

ANNUAL REPORT 2022



A Trusted Financial

Group

# CORPORATE INFORMATION

## Board of 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*

## Audit Committee

Mr. Ng Cher Yan, *Chairman*

Mr. Khua Kian Kheng Ivan

Mr. Foo Say Tun

## Nominating Committee

Mr. Khua Kian Kheng Ivan, *Chairman*

Mr. Ng Cher Yan

Mr. Foo Say Tun

## Remuneration Committee

Mr. Foo Say Tun, *Chairman*

Mr. Ng Cher Yan

Mr. Khua Kian Kheng Ivan

## Company Secretary

Mr. Goh Hoi Lai, *CA Singapore*

## Auditors

RSM Chio Lim LLP

*Public Accountants and Chartered Accountants*

8 Wilkie Road, #03-08 Wilkie Edge, Singapore 228095

Audit Partner-in-Charge: Mr. Lee Mong Sheong  
(a member of the Institute of Singapore Chartered Accountants)  
Appointed since financial year ended 31 December 2021

## Share Registrar

B.A.C.S. Private Limited

77 Robinson Road #06-03 Robinson 77

Singapore 068896

## Principal Bankers

DBS Bank Limited

Maybank Singapore Limited

Oversea-Chinese Banking Corporation Limited

RHB Bank Berhad

Sing Investments & Finance Limited

United Overseas Bank Limited

## Sponsor

United Overseas Bank Limited

80 Raffles Place, UOB Plaza

Singapore 048624

## Company Registration Number

200819689Z

## Registered Office

7 Changi Business Park Vista

#01-01, SOOKEE HQ

Singapore 486042



**MoneyMax Financial Services Ltd.** and its subsidiaries ("**MoneyMax**" or the "**Group**") is a leading financial services provider, retailer and trader of luxury products in South East Asia. The Group provides both pawnbroking services as well as secured financing services to its customers. Headquartered in Singapore and listed on the Catalist Board of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the Group currently has a network of more than 90 outlets across Singapore and Malaysia, making it one of the largest pawnbroking chains in the region.





**02 Our Businesses / 03 Company Profile / 04 Chairman's Statement / 07 Financial Highlights**

**08 Financial And Operational Review / 10 Board Of Directors / 12 Management Team**

**14 Business Highlights / 18 Sustainability Report / 33 Corporate Governance Report**

**55 Financial Statements / 122 Statistics Of Shareholdings / 124 Notice Of Annual General Meeting**

*This annual report has been prepared by MoneyMax Financial Services Ltd. (the "Company") and has been 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 (the "SGX-ST") Listing Manual Section B: Rules of Catalyst. This annual report has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made or reports contained in this annual report. The contact person for the Sponsor is Mr Lim Hoon Khia, Senior Director, Equity Capital Markets, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, telephone: +65 6533 9898.*

## OUR BUSINESSES



### Pawnbroking

We provide customers with short-term financing solutions, secured by pledged collateral articles such as gold, diamond and gem-set jewellery, luxury timepieces and branded bags. Today, MoneyMax is one of the largest pawnbroking and retail chains with a network of more than 90 outlets in Singapore and Malaysia.



### Retail & Trading

MoneyMax Jewellery offers a wide variety of brand new gold jewellery and pre-loved luxury timepieces and branded bags.



### Automotive Financing

MoneyMax Leasing is a one-stop automotive financing hub, which provides flexible automotive financing solutions to car owners and dealerships.



### Property Financing

We offer loans to individuals and businesses in the form of secured collateral, such as property.



### E-Auction

SG e-Auction is Singapore's first LIVE B2B online auction platform, with a focus on luxury branded merchandise, gold and diamond goods. By combining the state-of-the-art technology with a wide reach of businesses, traders can now make real-time live electronic bids on an extensive range of merchandise.



### Insurance

MoneyMax Assurance Agency offers motor and general insurance services.



# COMPANY PROFILE



MoneyMax Financial Services Ltd. (“**MoneyMax**” or the “**Company**”, and together with its subsidiaries, the “**Group**”) is a leading financial services provider, retailer and trader of luxury products in South East Asia. The Group provides both pawnbroking services as well as secured financing services to its customers. Headquartered in Singapore and listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), the Group currently has a network of more than 90 outlets across Singapore and Malaysia, making it one of the largest pawnbroking and retail chains in the region.



***“As a customer-centric and innovative company, the Group is constantly exploring new opportunities to enhance customer experience and service standards in the pawnbroking industry.”***

As a customer-centric and innovative company, the Group is constantly exploring new opportunities to enhance customer experience and service standards in the pawnbroking industry. In 2015, the Group launched MoneyMax Online, making it Singapore's first pawnbroking chain to offer customers an online platform to shop, sell and appraise their valuables. Subsequently, in 2016, the Group introduced a new 916 Love Gold jewellery collection in all its outlets to offer customers a wider variety of gold and jewellery in addition to pre-owned offerings. The Group also developed and rolled out the Peppa Pig jewellery collection, its first intellectual property (“**IP**”) jewellery series and the first of its kind in ASEAN in 2018.

As part of its efforts to expand its markets and services, MoneyMax made its maiden foray into the People's Republic of China (“**PRC**”) in 2016 via a joint venture to provide financial leasing services in Chongqing, PRC. In 2017, the Group entered into a joint venture collaboration with Tokyo Stock Exchange-listed, Aucnet Inc. to jointly develop Singapore's first online 'live' business-to-business auction platform, focusing on luxury branded merchandise, and gold and diamond goods. In 2018, the Group ventured into the automotive financial services industry, providing one-stop solutions for automotive ownership services through MoneyMax Leasing and MoneyMax Assurance Agency.

MoneyMax has also won multiple awards from the coveted Singapore Prestige Brands Award, including Overall Winner Award (Promising Brands – 2013) and The Most Popular Brand Award (Established Brands – 2015), and has been inducted into its prestigious Hall of Fame in 2015. MoneyMax is proud to be named by The Straits Times as one of “Singapore's Fastest Growing Companies 2020”. MoneyMax Assurance Agency also had the honour to be a recipient of Income's Million Dollar Producer Award in 2022.

# CHAIRMAN'S STATEMENT



## Dear Shareholders,

On behalf of the board of directors (the “**Board**”) of MoneyMax Financial Services Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”), I am pleased to present to you our annual report for the financial year ended 31 December (“**FY**”) 2022.

## A Resilient Southeast Asia

The recovery of the global economy from the COVID-19 pandemic over the past year has not been as smooth and optimistic as some would have hoped for. Headwinds that were brewing gathered noticeable strength in 2022, as the global economy had to deal with supply chain disruptions, rising

geopolitical tensions and turbulent financial markets.

Faced with soaring inflation rates, the United States Federal Reserve implemented a series of rate hikes in 2022, raising short-term borrowing costs by 425 basis points within a single year. With many other central banks adopting similar monetary policies, the global economy faced increasing concerns of the possibility of a recession amidst tightening financial conditions.

In spite of these global macroeconomic headwinds, the Southeast Asian economy has remained vibrant. The region experienced relatively resilient

growth in the post pandemic era as global supply chains continued to diversify and reposition themselves within Southeast Asia. Coupled with the re-opening of the Chinese borders in 2023, there is cautious optimism that the Southeast Asian economy will remain resilient against the global backdrop of recessionary fears and rising interest rates.

Amidst these uncertainties and challenges, I am proud to share that the Group achieved a record-breaking financial performance in FY2022. The Group posted a higher revenue of S\$253.5 million in FY2022, representing an increase of S\$54.3 million or 27.2%





## CHAIRMAN'S STATEMENT

of outlets in our pawnbroking and retail network to 92 as at the date of this report.

### MoneyMax Drive Through – A Game Changer

The Group has maintained a strong presence in the Malaysian pawnbroking industry nearly a decade, with its assets showing steady year-on-year growth throughout the pandemic years. Our decade long of experience in the industry gave us an in-depth understanding of the needs of the customers as well as the market potential of the respective towns across the Peninsular Malaysia, priming us to capitalise on opportunities as and when they arise.

The pandemic offered precisely that opportunity with the leases of many strategic locations being available on the market, and the Group made a concerted expansionary push into Malaysia under our very own “MoneyMax” brand for the first time. In slightly under a year, we have established 11 operational pawnbroking outlets located strategically across the Peninsular Malaysia, in addition to the 29 existing pawnbroking outlets.

Our nuanced perspective of the industry also led us to identify 3 areas in which we could differentiate ourselves from our peers. Customers these days prefer a pawnbroker that can offer financial services in a manner that is convenient, secure and private. In aligning our customers’ needs with our decade worth of operational know-how and experience, we launched a pawnbroking drive-through concept in 6 of the 11 new Malaysian pawnbroking outlets.

