope of such Support Services to be provided and obtained is expected to be substantially similar to the Support Services currently provided and obtained under the Central Support Services Agreement.

Similar to the fees payable under the Central Support Services Agreement, it is intended for the fees payable under such arrangements to be principally based on estimated staff and related costs involved in the provision of the Support Services by the relevant parties, apportioned by time.

It is envisaged that the Company shall continue to obtain and provide Support Services in the ordinary course of business, including pursuant to the Central Support Services Agreement (including any extension or variation thereof), and it is accordingly proposed that Support Services be a category of Mandated IPTs under the proposed IPT General Mandate.

#### (c) Lease of premises from the Mandated Interested Persons

The EAR Group currently leases certain premises from certain Mandated Interested Persons for its corporate purposes, including its retail and pawn shop outlets, as well as for its offices and warehouses. For instance, during FY2022, the EAR Group leased retail shop space from SKPPL and SKIPL to operate certain of its outlets. Additionally, SKJGPL is the lessor of the warehousing facility located at the 4<sup>th</sup> storey (the "**Warehouse Storage Facility**"), as well as of the office premises located at the 5<sup>th</sup> and 6<sup>th</sup> storeys (the "**Office Facility**") of 7 Changi Business Park Vista, SOOKEE HQ, Singapore 486042. The Company currently operates its corporate headquarters at the Office Facility, and also utilises the Warehouse Storage Facility for the EAR Group's warehousing needs.

The EAR Group may continue and renew such leasing arrangements, and enter into new leasing arrangements, with the Mandated Interested Persons, from time to time.



Shareholders may refer to page 48 of the Annual Report for further details and the aggregated values of the lease transactions with the Mandated Interested Persons conducted during FY2022.

## **2.7 Rationale for the IPT General Mandate and Benefit to the EAR Group**

As at the Latest Practicable Date, the Group operates an extensive pawnbroking and retail chain with a total of more than 90 outlets in Singapore and Malaysia, and members of the Group also engage in the retailing and trading of luxury products in South East Asia.

As set out under paragraph 2.6 above, the proposed Mandated IPTs are categories of transactions which are entered into or likely to be entered into by the EAR Group in the ordinary course of business, and are therefore expected to be recurrent transactions which may occur with some degree of frequency, and for this reason, may be transacted at any time and from time to time. In view of the aforesaid business of the Group, the Company expects that the Mandated IPTs, if carried out on normal commercial (or, in the absence of other similar comparable transactions, commercially reasonable) terms in accordance with the review procedures set out in paragraph 2.8 below, will be of benefit to the EAR Group, for the reasons set out below.

The EAR Group and the Mandated Interested Persons (in particular, those within the SK Group) are in related or complementary businesses and thus have been transacting with each other in the ordinary course of business, and the Company expects this to continue in the current financial year. For example, the Mandated Interested Persons which are in the business of the wholesaling and sale of precious metals, jewellery and luxury goods may from time to time seek to purchase from the EAR Group certain raw materials (such as precious metals), jewellery and loose precious stones, which would then contribute to the revenue of the EAR Group. As part of the retail and trading business of the Group, the EAR Group also offers brand new or pre-owned jewellery and other luxury goods, which it may purchase from Mandated Interested Persons.

If the IPT General Mandate is approved, the EAR Group would not be restricted in carrying on business with the Mandated Interested Persons as long as the parameters as set out in the IPT General Mandate have been duly observed. Expanding the pool of persons that the EAR Group may transact with to include Mandated Interested Persons could provide additional revenue opportunities for the EAR Group, as well as expand its target customer base. Being able to include Mandated Interested Persons in its pool of potential sources of supply will also enable the EAR Group to have access to a wider, more diverse, and relatively stable range of supply options and range of goods.

Additionally, the EAR Group may acquire from the Mandated Interested Persons, such as Sin Lian Pawnshop, certain pre-owned items such as watches, which may be sold by the MoneyMax jewellery business line (or other business units) in the EAR Group.

Since the Company was listed on the SGX-ST, the EAR Group has been engaging certain of the Mandated Interested Persons for the provision of Support Services, and has also been providing certain Support Services to the Mandated Interested Persons, on a cost-sharing basis, for cost efficiency. The EAR Group intends to continue to share resources with the Mandated Interested Persons for its operational needs. It is envisaged that such arrangements may increase as the EAR Group expands its overseas operations.

The EAR Group continually sources for suitable premises to locate its outlets, as well as to renew or extend leases of its existing outlets, and premises owned or offered by the Mandated Interested Persons may be suitable for the EAR Group's business model and be offered on competitive terms, which would be beneficial for the EAR Group. It would be in the interest of the EAR Group to be able to secure such leases from the Mandated Interested Persons, as it would expand the pool of options for the EAR Group.

In summary, as described above, the IPT General Mandate is intended to enhance the EAR Group's ability to pursue its business objectives even where the relevant counterparties are Mandated Interested Persons, provided that such transactions are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority

Shareholders. The IPT General Mandate, if approved, will eliminate, among others, the need for the Company to convene separate general meetings on each occasion to seek Shareholders' approval as and when potential Mandated IPTs arise. This will reduce substantially the administrative time, inconvenience and expenses associated with the convening of such meetings, without compromising the corporate objectives of the EAR Group or adversely affecting the business opportunities of the EAR Group.

## **2.8 Guidelines and Review Procedures for Mandated IPTs**

### **2.8.1 General Review Procedures**

The methods and procedures outlined in this paragraph 2.8 for determining transaction prices have been established and shall be implemented by the Company for the review and approval of Mandated IPTs conducted under the IPT General Mandate. The review procedures seek to ensure that such Mandated IPTs are undertaken on an arm's length basis and on normal commercial terms, and will not be prejudicial to the interests of the Company and its minority Shareholders.