Our decisiveness in 2022 made this breakthrough possible and this concept has been well-received by the customers. By scaling a business model that blends the traditional store front with a novel drive-through concept, we have laid the foundations for solidifying and lifting our market position for years to come.

from S\$199.2 million in FY2021. This increase can be attributed to an increase in revenue across all business segments. Likewise, the assets under our business segments continued to show consistent growth, increasing by S\$111.5 million or 21.5% to S\$630.4 million as at 31 December 2022. In line with the strong performance across all our business segments, the Group posted a record profit before tax of S\$29.7 million in FY2022, representing an increase of S\$4.3 million or 16.9% from S\$25.4 million in FY2021.

### A Sharper Focus

The pandemic years presented the Board and the Management an

opportunity to examine its business plans and identify growth opportunities. To this end, we have identified several key growth drivers within our business segments which sharpened our focus considerably in terms of strategic thought, resource allocation and human capital development.

### Pawnbroking – Cementing our Market Position

In 2022, we doubled down on establishing ourselves as the pawnbroking chain with the largest network of pawnbroking and retail branches across Singapore and Malaysia. The Group opened 15 new outlets in total during 2022 and 2023 to date, bringing the total number

# CHAIRMAN'S STATEMENT



## Our Automotive Financing Business Unit

2022 also marked the fourth year since the inception of the Group's automotive financing business. This business unit has continued to grow from strength to strength, and we went one step further in FY2022 by gathering the most promising partners in our dealership network for MoneyMax Leasing's inaugural Partners' Appreciation Night. In a fast-paced and competitive landscape, we are mindful that the key to maintaining and improving business partnerships goes beyond providing mere financial services to our partners. We aim to grow their businesses together with them, and part of that includes recognising and celebrating their successes along the way.

## Continuous Growth – The Long Game

A core priority of the Group lies in ensuring that our businesses remain capable of achieving sustainable economic growth in the long term. As a provider of financial services, a critical element to the continued growth of the

Group is its source of funding. To this end, I am pleased to share that we have successfully established a S\$100 million commercial paper programme, whereby digital security tokens ("Tokens") will be issued and traded on the security token trading platform "ADDX", with our inaugural issuance of Tokens in January 2023 raising a total of S\$12.54 million in gross proceeds. The ability to tap on a diversified pool of funds for our business needs makes our growth trajectory much more robust.

## Building up our Communities

Our conviction towards the long-term sustainability of the Group also extends towards creating actual tangible value and support for our local communities.

In addition to the usual community outreach program that the Group participates on a regular basis, discussions are already underway for establishing an education grant aimed at supporting less privileged children within our local communities for their education needs. It is our hope that the Group as a whole takes a firmer stride towards being a more socially responsible corporate citizen of Singapore through the launch of our "MoneyMax Education Grant".

## For our Shareholders

The Board has proposed a one-tier tax exempt dividend of 1.00 Singapore cent per share for FY2022, subject to

the approval of our shareholders at the forthcoming annual general meeting of the Company.

## Acknowledgements

The stellar performance of the past financial year would not have been possible without the unwavering dedication of our people across our business segments. I would like to take this opportunity to extend my deepest appreciation to my colleagues for their commitment and resilience. I would also like to thank our Board for the continued support and guidance as we remain firmly focused on our vision of providing financial services to the unbanked and underbanked to enhance social mobility. Finally, my deepest gratitude to our customers, business partners, and shareholders for the support across all these years. The promise for a better tomorrow for the Group is only made possible with you by our side.

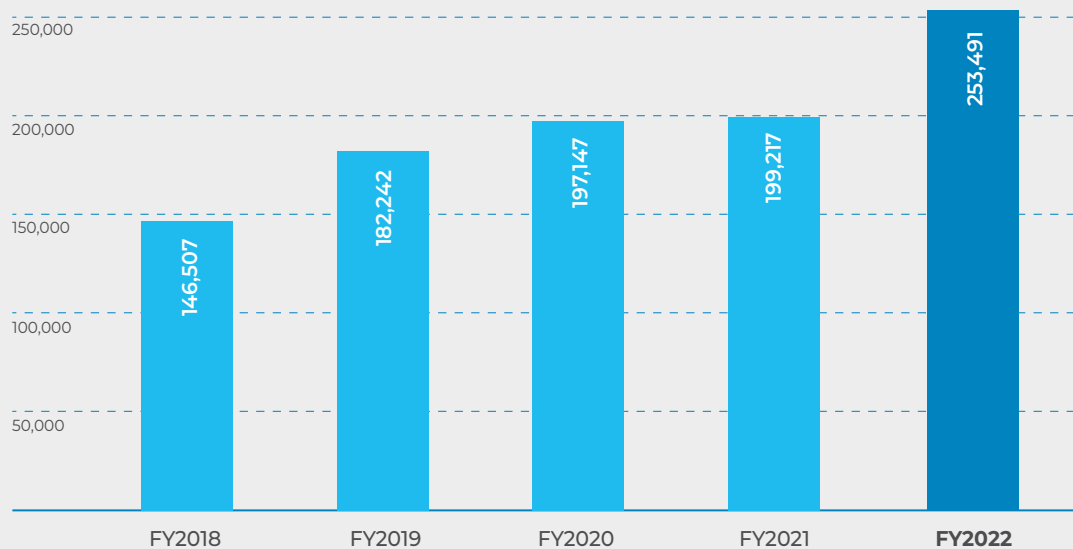
Dato' Sri Dr Lim Yong Guan  
Executive Chairman and  
Chief Executive Officer



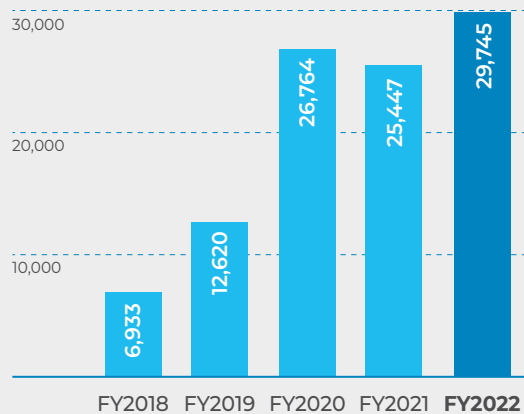


# FINANCIAL HIGHLIGHTS

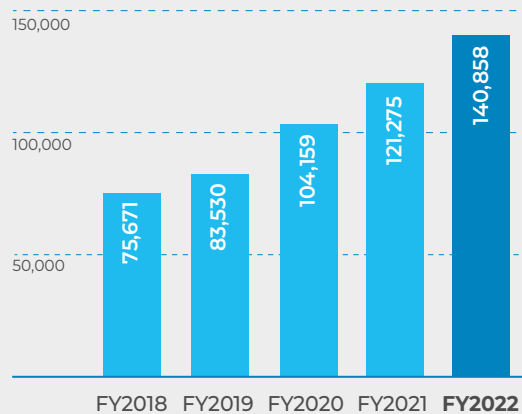
## Revenue (S\$'000)



## Profit Before Tax (S\$'000)



## Net Asset Value (S\$'000)



## Key Financial Information (S\$'000)

Year	FY2018	FY2019	FY2020	FY2021	FY2022
Revenue	146,507	182,242	197,147	199,217	253,491
Profit before tax	6,933	12,620	26,764	25,447	29,745
Profit net of tax	5,490	9,566	22,249	21,126	23,783
Net asset value	75,671	83,530	104,159	121,275	140,858
Earnings per share (S\$ cents) <sup>1</sup>	1.13	1.92	4.61	4.48	4.99

1. For the purpose of comparison, earnings per share for prior corresponding years have been adjusted retrospectively for the 88,449,999 new ordinary shares issued pursuant to a bonus issue on 13 October 2021.

# FINANCIAL AND OPERATIONAL REVIEW

## Consolidated Statement of Profit and Loss and Other Comprehensive Income

The Group achieved a record performance in FY2022. Revenue grew by 27.2% as compared to FY2021 to S\$253.5 million, surpassing the S\$250 million mark. Profit net of tax grew by 12.6% as compared to FY2021 to S\$23.8 million.

Revenue increased by S\$54.3 million or 27.2% from S\$199.2 million in FY2021 to S\$253.5 million in FY2022. The changes in revenue in FY2022, as compared to FY2021 respectively, were due to an increase in revenue from the pawnbroking, retail and trading of gold and luxury items and secured lending segments.

Other gains decreased by S\$1.0 million or 37.4%, from S\$2.7 million in FY2021 to S\$1.7 million in FY2022. The decrease was mainly due to lower government grants received in FY2022 and absence of fair value gain on investment in other financial assets recorded in FY2021.