For each category of Mandated IPTs, the following review procedures will apply:

(a) Purchase IPTs and Sales IPTs

In relation to Purchase IPTs, the EAR Group shall ensure that all contracts or transactions entered into with the Mandated Interested Persons shall be (i) at no higher than the prevailing market rates or prices of the relevant goods, and (ii) on terms which are no more favourable to the relevant Mandated Interested Person than the usual commercial terms extended to the EAR Group by unrelated third parties.

In relation to Sales IPTs, the EAR Group shall ensure that all contracts or transactions entered into with the Mandated Interested Persons shall be (i) at no lower than the prevailing market rates or prices of the relevant goods, and (ii) on terms which are no more favourable to the relevant Mandated Interested Person than the usual commercial terms extended by the EAR Group to unrelated third parties.

In determining the prevailing market rates or prices for Purchase IPTs or Sales IPTs, the EAR Group may also take into consideration relevant factors including quality, grade, quantity, volume, rebates or discount accorded for bulk purchases, and other relevant specifications.

For certain specified categories of goods as set out below, the following specific review procedures shall apply in place of the above-mentioned review procedures:

- In relation to Purchase IPTs and Sales IPTs of precious metals (such as gold), jewellery, and gold-plated products, as well as Sales IPTs of loose precious stones, all transactions entered into with the Mandated Interested Persons are carried out based on either:
  - (A) the prevailing market rates or prices verified against the pricing information as published by reputable traders and/or reputable pricing benchmarks, if available; or
  - (B) in relation to Purchase IPTs and Sales IPTs for (i) gold jewellery, the price shall be (1) the prevailing market rates or prices attributable to its pure gold content (verified against the pricing information as published by reputable traders and/or reputable pricing benchmarks of gold) plus (2) a mark-up of five per cent. (5%) on any costs incurred in connection with additional workmanship for such gold jewellery; and (ii) all other goods (such as gold-plated or partially-gold or non-gold jewellery, as well as gold-plated products), the price shall be set at a mark-up of five per cent. (5%) above both the cost price (which may include the relevant

good's purchase or pledge prices (including any interest accrued on such prices)) and any costs incurred in connection with additional workmanship for such goods.

- In relation to Purchase IPTs for pre-owned watches, all transactions entered into with the Mandated Interested Persons will be based on the lower of either (A) the prevailing market prices of such watches verified against pricing information published on international auction platforms for the same or similar models, or (B) a mark-up of five per cent. (5%) above the cost price (which will include the purchase or pledge prices of both the relevant watch (including any interest accrued) and any refurbishment costs incurred in connection with additional workmanship for such pre-owned watches). In determining the prevailing market prices of such watches, the EAR Group may also take into consideration relevant factors including but not limited to the quality, grade, quantity or volume of watches being purchased, rebates or discounts accorded for bulk purchases, the varying nature, condition, relevant specifications as well as the availability / rarity of such pre-owned watch, as well as any related costs, such as relevant processing, shipping and other costs which may apply.

Where appropriate, the prices would be converted based on the prevailing currency exchange rates quoted by an internationally reputable online currency exchange or bank.

Where the prevailing market rates or prices for the goods are not available or cannot be practicably ascertained, or where the above specific review procedures cannot be utilised for whatever reason (for example, due to the nature or specifications of the goods to be purchased or sold, or if meaningful comparisons cannot be practicably obtained for any commercial reasons), any member of the senior management staff of the relevant entity within the EAR Group (or deputy or assistant head) (who shall not have an interest in the Mandated IPT under review or any business or personal connection with the Mandated Interested Persons) shall evaluate and weigh the benefits of, and rationale for, transacting with the relevant Mandated Interested Person. In doing so, the relevant staff member shall assess whether the prices to be paid to or by the Mandated Interested Person for the goods are fair and reasonable and in accordance with the EAR Group's usual practices and policies (where comparable practices and policies are available). The evaluation can also include considerations of the efficiencies and flexibilities derived by the EAR Group in transacting with the relevant Mandated Interested Person, compared with transacting with unrelated third parties, the prevailing industry norms (including the reasonableness of the terms), as well as the prevailing market price of the same or reasonably comparable type of goods which is publicly available, if any, to determine whether the relevant Mandated IPT is undertaken at an arm's length basis and on the EAR Group's usual business practices, commercial terms and/or pricing policies, and where applicable, consistent with the usual margin to be obtained by the EAR Group for the same or reasonably comparable type of contract or transaction with unrelated third parties.

(b) Support Services

It is envisaged that the Support Services under the IPT General Mandate, if approved, will be conducted pursuant to both the Central Support Services Agreement (as may be extended, renewed, or replaced from time to time) and other arrangements or agreements to be entered into by the EAR Group and the Mandated Interested Persons.

In arriving at the fees payable by and to the relevant EAR Group entities for the Support Services (including the fees payable by the Company to the SK Service Providers for the Support Services rendered under the Central Support Services Agreement), the EAR Group has considered, and will consider (on an ongoing basis, in the event of any new arrangements entered into or any review, revision,

or renewal of any Support Services arrangements), the estimated staff and related costs attributable to the relevant Mandated Interested Persons and the Group for the purposes of providing the relevant Support Services, having regard to time apportionment of such resources as set out in paragraph 2.6(b) above. Specifically, under the Central Support Services Agreement, parties may revise the monthly fee payable on an annual basis only with prior approval of the Company, and the Company will be entitled to review the relevant breakdown of such costs when deliberating on any proposed fee revision.

As a safeguard, no Director or member of staff who has any business or personal connection with the Mandated Interested Persons shall be involved in the EAR Group's evaluation and approval of the fees or revision to the fees payable or to be paid by the EAR Group for the Support Services.