Material costs increased by S\$33.8 million or 26.2% from S\$129.0 million in FY2021 to S\$162.8 million in FY2022. The increase in material costs in FY2022 were mainly due to the increase in revenue in the retail and trading of gold and luxury items segment.

Employee benefits expenses increased by S\$5.4 million or 27.4% from S\$19.5 million in FY2021 to S\$24.9 million in FY2022. The increase was mainly due to increase in staff headcount to support the opening of new stores and salary increments during FY2022.

Depreciation and amortisation expenses increased by S\$1.0 million or 8.1% from S\$12.1 million in FY2021 to S\$13.1 million in FY2022. The increase in depreciation and amortisation expenses in FY2022 was mainly due to higher depreciation expenses arising from the new stores opened in FY2022.

Finance costs increased by S\$5.1 million or 54.2% from S\$9.5 million in FY2021 to S\$14.6 million in FY2022.

Other expenses increased by S\$3.7 million or 62.9% from S\$5.8 million in FY2021 to S\$9.5 million in FY2022. This increase was mainly due to higher promotional expenses and lower rental rebates received.

As a result of the above, profit before tax increased by S\$4.3 million or 16.9% from S\$25.4 million in FY2021 to S\$29.7 million in FY2022.





# FINANCIAL AND OPERATIONAL REVIEW

Income tax expense increased by S\$1.6 million or 38.0% from S\$4.3 million in FY2021 to S\$6.0 million in FY2022 mainly due to the increase in profit before tax, lower tax-exempt income and non-recognition of deferred tax income for certain tax losses.

## Consolidated Statement of Financial Position

Non-current assets increased by S\$38.1 million or 23.8% from S\$160.1 million as at 31 December 2021 to S\$198.2 million as at 31 December 2022. The increase was mainly attributable to an increase in (i) trade and other receivables, non-current of S\$41.3 million as a result of an increase in the secured lending business; (ii) property, plant and equipment of S\$2.1 million arising from opening of new stores; and (iii) other assets, non-current of S\$0.4 million, offset by a decrease in right-of-use assets of S\$5.8 million.

Current assets increased by S\$71.8 million or 20.0% from S\$358.7 million as at 31 December 2021 to S\$430.6 million as at 31 December 2022. This was mainly due to an increase in (i) trade and other receivables, current of S\$60.6 million mainly as a result of an increase in pledged loan receivables and lease payment receivables; (ii) inventories of S\$8.5 million largely from the new retail stores; (iii) other assets, current of S\$1.6 million and (iv) cash and cash equivalents of S\$1.1 million.

Non-current liabilities increased by S\$13.5 million or 11.1% from S\$121.6 million as at 31 December 2021 to S\$135.1 million as at 31 December 2022. This was mainly due to increased drawdown of bank facilities of S\$17.8 million to support the Group's businesses growth offset by a decrease in lease liabilities, non-current of S\$4.5 million.

Current liabilities increased by S\$76.9 million or 27.8% from S\$276.0 million as at 31 December 2021 to S\$352.9 million as at 31 December 2022. This was mainly due to an increase in (i) trade and other payables, current of S\$5.3 million, (ii) other financial liabilities, current of S\$62.7 million due to increased bank borrowings and (iii) loans from related parties of S\$10.7 million, offset by a decrease in lease liabilities, current of S\$1.2 million and other liabilities, current of S\$0.7 million.

Equity attributable to owners of the Company increased by S\$17.9 million or 15.7% from S\$113.4 million as at 31 December 2021 to S\$131.2 million as at 31 December 2022. The increase was mainly due to total comprehensive income attributable to owners of the Company of S\$22.1 million for FY2022, offset by payment of the final dividend payment in respect of FY2021 of S\$4.2 million in FY2022.



## Consolidated Statement of Cash Flows

Net cash generated from operating activities before changes in working capital in FY2022 was S\$57.2 million. Net cash used in working capital amounted to S\$97.0 million. This was mainly due to an increase in trade and other receivables of S\$102.0 million, an increase in inventories of S\$8.5 million, an increase in other assets of S\$2.0 million and a decrease in other liabilities of S\$0.7 million, partially offset by an increase in loans from related parties of S\$10.7 million and an increase in trade and other payables of S\$5.5 million. Net cash used in operating activities amounted to S\$45.9 million after deducting income tax paid of S\$6.1 million in FY2022.

Net cash used in investing activities in FY2022 amounted to S\$4.2 million, mainly due to the purchase of plant and equipment for new and existing stores and acquisition of subsidiaries.

Net cash generated from financing activities in FY2022 of S\$51.9 million was mainly due to drawdown of new bank borrowings of S\$179.7 million, partially offset by dividends paid, interest paid, repayment of lease liabilities and repayment of bank borrowings of S\$4.2 million, S\$14.6 million, S\$10.4 million and S\$98.6 million respectively.

As a result of the above, there was a net increase of S\$1.8 million in cash and cash equivalents from a net cash balance of S\$17.9 million as at 31 December 2021 to S\$19.5 million as at 31 December 2022.



# BOARD OF DIRECTORS



**1 Dato' Sri Dr. Lim Yong Guan** is one of our co-founders and was appointed as the Executive Chairman and CEO of our Group on 9 October 2008. He was last re-elected on 27 April 2021. Since the Group's establishment, Dr. Lim has been instrumental to the Group's growth and continued success. As the Executive Chairman and CEO, Dr. Lim is responsible for the overall management, operations, strategic planning, and business development of the Group. He is also responsible for, inter alia, driving the operational efficiency of the Group's work processes, monitoring the development and performance of the Group's business, and identifying new opportunities for the Group's expansion.

**2 Mr. Lim Yong Sheng** is one of our co-founders and was appointed as an Executive Director of the Company on 9 October 2008. He was re-designated as a Non-Executive Director of the Company on 6 August 2015 and was last re-elected on 27 April 2022.

Having accumulated more than 30 years of experience in the jewellery industry, Mr. Lim currently serves as the Executive Director and Group CEO of SK Jewellery Group Pte. Ltd. and is responsible for its strategic planning, overall management, business development and

Dr. Lim serves as a committee member for the Singapore Pawnbrokers' Association. In addition, he is actively involved in community and grassroots activities. Dr. Lim serves as the Chairman for Bukit Merah Community Centre Management Committee and Hua Yan Buddhist Society. He also serves as the Board Chairman for Bukit Timah Seu Teck Sean Tong, Chairman for Theng Hai Huay Kuan and Vice Chairman for Radin Mas Citizens' Consultative Committee and Teochew Poit Ip Huay Kuan. He was awarded the prestigious Pingat Bakti Masyarakat or the Public Service Medal in 2015 and Bintang Bakti Masyarakat or the Public Service Star in 2021.

marketing strategies. Prior to his appointment as the Executive Director and Group CEO of SK Jewellery Group Pte. Ltd., Mr. Lim was the Head of Branding and Marketing and Executive Director of the Group, where he oversaw and spearheaded the marketing strategy and brand management for the Group. Mr. Lim currently serves as an independent director of Sarine Technologies Ltd., a company listed on the SGX-ST.

Mr. Lim obtained a Bachelor of Science in Electrical Engineering from the National University of Singapore.





- 1. Dato' Sri Dr. Lim Yong Guan**  
Executive Chairman and  
Chief Executive Officer,  
Co-Founder
- 2. Mr. Lim Yong Sheng**  
Non-Executive Director,  
Co-Founder
- 3. Mr. Ng Cher Yan**  
Lead Independent Director
- 4. Mr. Khua Kian Kheng Ivan**  
Independent Director
- 5. Mr. Foo Say Tun**  
Independent Director

**3 Mr. Ng Cher Yan** was appointed as the Lead Independent Director of the Company on 27 June 2013. He was last re-elected on 27 April 2022. Mr. Ng has more than 30 years of experience in the areas of accounting and finance and is currently the managing partner of an accounting practice, Plus LLP.

Mr. Ng currently also serves as an independent director on the boards of several companies listed on the SGX-ST, namely, Samko Timber Limited, Serial Systems Ltd. and Vicplas International Limited. He was previously a non-executive director of Bull Will Co. Ltd, a company listed in Taiwan.

**4 Mr. Khua Kian Kheng Ivan** was appointed as an Independent Director of the Company on 27 June 2013. He was last re-elected on 27 April 2022. Mr. Khua is currently the executive director of Hock Leong Enterprises Pte. Ltd. ("HLE"), where he oversees the financial, administrative, human resource and business development aspects of HLE's business and operations.