The EAR Group shall satisfy itself that the fees charged and paid (as the case may be) for the Support Services provided to and procured from (as the case may be) the Mandated Interested Persons shall be on a normal commercial basis and in accordance with any formula for such cost recovery agreed with such Mandated Interested Persons.

(c) Leases from Mandated Interested Persons

The rental amount proposed to be paid for any lease (new or renewed) entered into with the Mandated Interested Persons shall be commensurate with prevailing market rental rates. In determining the prevailing market rental rates, the EAR Group may adopt measures such as making relevant enquiries with unrelated third-party landlords for similar properties, or obtaining reports or reviews published by unrelated third-party property agents (including an independent valuation report by a property valuer, where appropriate). Where rates and terms offered by or received from unrelated third-party landlords for similar properties are available, the EAR Group will not enter into any transaction where the rental rate and terms offered by any Mandated Interested Person are less favourable to the EAR Group than the terms offered by or received from such unrelated third-party landlords. In determining whether a property is similar, the EAR Group will also take into consideration, among others, the particulars of the property, including its size, location and condition, the fittings and the façade, and other factors which are relevant to lease transactions of this nature.

## **2.8.2 Monitoring of Mandated IPTs**

The CFO is principally responsible for the identification of all interested persons with whom the EAR Group may have dealings, and all Directors and employees of the Group shall promptly notify the CFO of any material interest that he or she, or the relevant interested person, may have in a proposed interested person transaction (including any proposed Mandated IPT). The CFO will be responsible for keeping the Audit Committee updated on the list of interested person transactions, including all Mandated IPTs. For this purpose, all Mandated IPTs and their respective values, including the basis for determining the transaction prices and supporting evidence (including any quotations obtained) to support such basis, shall be reported to the CFO by the end of each month.

The CFO shall be responsible for requiring and supervising that the finance department of the Company regularly and promptly identifies and reports all Mandated IPTs, so as to ensure compliance with the review procedures set out in the IPT General Mandate, if approved. Within one month after each quarter, the finance team responsible for each entity in the EAR Group shall also collate and report all interested person transactions (including Mandated IPTs) during the relevant quarter to the CFO for tracking and consolidation.

On an annual basis, under the supervision of the CFO, the finance department of the Company will also request annual interested person transaction confirmations from the Directors and the controlling Shareholders to verify all interested person transactions conducted with them during the financial year.

The CFO shall be responsible for preparing, maintaining and monitoring two registers, one for recording Mandated IPTs and one for recording interested person transactions other than Mandated IPTs. These registers should contain sufficient details of the recorded interested person transactions, the basis for determining the transaction prices and supporting evidence and quotations obtained to support such basis, and the CFO shall submit the same to the Audit Committee on a quarterly basis. In the event that any member of the Audit Committee has a conflict of interest in any Mandated IPT, he or she shall fully declare the same, and abstain from reviewing that particular Mandated IPT.

As at the date of this Letter, the CFO is neither an immediate family member of, nor otherwise employed by, any of the Mandated Interested Persons. However, where the CFO is an immediate family member of, or otherwise employed by, any of the Mandated Interested Persons, he or she shall declare the same to the Audit Committee, and the Audit Committee shall designate such other personnel of the Company (who shall not be interested in any of the Mandated IPTs or have any business or personal connection with the Mandated Interested Persons) to assume the responsibilities of the CFO as set out herein.

### **2.8.3 Approving Authorities and Threshold Limits**

All Mandated IPTs shall be subject to strict adherence to the EAR Group's policies and authority limits for transaction approval, as set by the respective companies in the EAR Group, as amended from time to time.

Mandated IPTs shall additionally be subject to review and approval by the relevant approving authority based on the threshold limits set out in the table below.

<b>Value of Mandated IPT (per transaction)</b>	<b>Approving Authority</b>
Value is equal to or exceeds three per cent. (3%) of the Group's latest audited consolidated NTA <sup>(1)</sup> (the " <b>Threshold Limit</b> ")	Audit Committee
Value is equal to or in excess of S\$1,000,000 but below the Threshold Limit	Any Independent Director
Value is at least S\$100,000 but below S\$1,000,000	CFO (or such other executive officer of the Company of equivalent rank)

Note:

- (1) As at the date of this Letter, the Group's latest audited consolidated NTA is approximately S\$126,686,000 (based on the audited consolidated statement of financial position as at 31 December 2022).

The approval thresholds set out above have been adopted by the EAR Group after taking into account, *inter alia*, the nature, volume, recurrent frequency and actual or potential size of the Mandated IPTs, as well as the EAR Group's day-to-day operations, administration and business. The threshold limits are arrived at with the view to strike a balance between (i) achieving operational efficiency of the day-to-day operations of the EAR Group, and (ii) maintaining adequate internal controls and governance in relation to the Mandated IPTs.

In the event that any member of the relevant approving authority (as set out in the preceding table above) has an interest in a Mandated IPT under review or any business or personal connection with the relevant Mandated Interested Person, the relevant person shall declare his or her interest to the Audit Committee, and shall not participate in any decision-making procedure in respect of that Mandated IPT. In such case, the review and approval of that Mandated IPT will be undertaken only by a non-interested member of that approving authority where applicable, or if there is only one member of that approving authority or where all the members of the relevant approving authority of the IPT General Mandate are conflicted, then the approval from the next higher approving authority shall be sought.

For the avoidance of doubt, the Lim Family Directors and any persons who are their immediate family members, shall be deemed to be conflicted for the foregoing purposes and shall not participate in the decision of any approving authority.

The EAR Group shall not enter into or agree to enter into any Mandated IPT unless all necessary internal approvals have been obtained, and in particular, as required considering the limits set out above and by the review procedures set out herein.

#### **2.8.4 Recusal**

Any Director or other person who has an interest in the proposed Mandated IPT (whether as the relevant interested person, or whose immediate family member is the relevant interested person) shall disclose his/her interest, and abstain from participating in the decision-making in respect of the proposal. Such Director or person shall provide information on the relevant interested person or the interested person transaction upon request to the Audit Committee and the Board of Directors.

#### **2.8.5 Quarterly Review by Audit Committee**

On a quarterly basis, the Audit Committee shall review the relevant quarterly reports on the Mandated IPTs to ascertain that the established review procedures for Mandated IPTs have been complied with.

If during the quarterly reviews by the Audit Committee, the Audit Committee is of the view that the review procedures as stated above have become inappropriate or insufficient in view of changes to the nature of, or the manner in which, the business activities of the EAR Group are conducted, the Audit Committee may take such actions as it deems proper in respect of such procedures and/or modify or implement such procedures as may be necessary and direct the Company to seek a fresh general mandate from the Shareholders based on the revised guidelines and procedures for Mandated IPTs to ensure that the Mandated IPTs will be conducted on an arm's length basis and on normal commercial terms, and will not be prejudicial to the interests of the Company and its minority Shareholders.

If a member of the Audit Committee has an interest in a Mandated IPT to be reviewed by the Audit Committee, he/she will abstain from voting on any resolution, and/or any decision and/or any review of the established review procedures in respect of that Mandated IPT. Review of that Mandated IPT will be undertaken by the remaining members of the Audit Committee.

At the direction of the Audit Committee, the internal audit plan may also include periodic review of compliance with the review procedures.

#### **2.8.6 Disclosure in the Annual Report**

The Board will ensure that all disclosure, approval and other requirements on Mandated IPTs, including those required by prevailing legislation, the Catalist Rules and accounting standards, are complied with. Pursuant to Rule 920(1)(a) of the Catalist Rules, the Company will:

- (a) disclose the IPT General Mandate in its annual report, giving details of the aggregate value of transactions conducted pursuant to the IPT General Mandate during the financial year; and
- (b) announce the aggregate value of transactions conducted pursuant to the IPT General Mandate for the financial periods which it is required to report on pursuant to Rule 705 of the Catalist Rules within the time required for the announcement of such report.

For the avoidance of doubt, where an interested person transaction which is below S\$100,000 in value has been conducted under the IPT General Mandate (including subject to the relevant review procedures as set out in paragraph 2.8 of this Letter), such transaction shall be regarded as a Mandated IPT which shall be disclosed in accordance with (a) and (b) above.

### **2.8.7 Validity Period of the IPT General Mandate**

The IPT General Mandate will take effect from the passing of Ordinary Resolution 9 as set out in the Notice of 2023 AGM and will (unless revoked or varied by the Company in general meeting) continue to be in force until the next AGM or the date by which the next AGM is required by law to be held, whichever is earlier. Approval from the Independent Shareholders (refer to paragraph 6.2 below) will be sought for the renewal of the IPT General Mandate at the next AGM and at each subsequent AGM or the date by which the next AGM is required by law to be held, subject to satisfactory review by the Audit Committee of its continued relevance and application and sufficiency of the guidelines and review procedures under the IPT General Mandate to ensure that the Mandated IPTs will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

## **3. OPINION OF THE INDEPENDENT FINANCIAL ADVISER**

SAC Capital Private Limited has been appointed as the Independent Financial Adviser pursuant to Chapter 9 of the Catalist Rules to advise the Non-Interested Directors on whether the methods and procedures for determining the transaction prices of the Mandated IPTs, if adhered to, are sufficient to ensure that the Mandated IPTs will be carried out on normal commercial terms, and will not be prejudicial to the interests of the Company and its minority Shareholders.

Having considered, *inter alia*, the rationale and benefits of the IPT General Mandate, the guidelines and review procedures of the Company for determining the transaction prices of the Mandated IPTs, the role of the Audit Committee of the Company in enforcing the IPT General Mandate, and subject to the qualifications and assumptions set out in the IFA Letter, the Independent Financial Adviser is of the opinion that the guidelines and review procedures for determining transaction prices of the Mandated IPTs as set out in paragraph 2.8 of this Letter, if adhered to, are sufficient to ensure that the Mandated IPTs will be conducted on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders.

The IFA Letter is set out in the Appendix. Shareholders are advised to read the IFA Letter carefully and consider it in the context of this Letter.

## **4. STATEMENT OF THE AUDIT COMMITTEE**

The Audit Committee has reviewed the terms of, rationale for and benefits of the IPT General Mandate, and confirms that it concurs with the view of the Independent Financial Adviser that the methods or procedures for determining the transaction prices of Mandated IPTs, if adhered to, are sufficient to ensure that such transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

## 5. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

The interests of the Directors and the Substantial Shareholders in the Shares as at the Latest Practicable Date are set out below:

	<u>Direct Interest</u>		<u>Deemed Interest</u>	
	Number of Shares	%	Number of Shares	%
<u>Substantial Shareholders</u>				
Money Farm Pte Ltd <sup>(1)</sup>	269,846,835	61.02	–	–
Dato' Sri Dr. Lim Yong Guan <sup>(2), (3), (4)</sup>	55,462,500	12.54	273,805,170	61.91
Mr. Lim Yong Sheng <sup>(3), (4)</sup>	47,850,000	10.82	269,846,835	61.02
Mdm. Lim Liang Eng <sup>(3), (4)</sup>	5,437,500	1.23	269,846,835	61.02
<u>Directors (other than Substantial Shareholders)</u>				
Mr. Ng Cher Yan	31,250	0.01	–	–
Mr. Khua Kian Kheng Ivan	31,250	0.01	–	–
Mr. Foo Say Tun	31,250	0.01	–	–

### Notes:

- (1) Money Farm Pte. Ltd. is an investment holding company. All of the equity interest in Money Farm Pte. Ltd. is collectively held by Dato' Sri Dr. Lim Yong Guan, Mr. Lim Yong Sheng and Mdm. Lim Liang Eng.
- (2) Dato' Sri Dr. Lim Yong Guan is deemed interested in the 3,958,335 Shares held by his spouse, Mdm. Tan Yang Hong by virtue of Section 164(15) of the Companies Act 1967.
- (3) Dato' Sri Dr. Lim Yong Guan, Mr. Lim Yong Sheng and Mdm. Lim Liang Eng are siblings.
- (4) Dato' Sri Dr. Lim Yong Guan, Mr. Lim Yong Sheng and Mdm. Lim Liang Eng and their Associates are entitled to exercise all the votes attached to the voting shares in Money Farm Pte. Ltd.. As such, pursuant to Section 4 of the Securities and Futures Act, each of them is deemed to be interested in the Shares held by Money Farm Pte. Ltd..