Prior to joining HLE, Mr. Khua worked with Rider Hunt Levett and Bailey, a consultancy firm, between 2000 and 2004. Mr. Khua also currently serves as an independent director of KSH Holdings Limited, and was previously the

**5 Mr. Foo Say Tun** was appointed as an Independent Director of the Company on 27 June 2013. He was last re-elected on 27 April 2022. Mr. Foo was called to the Singapore Bar in 1995 and the Malaysian Bar in 1992. Mr. Foo was a lawyer practicing civil litigation, arbitration and corporate law.

Mr. Foo currently serves as an independent director on the board of Eurosports Global Limited, a company listed

Mr. Ng holds a Bachelor of Accountancy degree from the National University of Singapore and is also qualified as a Chartered Accountant in Australia and New Zealand. He is a Fellow Member of the Institute of Singapore Chartered Accountants, as well as a member of the Chartered Accountants Australia and New Zealand. Mr. Ng was awarded the prestigious Pingat Bakti Masyarakat or the Public Service Medal in 2007 and was awarded the Bintang Bakti Masyarakat or the Public Service Star Award in 2016 for his various community services.

lead independent director of No Signboard Holdings Ltd, companies listed on the SGX-ST.

Mr. Khua holds a Diploma in Building (with Merit) from Singapore Polytechnic, and a Bachelor's degree in Building Construction Management (First Class Honours) from the University of New South Wales, Australia. He is also a member of the Singapore Institute of Arbitrators and the Singapore Institute of Directors. He was awarded the prestigious Pingat Bakti Masyarakat or the Public Service Medal in 2016.

on the SGX-ST. He was previously the non-executive chairman and independent director of Jubilee Industries Holdings Ltd, and an independent director of Qingmei Group Holdings Limited, Sino Techfibre Limited and Fu Yu Corporation Limited, companies listed on the SGX-ST.

Mr. Foo holds a Bachelor of Laws degree from the University of East Anglia (UK), and was admitted to Middle Temple (UK) as a Barrister- at-Law in 1991.

# MANAGEMENT TEAM

## **Mdm. Tan Yang Hong** **Chief Operating Officer**

Mdm. Tan Yang Hong was appointed as the Chief Operating Officer of the Group on 1 October 2010. Mdm. Tan oversees the Group's operations, the Management Integrated Systems (MIS), human resources, management and general administration, as well as dealings with financial institutions and relevant authorities. She is also involved in determining and executing operational audit plans and schedules.

Mdm. Tan has more than 20 years of experience in the jewellery industry, and was responsible for human resource, operational and administrative matters of the SK Jewellery group from 1991 to 2012. She holds a Diploma in Electronics Engineering from Ngee Ann Polytechnic.

## **Mdm. Chong Chit Bien** **Chief Financial Officer**

Mdm. Chong Chit Bien was appointed as the Chief Financial Officer of the Group on 1 November 2021. Mdm. Chong is responsible for the Group's accounting and finance functions.

Mdm. Chong has more than 20 years of financial management experience in start-up, multinational and public listed companies. Prior to joining the Group, she was the Chief Financial Officer of SK Jewellery Group Pte. Ltd.. She had also previously held the position of co-founder and

director, Finance, HR & Admin at Plover Trip Pte. Ltd., senior director (Finance and Accounting) at BCD Travel Singapore Pte. Ltd., Head of Finance at Fossil Singapore Pte. Ltd., and Senior Finance Manager at The Hour Glass Ltd.

Mdm. Chong holds a Bachelor of Commerce (Accounting) from University of Otago in New Zealand and is a member of CPA Australia.

## **Mr. Lim Chun Seng** **Group General Manager**

Mr. Lim Chun Seng joined the Group in June 2018 as an Assistant Business Development Manager and helped to develop the Group's auction business as well as supporting initiatives for the Group's pawnbroking and jewellery segments. With the establishment of the Group's auto financing operations in 2019, he was appointed as Head – Auto Financing Operations on 1 July 2019 and as General Manager, MoneyMax Leasing Pte. Ltd. and MoneyMax Assurance Agency Pte. Ltd. in February 2021. He was promoted to General Manager of MoneyMax Leasing and MoneyMax Malaysia in February 2022. He was responsible for the management of the Group's auto financing and

assurance agency and Malaysia pawnbroking business divisions, including overseeing the division's daily operations, recruitment and branding.

Mr. Lim was promoted to Group General Manager on 1 February 2023 and is responsible for managing and overseeing the Group's overall business and operational matters.

Mr. Lim graduated with a Bachelor of Laws from the University of Birmingham.

## **Mdm. Lim Liang Soh** **Deputy General Manager – Pawnbroking and Retail**

Mdm. Lim Liang Soh was appointed as Head – Retail Operations of the Group on 1 October 2010. Since 2010, she has been managing the overall brand strategy and activities for the Group. Mdm. Lim was promoted to Deputy General Manager, Pawnbroking and Retail with effect from 1 June 2021. She manages the overall brand strategy and activities for the Group. She is also responsible for overseeing the Group's operations, day-to-day business processes, controls, talent management and recruitment.

Mdm. Lim has more than 20 years of experience in the jewellery industry, and was responsible for human resource, operational and administrative matters of the SK Jewellery group from 1991 to 2012. She holds a Diploma in Chemical Process Technology from Singapore Polytechnic.



# EXPANSION AND GROWTH BEYOND SINGAPORE



A leading financial services provider, retailer and trader of luxury goods with more than 90 outlets in Singapore and Malaysia.

## FINANCIAL LEASING

MoneyMax makes foray into China with joint venture, Chongqing Zongshen Financial Leasing Co. Ltd to provide financial leasing services in Chongqing.



Singapore's first LIVE B2B online auction platform focusing on luxury branded merchandise, gold and diamond goods.



# BUSINESS HIGHLIGHTS

## Expansion of the Malaysian Network

MoneyMax continues to strengthen our position in Malaysia's pawnbroking and retail industry by investing in store expansions. In 2022, MoneyMax grew our stores network in Malaysia to 41.

In May 2022, MoneyMax successfully launched the innovative Drive-Thru Pawnbroking Business Model

in Malaysia. The Drive-Thru Business Model provides our customers with both convenience and privacy, without requiring them to leave their vehicles. The results thus far have been encouraging and plans are in place to introduce more Drive-Thru Pawnbroking Stores in Malaysia to cater to the demand and needs of all Malaysians.





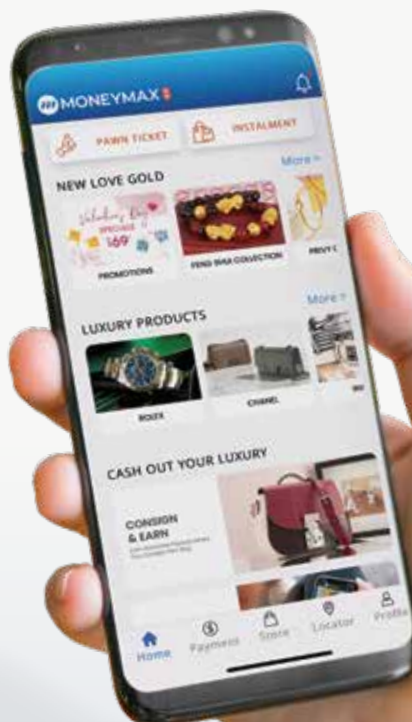
## Transforming Our Stores to Serve Customers Better

MoneyMax Jurong Point and MoneyMax IMM reopened in 2022 after an extensive overhaul that transformed the stores into iconic pawnbroking and jewellery stores respectively. The impeccable sleek and modern decor with premium finishings were designed to offer customers a luxurious and welcoming shopping experience. In order to offer increased convenience to our customers, the Jurong East MRT Station outlet was also relocated to a new location. MoneyMax Waterway Point celebrated its grand opening in 2022 to cater to the needs of Punggol's residents and visitors from across the island.



## MoneyMax E-Services App

At MoneyMax, we continue to invest in our digital platforms to support our customers. Today, customers can access our services anytime, anywhere – be it through our physical branches, digital platforms or a combination of both. The all-in-one MoneyMax e-Services App allows customers to discover a seamless shopping experience, online valuation and manage their pawnbroking interest payments and retail instalments, at the convenience of their fingertips.



# BUSINESS HIGHLIGHTS

## Growing New Customers

As part of our continued efforts in reaching out to our existing and new customers, MoneyMax organised several roadshows in 2022 to showcase our unique product offerings and to provide an entirely different customer experience.



## Celebrity Engagement

MoneyMax unveiled our collaboration with celebrity artiste, Ya Hui. The talented home-grown actress was specially chosen as her trendy and young-at-heart personality closely resonates with our MoneyMax Jewellery brand values. MoneyMax Jewellery exudes the beauty of love and life through our Brand New fine jewellery collections that are designed for everyday wear to celebratory moments that define who we are and what we love.