## 6. NON-INTERESTED DIRECTORS' RECOMMENDATIONS AND ABSTENTIONS FROM VOTING

### 6.1 **The Proposed Adoption of the IPT General Mandate**

The Non-Interested Directors, having considered, among other things, the terms of, rationale for and benefits of the IPT General Mandate, the guidelines and review procedures for the interested person transactions covered under the IPT General Mandate, the statement of the Audit Committee, and the opinion of the Independent Financial Adviser, are of the view that the proposed adoption of the IPT General Mandate is in the best interests of the Company and accordingly, recommend that Shareholders vote in favour of Ordinary Resolution 9 as set out in the Notice of 2023 AGM in respect of the proposed adoption of the IPT General Mandate to be proposed at the 2023 AGM.

### 6.2 **Abstentions from Voting**

In accordance with Rule 920(1)(b)(viii) of the Catalist Rules, the Lim Family Shareholders and Money Farm Pte. Ltd. will abstain from voting and have undertaken to ensure that their Associates will abstain from voting in respect of each of their shareholdings on Ordinary Resolution 9 as set out in the Notice of 2023 AGM.

The Lim Family Shareholders, Money Farm Pte. Ltd. and their Associates will not be able to accept appointment as proxies for any Shareholder to vote in respect of this resolution unless specific instructions as to voting are given. Any votes cast by such persons in contravention of this requirement shall be disregarded.



**7. 2023 AGM**

The 2023 AGM will be held, by wholly physical means, on 27 April 2023 at 10.00 a.m. (Singapore time), at 7 Changi Business Park Vista, #01-01, SOOKEE HQ, Singapore 486042, for the purposes of, *inter alia*, considering and, if thought fit, passing with or without modifications, Ordinary Resolution 9 as set out in the Notice of 2023 AGM in relation to the proposed adoption of the IPT General Mandate. Shareholders should refer to the Notice of 2023 AGM for further details.

**8. ACTION TO BE TAKEN BY SHAREHOLDERS**

Shareholders can vote at the 2023 AGM themselves or through a duly appointed proxy(ies).

Shareholders who wish to appoint a proxy(ies) must submit an instrument appointing a proxy(ies) in accordance with the instructions on the proxy form. Duly completed proxy forms must be (a) lodged via post with the Share Registrar at 77 Robinson Road, #06-03, Robinson 77, Singapore 068896, or (b) submitted via electronic mail to [main@zicoholdings.com](mailto:main@zicoholdings.com) (e.g. by enclosing a clear scanned completed and signed proxy form) in each case, by **10.00 a.m. (Singapore time) on 24 April 2023** (being 72 hours before the time appointed for the holding of the 2023 AGM). Proxy forms may be downloaded from the Company's website or SGXNET.

A depositor shall not be regarded as a member entitled to attend, speak and vote at the 2023 AGM unless his or her name appears in the Depository Register as at 72 hours before the time appointed for holding the 2023 AGM.

**9. DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Letter and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Letter constitutes full and true disclosure of all material facts about the proposed adoption of the IPT General Mandate, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Letter misleading. Where information in this Letter has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Letter in its proper form and context.

**10. CONSENT**

The Independent Financial Adviser has given and has not withdrawn its written consent to the issue of this Letter with the inclusion of its name, the IFA Letter reproduced in the Appendix and all references thereto, in the form and context in which they appear in this Letter.

**11. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at the registered office of the Company at 7 Changi Business Park Vista, #01-01, SOOKEE HQ, Singapore 486042, during normal business hours from the date of this Letter up to and including the date of the 2023 AGM:

- (a) the Annual Report;
- (b) the IFA Letter; and
- (c) the letter of consent from the Independent Financial Adviser referred to in paragraph 10 of this Letter.

Yours faithfully  
For and on behalf of the Board of Directors of  
**MoneyMax Financial Services Ltd.**

**Lim Yong Guan**  
**Executive Chairman and CEO**

## DEFINITIONS

In this Letter, the following definitions apply throughout unless otherwise stated:

<b>“2023 AGM”</b>	:	The annual general meeting of the Company to be held on 27 April 2023 at 10.00 a.m. (Singapore time)
<b>“AGM”</b>	:	Annual general meeting of the Company
<b>“Annual Report”</b>	:	The annual report of the Company for the financial year ended 31 December 2022
<b>“Associate”</b>	:	Has the meaning ascribed to the term “associate” in the Catalyst Rules
<b>“Audit Committee”</b>	:	The audit committee of the Company as at the date of this Letter, comprising Mr. Ng Cher Yan, Mr. Khua Kian Kheng Ivan and Mr. Foo Say Tun
<b>“Board of Directors”</b>	:	The board of Directors of the Company for the time being
<b>“Catalist Rules”</b>	:	The SGX-ST Listing Manual Section B: Rules of Catalist, as amended and modified from time to time
<b>“CDP”</b>	:	The Central Depository (Pte) Limited
<b>“Central Support Services Agreement”</b>	:	Has the meaning ascribed to it in paragraph 2.6(b) of this Letter
<b>“CFO”</b>	:	The chief financial officer of the Company
<b>“Companies Act”</b>	:	The Companies Act 1967, as amended or modified from time to time
<b>“Company”</b>	:	MoneyMax Financial Services Ltd.
<b>“Directors”</b>	:	The directors of the Company for the time being
<b>“EAR Group”</b>	:	Has the meaning ascribed to it in paragraph 2.1 of this Letter
<b>“FY2022”</b>	:	Financial year ended 31 December 2022
<b>“Group”</b>	:	The Company and its subsidiaries
<b>“IFA Letter”</b>	:	The letter dated 12 April 2023 from the Independent Financial Adviser to the Non-Interested Directors in relation to the IPT General Mandate, a copy of which is set out in the Appendix
<b>“Independent Director”</b>	:	An independent director of the Company from time to time. As at the date of this Letter, the Independent Directors are Mr. Ng Cher Yan, Mr. Khua Kian Kheng Ivan and Mr. Foo Say Tun