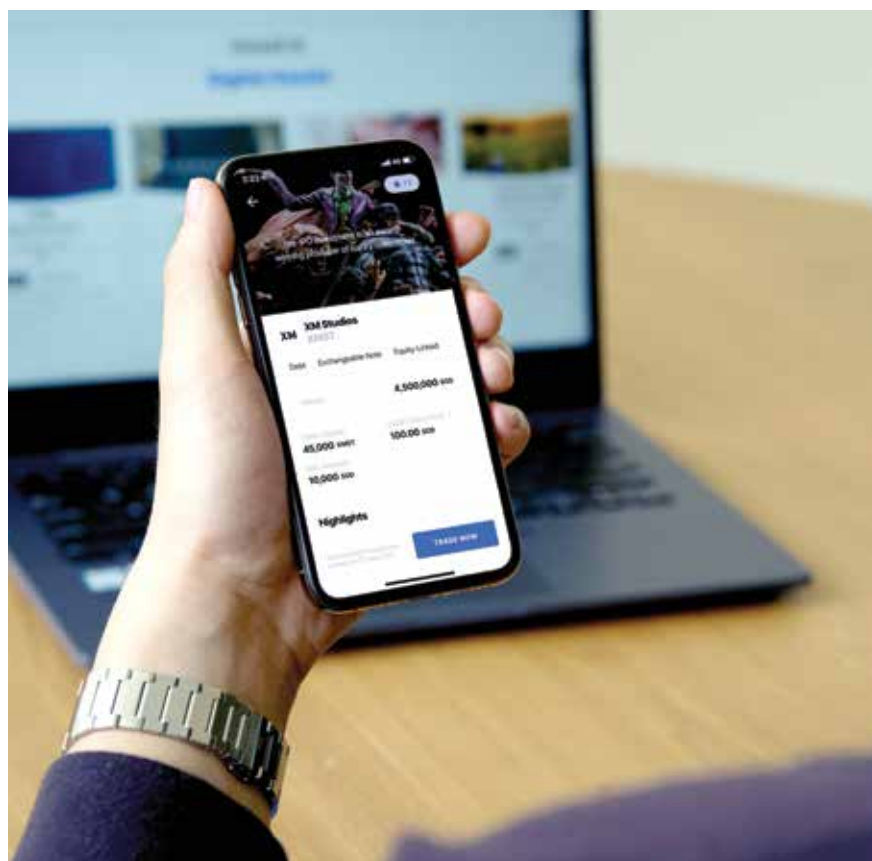


# BUSINESS HIGHLIGHTS

## MoneyMax Leasing Partners' Appreciation Night

The Group looks to continue its journey towards becoming a one-stop automotive financing hub for both end consumers and the automotive industry alike by establishing and maintaining a robust and synergistic network of partnerships.

With this in mind, we gathered the most promising partners in our automotive dealership network for a night of fun and celebration at our inaugural Partners' Appreciation Night at the start of 2023. We also took the opportunity to recognise our best performing partners in the automotive industry. These awards are a testament to their commitment towards the excellent service standards that they have upheld in the industry.



## Capital Prospecting for Further Growth

The Group has established a S\$100,000,000 unsecured commercial paper programme via the digital securities exchange platform, ADDX. We are pleased to further share that the Group successfully raised S\$12.54 million in gross proceeds from the issuance of our Series 001 tokens in January 2023, the proceeds of which will go towards the general working capital purposes of the Group.

The Group views the ability to raise capital from a diversified pool of funders as a cornerstone in its drive towards achieving long term sustainable growth.



# SUSTAINABILITY REPORT

- 19** Sustainability Board Statement
- 20** About This Report
- 21** Stakeholder Engagement
- 22** Materiality Assessment
- 23** Sustainable Economic Growth
- 25** Ethical Business Conduct
- 27** Fair Employment Practices
- 29** Corporate Social Responsibility
- 30** Environmental Stewardship
- 31** GRI Content Index





# SUSTAINABILITY BOARD STATEMENT

The board of directors (the “**Board**” or “**Directors**”) is pleased to present our sustainability report (the “**Report**”) for the financial year ended 31 December 2022 (“**FY2022**”). This Report sets forth our vision for sustainability growth and the initiatives we have established to align our business practices with our stakeholders’ expectations.

As a leading financial service provider, retailer and trader of pre-owned luxury products in South East Asia, MoneyMax Financial Services Ltd. (“**MoneyMax**” or the “**Company**”, and together with its subsidiaries, the “**Group**”) remains steadfast in our commitment to generating long-term value for our stakeholders. The Group’s drive towards achieving sustainable growth is anchored upon four main tenets, which are (i) to manage our businesses with financial prudence; (ii) to have customer-centricity as an entrenched ethos of the organisation; (iii) to build an inclusive and progressive workplace, and (iv) to maintain robust legal compliance and corporate governance frameworks to guide our business practices. By integrating these principles into the Group’s business strategy, the Board seeks to steer the Group towards resilience and adaptability.

The Board holds overall responsibility for determining our environmental, social and governance (“**ESG**”) priorities and incorporating sustainability considerations in all aspects of our strategy, operations, and decision-making processes. We seek to position ourselves for strategic growth by proactively managing and monitoring the ESG issues that we have identified to be relevant and significant to our business and our stakeholders.

Committed to maintaining the highest standards of professionalism and integrity, the Group has in place a holistic compliance and governance program that combines training, monitoring and enforcement. In FY2022, we had zero instances of regulatory non-compliance with the prevailing consumer protection, anti-money laundering and counter-terrorism financing laws. We pride ourselves in providing our customers with ethically sourced products and reliable services.

MoneyMax also recognises that as a corporation, we have a role to play in reducing our carbon footprint. In pursuit of greater energy and resource-efficiency, MoneyMax participates in the LowCarbonSG program launched by the Carbon Leadership Pricing Coalition Singapore (“**CPLC-SG**”). The CPLC-SG brings together industrial leaders to share their experience working with carbon pricing and to expand the evidence base on the most effective pricing systems and policies to discourage carbon dioxide emissions. By joining the LowCarbonSG Program, MoneyMax will be able to access digital recording tools and guidance to decarbonize our operations and lower our environmental footprint in the years to come.

With the gradual re-opening of the economy, we remain cautiously optimistic about our future earnings and will continue to focus on improving the operational efficiency of our businesses, whilst evaluating new opportunities for the

Group’s sustainable growth. We look forward to making further progress in our sustainability journey in the years to come and would hereby like to extend our appreciation to the Group’s management team, employees, partners, and other stakeholders for their unwavering support thus far.



# ABOUT THIS REPORT

This Report summarizes MoneyMax's approach for the sustainability issues we have identified as being material to our business and our stakeholders, encapsulating our ESG performance over the past year as well as the targets and commitments we have established for the future.

## Reporting Scope and Period

The scope of this Report includes our operations in Singapore, which includes the Group's headquarters and the 48 retail and pawnbroking outlets we manage across the island as at 31 December 2022, which accounted for over 90% of the Group's total revenue. We aim to expand our reporting scope to include our operations in Malaysia as our sustainability reporting matures.

This Report covers data and information for FY2022. Where available, comparative data from the financial year ended 31 December 2021 ("FY2021") has been included as well.

## Reporting Framework

This Report has been prepared with reference to the Global Reporting Initiative ("GRI") Standards, chosen for its user-friendly modular system and the comprehensive guidance it provides on a range of sustainability related topics. The GRI Content Index can be found on pages 31 to 32 of this Report.

The Report has also been prepared in compliance with Rule 711B of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalyst ("Catalist Rules"). With support from the LowCarbonSG programme, we will be strengthening our sustainability governance structure, mapping out the risks and opportunities climate change presents to our business, and establishing the necessary ESG data infrastructure in the upcoming financial year. We aim to progressively include climate-related disclosures that are aligned with the recommendations of the Taskforce for Climate-related Financial Disclosures ("TCFD") in future sustainability reports.

## Independent Review

The Group's internal auditors, has also performed an internal review on our sustainability reporting processes in FY2022 and provided guidance on the development of the structure of this Report as well as compliance with GRI Standards and Catalyst Rules. Any recommendations arising from the review were taken into consideration during the development of this Report.

The Group has not sought external independent assurance for this Report and will consider doing so in the future if necessary. All information and data in this Report are disclosed voluntarily and reviewed internally. We have

relied on internal data monitoring and verification to ensure the accuracy of our analysis.

## Feedback

We welcome feedback from MoneyMax's stakeholders as we continuously strive to improve our performance and reporting in our sustainability journey. For any enquiries, comments, or suggestions, kindly contact us at: [ir@moneymax.com.sg](mailto:ir@moneymax.com.sg).