<b><u>“Independent Financial Adviser”</u></b>	:	SAC Capital Private Limited, the independent financial adviser to the Non-Interested Directors in relation to the IPT General Mandate
<b><u>“Independent Shareholders”</u></b>	:	Shareholders who are deemed to be independent for the purposes of voting on the IPT General Mandate
<b><u>“IPT General Mandate”</u></b>	:	Has the meaning ascribed to it in paragraph 2.1 of this Letter
<b><u>“Latest Practicable Date”</u></b>	:	14 March 2023, being the latest practicable date prior to the printing of this Letter
<b><u>“LCIPL”</u></b>	:	Has the meaning ascribed to it in paragraph 2.5 of this Letter
<b><u>“LCPL”</u></b>	:	Has the meaning ascribed to it in paragraph 2.5 of this Letter
<b><u>“Letter”</u></b>	:	This letter to Shareholders in relation to the proposed adoption of the IPT General Mandate
<b><u>“Lim Family Directors”</u></b>	:	Has the meaning ascribed to it in paragraph 2.5 of this Letter
<b><u>“Lim Family Shareholders”</u></b>	:	Has the meaning ascribed to it in paragraph 2.5 of this Letter
<b><u>“Mandated Interested Persons”</u></b>	:	Has the meaning ascribed to it in paragraph 2.5 of this Letter
<b><u>“Mandated IPTs”</u></b>	:	Has the meaning ascribed to it in paragraph 2.6 of this Letter
<b><u>“Non-Interested Directors”</u></b>	:	The Directors who are deemed to be independent for the purposes of making a recommendation on the proposed adoption of the IPT General Mandate, namely Mr. Ng Cher Yan, Mr. Khua Kian Kheng Ivan and Mr. Foo Say Tun
<b><u>“Notice of 2023 AGM”</u></b>	:	The notice of 2023 AGM dated 12 April 2023
<b><u>“NTA”</u></b>	:	Net tangible assets
<b><u>“Office Facility”</u></b>	:	Has the meaning ascribed to it in paragraph 2.6(c) of this Letter
<b><u>“Purchase IPTs”</u></b>	:	Has the meaning ascribed to it in paragraph 2.6(a) of this Letter
<b><u>“Sales IPTs”</u></b>	:	Has the meaning ascribed to it in paragraph 2.6(a) of this Letter
<b><u>“Securities Account”</u></b>	:	Securities account maintained by a depositor with CDP but does not include a securities sub-account maintained with a depository agent
<b><u>“Securities and Futures Act”</u></b>	:	The Securities and Futures Act 2001, as amended or modified from time to time
<b><u>“SGX-ST”</u></b>	:	Singapore Exchange Securities Trading Limited
<b><u>“Shareholders”</u></b>	:	Registered holders of Shares, except that where the registered holder is CDP, the term <b>“Shareholders”</b> shall, in relation to such Shares, mean the persons named as depositors in the Depository Register and whose Securities Accounts maintained with CDP are credited with Shares

<b>“Share Registrar”</b>	:	B.A.C.S Private Limited
<b>“Shares”</b>	:	Ordinary shares in the capital of the Company
<b>“Sin Lian Pawnshop”</b>	:	Has the meaning ascribed to it in paragraph 2.5 of this Letter
<b>“SK Group”</b>	:	Has the meaning ascribed to it in paragraph 2.5 of this Letter
<b>“SK Service Providers”</b>	:	Has the meaning ascribed to it in paragraph 2.6(b) of this Letter
<b>“SKGPL”</b>	:	Has the meaning ascribed to it in paragraph 2.5 of this Letter
<b>“SKIPL”</b>	:	Has the meaning ascribed to it in paragraph 2.5 of this Letter
<b>“SKJGPL”</b>	:	Has the meaning ascribed to it in paragraph 2.5 of this Letter
<b>“SKPL”</b>	:	Has the meaning ascribed to it in paragraph 2.5 of this Letter
<b>“SKPPL”</b>	:	Has the meaning ascribed to it in paragraph 2.5 of this Letter
<b>“Substantial Shareholder”</b>	:	A Shareholder who has an interest or interests in one or more voting Shares (excluding treasury shares) in the Company, and the total votes attached to that Share, or those Shares, is not less than five per cent. (5%) of the total votes attached to all the voting Shares (excluding treasury shares) in the Company
<b>“Support Services”</b>	:	Has the meaning ascribed to it in paragraph 2.6(b) of this Letter
<b>“Threshold Limit”</b>	:	Has the meaning ascribed to it in paragraph 2.8.3 of this Letter
<b>“Warehouse Storage Facility”</b>	:	Has the meaning ascribed to it in paragraph 2.6(c) of this Letter
<b>“S\$” and “cents”</b>	:	Singapore dollars and cents respectively
<b>“%”</b>	:	Per centum or percentage

The terms “**depositor**”, “**depository agent**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Part IIIAA of the Securities and Futures Act. The term “**subsidiary**” shall have the meaning ascribed to it in Section 5 of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall, where applicable, include individuals, firms and corporations.