The PDF version of this Report will be uploaded annually on SGXNET and MoneyMax's website at <https://moneymax.com.sg/investors-home/>.

## GRI REPORTING PRINCIPLES

### Stakeholder's Inclusiveness

Identification of the stakeholders of MoneyMax and our Group's response to their expectations and interests

### Sustainability Context

Presentation of our Group's performance from a sustainability perspective

### Materiality

Aspects of our Group that have (i) significant economic, environmental or social impact or (ii) significantly influenced the assessments and decisions of our Group's stakeholders

### Completeness

Reflection of the material aspects of our Group to enable the stakeholders to assess the performance of our Group

# STAKEHOLDER ENGAGEMENT

Effective stakeholder engagement entails being agile in adjusting our strategic and operational priorities in response to the feedback and suggestions we receive, as well as being transparent in keeping stakeholders updated on material developments with regards to the Group's sustainability approach. We engage our key stakeholders via both formal and informal channels of communication to ensure our continued relevance in a fast-paced, rapidly evolving industry.

At MoneyMax, we adopt an inclusive approach to stakeholder's engagement. We identify stakeholders as groups which have an impact or have the potential to be impacted by our business. As part of our materiality assessment process, we have identified six key stakeholder groups we engage with based on their level of influence and interest.

	Engagement Channels	Stakeholders' Expectations	Our Response
<b>Customers</b>	<ul style="list-style-type: none"> <li>Feedback channels, including social media platforms, emails, hotlines, in-store feedback forms</li> <li>Informal feedback sessions</li> </ul>	<ul style="list-style-type: none"> <li>Product offering</li> <li>Quality service</li> <li>Value-for-money products and services</li> <li>Customer safety</li> </ul>	<ul style="list-style-type: none"> <li>Launch of new products and tools for our customers</li> <li>Customer service trainings and orientations for new hires to maintain our service standards</li> </ul>
<b>Shareholders</b>	<ul style="list-style-type: none"> <li>Annual general meetings</li> <li>Annual reports</li> <li>SGXNET announcements</li> <li>Shareholders' circulars</li> </ul>	<ul style="list-style-type: none"> <li>Financial performance</li> <li>Investment returns</li> <li>Transparency and timely reporting</li> </ul>	<ul style="list-style-type: none"> <li>Provide timely information to shareholders, in line with good corporate governance and disclosure practices</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>Induction program for new employees</li> <li>Weekly town hall and meetings</li> <li>Regular company events</li> <li>Informal feedback channels</li> <li>Annual performance appraisal</li> </ul>	<ul style="list-style-type: none"> <li>Fair employment practices</li> <li>Recognition of efforts</li> <li>Opportunities to learn and grow</li> <li>COVID-19 workplace arrangements</li> </ul>	<ul style="list-style-type: none"> <li>Provide job rotation and training opportunities to develop and upskill our employees</li> <li>Organise staff engagement activities to improve working relationships and allow for team bonding</li> </ul>
<b>Business Partners</b>	<ul style="list-style-type: none"> <li>Regular meetings and dialogue sessions</li> </ul>	<ul style="list-style-type: none"> <li>Good relationship</li> <li>Fair market practices</li> <li>Timely payments</li> <li>Business prospects</li> </ul>	<ul style="list-style-type: none"> <li>Frequent communication and meetings with business partners</li> </ul>
<b>Regulatory Authorities</b>	<ul style="list-style-type: none"> <li>Participation in discussions and consultations</li> <li>Regular reports to regulatory authorities</li> </ul>	<ul style="list-style-type: none"> <li>Accurate and timely reporting</li> <li>Compliance with local laws and regulations</li> </ul>	<ul style="list-style-type: none"> <li>Timely submission of reports to Registry of Pawn and Ministry of Law</li> </ul>
<b>Local Community</b>	<ul style="list-style-type: none"> <li>Community outreach activities</li> <li>Engagement with community projects and charities</li> </ul>	<ul style="list-style-type: none"> <li>Social responsibility</li> <li>Environmental responsibility</li> </ul>	<ul style="list-style-type: none"> <li>Participated in community programs to support the underprivileged</li> <li>Made monetary donations to various charity organizations</li> </ul>





# MATERIALITY ASSESSMENT

In consultation with the Board, a materiality assessment was conducted to evaluate the Group's impact on the economy, environment, and people and establish our ESG priorities. This is key to ensuring that our stakeholders'

needs are met, and their concerns are addressed.

In FY2022, we have reviewed the list of material ESG factors that were disclosed in previous years, taking

into consideration the recent update to the GRI Universal Standards and enhancements to SGX-ST's sustainability reporting rules. Accordingly, we have determined the following ESG factors to remain material to our business and our stakeholders.

Material Topics	Targets Met in FY2022	Our Commitment for the Future
<b>Sustainable Economic Growth</b>	Posted a profit before tax of S\$29.7 million, marking a 16.9% increase from FY2021	To capitalize on opportunities to strategically enhance our position as a dominant market player seeking to achieve sustainable long-term growth
<b>Consumer Experience and Product Responsibility</b>	No customer complaints received from the Consumer Association of Singapore	To achieve service excellence and minimize customer complaints by conducting customer service training for all of the Group's outlet employees
<b>Legal Compliance and Corporate Governance</b>	No material incidents of non-compliance with laws, rules, and regulations governing the Group's businesses	To maintain effective corporate governance and accountability structures across the Group, to ensure regulatory compliance
<b>Anti-Corruption and Anti-Fraud</b>	No material incidents of fraud, corruption, or whistleblowing reports received in FY2022	To adhere to the highest standards of professionalism, integrity, and ethics across the organisation
<b>Data Privacy</b>	No material cases of data breaches or substantiated complaints received from the Personal Data Protection Commission	To ensure that our information systems and data are protected against service interruption and security breaches
<b>Diversity and Equal Opportunities</b>	Zero reports of discrimination based on gender, age, or any other characteristics	To build a workplace that is not only inclusive and progressive, but also one that encourages employee growth and success
<b>Corporate Social Responsibility</b>	Donated a total of S\$85,000 to local charities and community organisations	To enrich and strengthen the social bonds with local communities, thereby building community resilience
<b>Environmental Stewardship</b>	Listed as a partner of CPLC-SG, with zero incidents of environmental non-compliance in FY2022	To maximise the environmental efficiency of our operations and contribute towards a greener future for everyone

## Material Factors

Through the various channels of communication, the Group, together with our stakeholders, have identified the following ESG factors in accordance to the materiality matrix below to drive sustainable growth through our businesses.

## SUSTAINABILITY PILLARS



While the Board is responsible for reviewing and approving the reported information, including the Group's material topics, MoneyMax's sustainability efforts are led by the senior

management, who ensures that the Group's business objectives are in line with our commitment to sustainable development and maintains on-going communication with the Board. To

equip the Board with the relevant sustainability knowledge, all the Directors have attended the mandatory sustainability training course.

# SUSTAINABLE ECONOMIC GROWTH

Through our businesses, the Group adopts a multi-pronged approach to promote sustainable economic growth within the region by:

- (i) promoting financial inclusiveness in our communities,
- (ii) creating jobs for our employees,
- (iii) sourcing for goods from suppliers and engaging the services of various service providers,
- (iv) supporting local communities,
- (v) making prompt tax payments to governments, and
- (vi) generating dividends for our shareholders.



## Financial Inclusiveness

Financial inclusion means that all people and businesses have access to and are empowered to use affordable, responsible financial services that meet their needs. As an alternative financial service provider, MoneyMax provides segments of society that typically have limited access to traditional banking services with liquidity from alternative forms of credit.

With a focus on asset-backed financial products, the Group also seeks to address the financing gap for local small medium enterprises (“SMEs”) that may likewise face considerable headwinds in obtaining credit facilities. The availability of necessary working capital support not only ensures sufficient cash flow for these SMEs, but also allows them to capture new economic opportunities, build capabilities and scale their businesses.

## Financial Performance

Financial prudence remains a fundamental aspect of the Group's ability to maintain our competitive advantage across our respective businesses. Weekly management meetings are held to discuss MoneyMax's business strategy in relation to changing market conditions, and a monthly financial review helps ensure the effective allocation of resources across the Group. Our financial management policies have allowed us to effectively navigate global headwinds and a slow pandemic recovery over the past few years.

By maintaining a prudent capital structure, MoneyMax has been able to generate profits in a consistent manner over the course of FY2022, with profit before tax amounting to S\$29.7 million. The economic value we generated has then been distributed among various stakeholders, bringing our net profits for the year to a total of S\$23.8 million.