Any reference in this Letter to any statute or enactment is a reference to that statute or enactment for the time being amended or re-enacted. Any term defined under the Companies Act and the Catalist Rules, or any modification thereof and used in this Letter shall have the meaning assigned to it under the Companies Act and the Catalist Rules, or any modification thereof, as the case may be, unless otherwise provided.

Summaries of the provisions of any laws and regulations (including the Catalist Rules) contained in this Letter are of such laws and regulations (including the Catalist Rules) as at the Latest Practicable Date.

Any reference to a time of day and date in this Letter is a reference to Singapore time and date, respectively, unless otherwise stated. Any reference to currency set out in this Letter is a reference to S\$, unless otherwise stated.

Any discrepancies in tables included in this Letter between the amounts in the columns of the tables and the totals thereof are due to rounding. Accordingly, figures shown as totals in certain tables in this Letter may not be an arithmetic aggregation of the figures that precede them.

## IFA LETTER

**SAC CAPITAL PRIVATE LIMITED**

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 200401542N)

1 Robinson Road  
#21-00 AIA Tower  
Singapore 048542

12 April 2023

To: The Non-Interested Directors of MoneyMax Financial Services Ltd. in relation to the proposed adoption of the IPT General Mandate (as defined herein)

Mr. Ng Cher Yan	(Lead Independent Director)
Mr. Khua Kian Kheng Ivan	(Independent Director)
Mr. Foo Say Tun	(Independent Director)

Dear Sirs,

**THE PROPOSED ADOPTION OF A GENERAL MANDATE FOR INTERESTED PERSON TRANSACTIONS**

*Unless otherwise defined herein, all terms defined in the letter dated 12 April 2023 to the shareholders of MoneyMax Financial Services Ltd. in relation to the proposed adoption of the IPT General Mandate (the “Letter”) shall have the same meanings in this letter.*

**1. INTRODUCTION**

MoneyMax Financial Services Ltd. (the “**Company**”) wishes to seek the approval of the shareholders of the Company (the “**Shareholders**”) for the proposed adoption of a new Shareholders’ general mandate for interested person transactions (the “**IPT General Mandate**”) between the Company, its subsidiaries and its associated companies which are considered to be “entities at risk” (collectively, the “**EAR Group**”) and its interested persons, including but not limited to, (i) Dato’ Sri Dr. Lim Yong Guan; (ii) Mr. Lim Yong Sheng; (iii) Mdm. Lim Liang Eng; (iv) Money Farm Pte. Ltd.; (v) SK Jewellery Group Pte. Ltd and other entities set out in paragraph 2.5 of the Letter (collectively, the “**Mandated Interested Persons**”). Additional information on the Mandated Interested Persons is set out in paragraph 2.5 of the Letter.

The IPT General Mandate will apply to the interested person transactions with the Mandated Interested Persons that relate to the:

- (a) purchase and sale of goods from and to Mandated Interested Persons;
- (b) provision of central support services by and to Mandated Interested Persons; and
- (c) lease of premises from the Mandated Interested Persons.

(collectively, the “**Mandated IPTs**”).

The adoption of the IPT General Mandate is conditional upon the approval by the Shareholders who are considered independent for the purpose of voting on the ordinary resolution relating to the IPT General Mandate (the “**Independent Shareholders**”) at the upcoming annual general meeting of the Company to be convened.

In accordance with Chapter 9 of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”), the Company has appointed SAC Capital Private Limited as the independent financial adviser (the “**IFA**”) to express an opinion on whether the guidelines or review procedures of the Company for determining transaction prices of the Mandated IPTs, if strictly applied and adhered to, are sufficient to ensure that the Mandated IPTs will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

This IFA letter, which sets out our evaluation and opinion of the guidelines and review procedures under the IPT General Mandate, has been prepared in accordance with Rule 920(1)(b)(v) of the Catalist Rules for inclusion in the Letter and for the use and benefit of the directors of the Company (the “**Directors**”) who are deemed to be independent for the purposes of making a recommendation on the IPT General Mandate (the “**Non-Interested Directors**”) in connection with and for the purpose of their consideration of the IPT General Mandate and their recommendation(s) to minority Shareholders arising thereof.

## 2. TERMS OF REFERENCE

We have been appointed as the IFA to the Non-Interested Directors to express an opinion, for the purposes of Chapter 9 of the Catalist Rules, on whether the guidelines and review procedures of the Company for determining the transaction prices of the Mandated IPTs, if adhered to, are sufficient to ensure that the Mandated IPTs will be conducted on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

We are not and were not involved in any aspects of the negotiations entered into by the Company in relation to the Mandated IPTs contemplated under the IPT General Mandate nor were we involved in the deliberations leading up to the decision of the Directors to adopt the IPT General Mandate. Accordingly, we do not, by this IFA letter, warrant the merits of the IPT General Mandate other than to express an opinion on whether the guidelines and review procedures for determining the transaction prices of the Mandated IPTs, if adhered to, are sufficient to ensure that the Mandated IPTs will be conducted on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders. We have also not conducted a comprehensive independent review of the business, operations or financial condition of the EAR Group or any of the Interested Persons.

For the purpose of arriving at our opinion in respect of the IPT General Mandate, we have considered the guidelines and review procedures of the Company for determining transaction prices for the Mandated IPTs, but have not evaluated, and have not been requested to comment on, the strategic, legal, financial or commercial merits and/or risks of adoption of the IPT General Mandate, or the future growth prospects or earnings potential of the EAR Group after the adoption of the IPT General Mandate. Such evaluation or comment, if any, is and remains the sole responsibility of the Directors.