# SUSTAINABLE ECONOMIC GROWTH

GRI 201-1	FY2022	FY2021
<b>Economic Value Generated</b>		
• <b>Revenue</b>	S\$253.5 million	S\$199.2 million
• <b>Other gains</b>	S\$1.7 million	S\$2.7 million
<b>Economic Value Distributed</b>		
• <b>Material costs</b>	S\$162.8 million	S\$129.0 million
• <b>Employee wages and benefits</b>	S\$24.9 million	S\$19.5 million
• <b>Depreciation and amortization expenses</b>	S\$13.1 million	S\$12.1 million
• <b>Finance costs</b>	S\$14.6 million	S\$9.5 million
• <b>Other expenses and losses</b>	S\$10.0 million	S\$6.4 million
• <b>Income tax expense</b>	S\$6.0 million	S\$4.3 million
<b>Economic Value Retained</b>		
• <b>Net profit</b>	S\$23.8 million	S\$21.1 million

Driven by the increase in revenue from the pawnbroking, retail and trading of gold and luxury items and secured lending segments, the Group recorded a 12.6% increase in our net profits in FY2022 compared to the prior year.

Moving forward, we target to drive organic growth across our various business units and enhance shareholders' value, by actively investing in its regional pawnbroking network and enhancing our digital product and service offerings. The Group will continue to evaluate potential acquisitions for growth across its key markets in the Southeast Asia region.

For more information on MoneyMax's FY2022 financial performance, please refer to pages 7 to 9 of the Company's annual report for FY2022.

## Customer Experience and Product Responsibility

Customer centricity has always been a key ethos at MoneyMax. The Group remains strongly committed to providing only the best service quality to our customers, as this helps MoneyMax stand out among our industry peers, directly translating to an increase in market share and potential revenue growth for our businesses.

The Customer Service Department actively monitors the number of customer complaints received every month, investigates the root cause of such complaints, and reaches out to the customer to amicably resolve the incident. At the store level, customer service trainings are held for new hires to ensure that they are well-equipped with the necessary soft skills to support the needs of our customers.

We are pleased to announce that there had been no complaints received from the Consumer Association of Singapore in FY2022, and we target to maintain our prevailing service quality standards in accordance with the Consumer Protection (Fair Trading) Act (Cap. 52A) and to reduce the number of customer complaints received throughout the year.

We strive to maintain our market position by ensuring we gain the trust of our customers and their families, while consistently building our reputation and brand name.



**We maintain a firm and sound system of effective compliance and governance regimes to ensure accountability and transparency in carrying out our business activities and sustainability efforts.**

## **Legal Compliance and Corporate Governance**

Good corporate governance is key to ensuring the sustainability and credibility of our businesses. After all, the industry we work within is heavily regulated under the Pawnbrokers Act 2015, the Pawnbroking Rules 2015, the Secondhand Goods Dealers Act (Chapter 288A), the Anti-Money Laundering regulations and Precious Stones and Precious Metals (Prevention of Money Laundering and Terrorism Financing) Act 2019 in Singapore, as well as the Pawnbroking Act 1972 in Malaysia.

Across the Group, the Risk and Compliance department manages a holistic compliance and governance program that combines training,

monitoring and enforcement to ensure that our day-to-day operations are strictly in compliance with the prevailing regulatory requirements and legislation. On top of regular checks by the Risk and Compliance team, our business processes are subject to audits by independent third parties and unscheduled visits from the Ministry of Law. We strive to ensure that our employees are well equipped with the knowledge of the basic regulatory frameworks of our business units and are kept updated with regards to any changes and alterations in regulatory requirements.

The Group has an important role to play in protecting the integrity of financial system by systematically reducing the possibility of facilitating financial crime

through our business units. To further mitigate the risk of money-laundering and terrorism financing, customer due diligence checks are performed with the help of an external solutions provider, and the mandatory internal policies, procedures and controls have been implemented firm-wide.

There were no material incidents of non-compliance with any laws, rules and regulations governing our businesses in FY2022, and we target to maintain a similar record in the current financial year ending 31 December 2023 ("FY2023").



# ETHICAL BUSINESS CONDUCT

## Anti-Corruption and Anti-Fraud

At MoneyMax, we place a strong emphasis on maintaining high standards of corporate governance, accountability, professionalism, and integrity to protect the interests of our stakeholders.

In line with the Group's zero-tolerance policy towards bribery and corruption, MoneyMax has in place a set of monitoring and enforcement framework to detect and nullify corrupt or fraudulent activities within the Group. The Risk and Compliance team conducts regular and ad-hoc cash count inspections on our outlets which enables them to identify any

process weaknesses and mitigate the risk of fraud or other unethical behavior at our stores. Our stance against corruption has been clearly set forth in the Employee Handbook, with all employees informed that any surfacing incidents will be thoroughly investigated and handled by the relevant authorities.

The Board also plays a part in overseeing and guiding our Group's internal controls and risk management systems. We maintain a whistleblowing policy by which employees and other stakeholders may communicate their concerns regarding matters such as employee misconduct, illegal

activities, suspected fraud and other dishonest activities directly to the Audit Committee of the Company ("AC"), without fear of reprisal. Any such matter raised to the AC is promptly investigated, dealt with, and reported to the Board.

We are pleased to report that there were zero whistleblowing reports received in FY2022, and no incidents of internal fraud or corruption have been identified. MoneyMax aims to maintain this record in FY2023, whilst working towards enhancing the Group's risk management strategy and control environment at the operational level in the medium term.

## Data Privacy

MoneyMax is committed to ensuring that our information systems and data are protected against service interruption and security breaches. The Group adopts a holistic approach towards personal data protection and seeks to inculcate a culture of awareness and vigilance among our employees to safeguard the data of our customers, employees, and other stakeholders. This is key to maintaining their trust in the Group.

Our Data Protection Officer, together with his Information Technology/Management Information Systems team, leads the Group's ongoing efforts to enforce stringent data protection policies and provide periodic training on the Personal Data Protection Act ("PDPA") for new and existing employees. In FY2022, a total of 430 employees (FY2021: 450 employees) underwent training and refresher courses on handling the personal data of our stakeholders.

The Group expects all employees to perform their duties in accordance with the Group's data protection policies to ensure that our collection, use, disclosure, care, retention and transfer of personal data are in compliance with the prevailing data protection laws. In FY2022, we are pleased to share that the Group did not receive any substantiated complaints from the Personal Data Protection Commission ("PDPC"), and we target to uphold a similar standard for the foreseeable future.



# FAIR EMPLOYMENT PRACTICES

Our commitment to sustainable growth is underscored by our emphasis on fostering an inclusive and progressive workplace that inspires the best performance from every employee.

## Diversity and Equal Opportunities

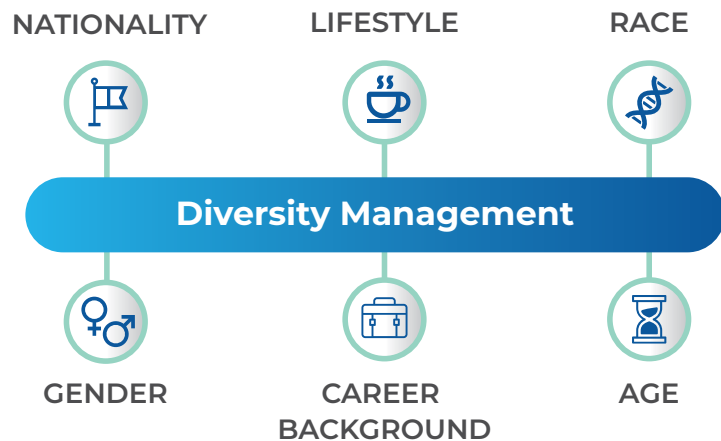
Our Human Resources ("HR") department is responsible for developing a holistic approach with regards to talent acquisition, talent development, and talent retention, with the broad overarching aim of building a vibrant, dynamic and competitive workforce.

Having adopted the Tripartite Guidelines on Fair Employment Practices, the Group is committed to recruiting and selecting employees based on their skills and experience, regardless of their race, age, gender, religion, or ethnicity. We embrace diversity in our workforce, and we strive to create an all-inclusive work environment where all employees are treated with respect.

As at 31 December 2022, the Group employed a total of 353 employees (FY2021: 341 employees) on a permanent,

full time basis. Women account for the majority of the Group's workforce and the top and middle management positions in the Group. Our multi-generational workforce further adds dynamism to the organisation, allowing us to better cater our products and services to consumers across all age groups.

MoneyMax has zero tolerance for any form of discrimination, and our employees are encouraged to report any incidents of discrimination they face to the HR department. In FY2022, we are pleased to have received zero reports of gender or age discrimination from our employees, and we target to maintain this record for FY2023.