In the course of our evaluation of the guidelines and review procedures for determining the transaction prices of the Mandated IPTs under the IPT General Mandate, we have held discussions with the Directors and/or the management of the Company (the “**Management**”) and have relied on the information and representations, whether written or verbal, provided to us by the Directors and/or the Management, including information contained in the Letter. Whilst care has been exercised in reviewing the information which we have relied on, we have not independently verified such information or representations and accordingly cannot and do not warrant or accept any responsibility for the accuracy, completeness or adequacy of such information, facts or representations. Accordingly, no representation or warranty, expressed or implied, is made and no responsibility is accepted by us concerning the accuracy, completeness or adequacy of such information or facts. We have, however, made reasonable enquiries and exercised our judgment (as deemed necessary) in assessing the information and representations provided to us, and have found no reason to doubt the accuracy or reliability of such information or representations which we have relied on.



The Directors (including those who may have delegated detailed supervision of the Letter) have confirmed that, having made all reasonable enquiries and to the best of their knowledge and belief, (a) all material information available to them in connection with the IPT General Mandate has been disclosed in the Letter, (b) such information is true and accurate in all material respects, and (c) there is no other information or fact, the omission of which would cause any information disclosed in the Letter to be inaccurate, incomplete or misleading in any material respect. The Directors have jointly and severally accepted full responsibility for such information described herein.

We would like to highlight that, save as disclosed, all information relating to the EAR Group and the IPT General Mandate that we have relied upon in arriving at our opinion has been obtained from the Letter, publicly available information, the Directors and/or from the Management. We have not held any discussions with the directors and/or the management of the Mandated Interested Persons and we have not independently assessed and do not warrant or accept any responsibility as to whether the aforesaid information adequately represents a true and fair position of the financial, operational and business affairs of the EAR Group at any time or as at 14 March 2023 (the “**Latest Practicable Date**”).

Our opinion, as set out in this IFA letter, is based on the market, economic, industry and other applicable conditions prevailing on, and the information made available to us as at the Latest Practicable Date. Such conditions may change significantly over a relatively short period of time and we assume no responsibility to update, revise or reaffirm our opinion in light of any subsequent development after the Latest Practicable Date that may affect our opinion contained herein.

In rendering our opinion, we have not had regard to the specific investment objectives, financial situation, tax position or unique needs and constraints of any individual Shareholder or specific group of Shareholders. We recommend that any individual Shareholder or specific group of Shareholders who may require specific advice in relation to his or their investment portfolio(s) should consult his or their legal, financial, tax or other professional advisers. Shareholders should further take note of any announcements which may be released by the Company after the Latest Practicable Date which are relevant to the IPT General Mandate and other related corporate actions.

**Our opinion in relation to the IPT General Mandate should be considered in the context of the entirety of this IFA letter and the Letter.**

The Company has been separately advised by its own advisers in the preparation of the Letter (other than this IFA letter). We have had no role or involvement and have not provided any advice, financial or otherwise, in the preparation, review and verification of the Letter (other than this IFA letter). Accordingly, we accept no responsibility for and express no views, expressed or implied, on the factual accuracy or completeness of the contents of the Letter (other than this IFA letter).

### **3. THE PROPOSED IPT GENERAL MANDATE**

#### **3.1 Rationale for the IPT General Mandate and benefits to the EAR Group**

The rationale for the IPT General Mandate and benefits to the EAR Group are set out in paragraph 2.7 of the Letter. Shareholders are advised to read the information carefully.

#### **3.2 Classes of Interested Persons for the purposes of the IPT General Mandate**

The information on the classes of the Mandated Interested Persons under the IPT General Mandate are set out in paragraph 2.5 of the Letter. Shareholders are advised to read the information carefully.

#### **3.3 Categories of Interested Person Transactions under the IPT General Mandate**

The categories of Mandated IPTs under the IPT General Mandate are set out in paragraph 2.6 of the Letter. Shareholders are advised to read the information carefully.

### **3.4 Guidelines and review procedures under the IPT General Mandate**

The guidelines and review procedures for the Mandated IPTs are set out in paragraph 2.8 of the Letter. Shareholders are advised to read the information carefully.

### **3.5 Validity period of the IPT General Mandate**

The validity period of the IPT General Mandate is set out in paragraph 2.8.7 of the Letter. Shareholders are advised to read the information carefully.

## **4. OUR OPINION**

Having considered, *inter alia*, the rationale and benefits of the IPT General Mandate, the guidelines and review procedures of the Company for determining the transaction prices of the Mandated IPTs, the role of the Audit Committee of the Company in enforcing the IPT General Mandate, and subject to the qualifications and assumptions set out herein, we are of the opinion that the guidelines and review procedures for determining transaction prices of the Mandated IPTs as set out in paragraph 2.8 of the Letter, if adhered to, are sufficient to ensure that the Mandated IPTs will be conducted on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

Our opinion has been prepared pursuant to Rule 920(1)(b)(v) of the Catalist Rules, as well as for the use and benefit of the Non-Interested Directors in connection with and for the purpose of their consideration of the IPT General Mandate and for the inclusion in the Letter. The recommendation to be made by the Non-Interested Directors to the Independent Shareholders shall remain the sole responsibility of the Non-Interested Directors.

Whilst a copy of this IFA letter may be reproduced in the Letter, neither the Company nor the Directors may reproduce, disseminate or quote this IFA letter (or any part thereof) for any other purpose at any time and in any manner without the prior written consent of SAC Capital Private Limited in each specific case, except for the purposes of any matter relating to the IPT General Mandate.

Our opinion is governed by, and shall be construed in accordance with the laws of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours faithfully,  
For and on behalf of  
**SAC CAPITAL PRIVATE LIMITED**

Tan Kian Tiong  
Partner and Head, Corporate Finance

*This page has been intentionally left blank.*