## Building a Culture of Empowerment

At MoneyMax, we recognize that our people are our most valuable resource. To sustain our long-term growth strategy, the Group offer employees with equal opportunities for job rotation and internal career progression within various business units, based solely on their performance and capability indicators. We value having a two-way conversation with our employees, and we closely monitor the feedback we receive from our employees during the annual performance appraisal exercise with the aim of improving staff retention rates in the long run.

We also provide our staff with training on a wide range of topics throughout the year, to sharpen the skillsets and boost the productivity of our workforce. In FY2022, we conducted a total of 48

training seminars (FY2021: 31) that approximately 310 employees, from entry to management level, attended (FY2021: 291 employees). We target

to maintain the number of training sessions provided to our employees in FY2023.

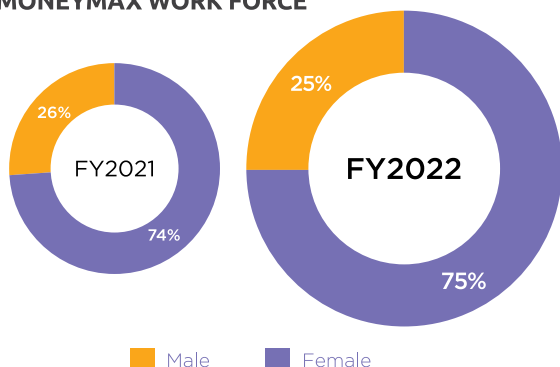


# FAIR EMPLOYMENT PRACTICES

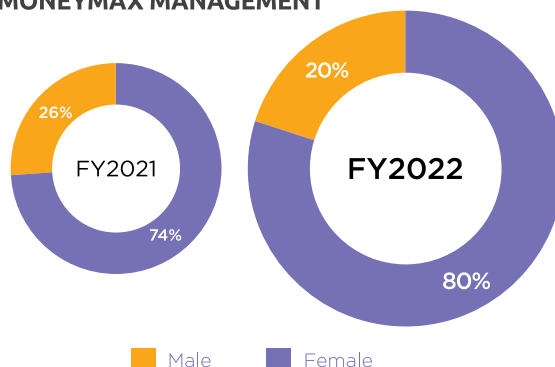
Our workplace diversity profile across gender and age for workforce and management are highlighted as following:

## STATISTICS FOR GENDER RATIO

GENDER RATIO OF MONEYMAX WORK FORCE

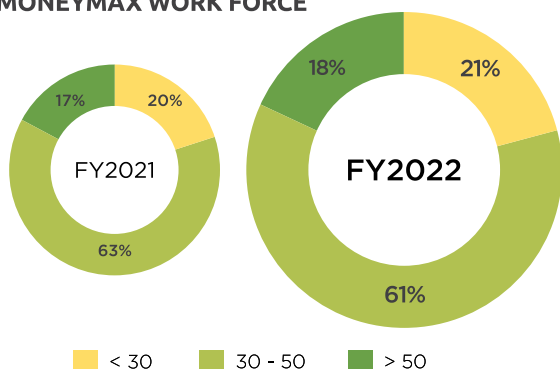


GENDER RATIO OF MONEYMAX MANAGEMENT

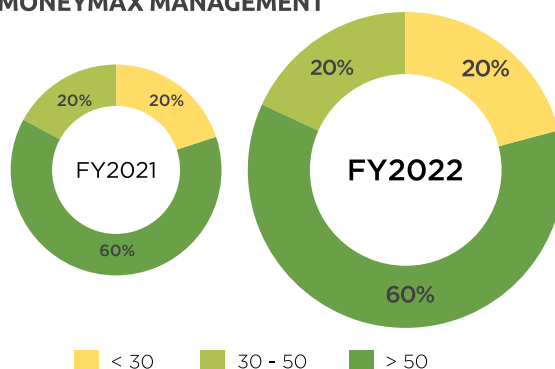


## STATISTICS FOR AGE RATIO

GENDER RATIO OF MONEYMAX WORK FORCE



GENDER RATIO OF MONEYMAX MANAGEMENT





## CORPORATE SOCIAL RESPONSIBILITY

As a socially responsible company, MoneyMax is committed to supporting the needs of our local communities. Despite the uncertainties during the COVID-19 pandemic, the Group remains committed to strengthening the social fabric of our communities through philanthropy and volunteerism. We encourage all our employees to give back to the community through community services, donations, and fundraising.

The Group had in FY2022 made monetary donations of varying amounts to the following organisations:

(i) Bukit Timah Seu Teck Sean Tong Medical Institution Limited is a charitable organisation registered with the Ministry of Health and Ministry of Culture, Community & Youth, which offers traditional Chinese medicine treatment and provides free medical care to the local community.

(ii) Jamiyah Singapore (also known as Muslim Missionary Society Singapore), which serves the social and welfare needs of the community, regardless of race or faith. The organisation runs 3 welfare homes, 8 educational and student care centres, and food banks amongst other projects aimed at helping providing welfare and support to the community.

(iii) The North East Community Development Council and Radin Mas Citizens' Consultative Committee, which provides financial and welfare assistance to residents in need, whilst working together with community and

corporate partners to plan outreach programmes to promote bonding and social cohesion.

(iv) The United Overseas Bank's annual Heartbeat Lunar New Year charity fund-raiser, which is held in support of the arts, children and education causes. The money raised will go to The Business Times Budding Artists Fund, The Straits Times Pocket Money Fund, and the UOB-Singapore Management University Asian Enterprise Institute.

(v) Our employees were also delighted to participate in Habuan Distribution on 16 April 2022, where they helped to pack and distribute food and essentials to the Muslim families living in rental blocks within the Radin Mas Constituency.





## ENVIRONMENTAL STEWARDSHIP

MoneyMax is committed to doing our part in forging a more sustainable future for future generations. We recognize that minimizing our Group's carbon footprint will not only benefit the environment, but also reduce our operating costs and improve our brand image.

To optimize our energy efficiency, we have installed energy-saving LED lighting units in all our showrooms island-wide. Since FY2020, we have been sourcing electricity from solar energy providers for consumption in our Singapore headquarters. In FY2021, we also begun replacing our logistics fleet with electrical vehicles, which has helped lower our consumption of petrol fuel.

Since April 2022, we have begun a "No Bag Day" campaign at all MoneyMax outlets to encourage our customers to go without a paper bag when making their purchases. Through this initiative, we have managed to save a total of 6,238 paper bags over the reporting period. In support of Singapore's zero waste vision, we will actively strive to reduce the amount of packaging waste we generate.

In FY2022, MoneyMax officially joined the LowCarbonSG programme, a capability-building program to enable local businesses in Singapore to start monitoring and where possible, reduce their carbon emissions. Participants of the program is granted access to the Carbon and Emissions Recording Tool, carbon management workshops by CPLC-SG, an accompanying playbook on carbon management as well as information on government grants to facilitate the adoption of sustainable solutions. MoneyMax plans on utilizing these tools to achieve further energy savings, and we aim to obtain the LowCarbonSG Participant Logo by the end of 2023.

We also target to maintain our track record of having zero incidents of non-compliance with environmental laws and to include quantitative disclosures on the Group's energy consumption and emissions after establishing our internal data collection methodology.

# GRI CONTENT INDEX

## STATEMENT OF USE

MoneyMax has reported the information cited in this GRI content index for the period from 1 January 2022 to 31 December 2022 with reference to the GRI Standards.

## GRI 1 USED | GRI 1: Foundation 2021

GRI STANDARDS	DISCLOSURE TITLE	LOCATION
GENERAL DISCLOSURES		
GRI 2: General Disclosures 2021	2-1 Organisational details	Corporate Information
	2-2 Entities included in the organisation's sustainability reporting	Page 20
	2-3 Reporting period, frequency and contact point	Page 20
	2-4 Restatements of information	Not applicable
	2-5 External assurance	Page 20
	2-6 Activities, value chain and other business relationships	Pages 2 - 3
	2-7 Employees	Page 27
	2-8 Workers who are not employees	Not applicable
	2-9 Governance structure and composition	Pages 35 - 37
	2-10 Nomination and selection of the highest governance body	Pages 38 - 39
	2-11 Chair of the highest governance body	Pages 37 - 38
	2-12 Role of the highest governance body in overseeing the management of impacts	Page 19
	2-13 Delegation of responsibility for managing impacts	Page 22
	2-14 Role of the highest governance body in sustainability reporting	Page 22
	2-15 Conflicts of Interest	Pages 33, 48, 50-51, 80-81
	2-16 Communication of critical concerns	Pages 45 - 46
	2-17 Collective knowledge of the highest governance body	Page 22
	2-18 Evaluation of the performance of the highest governance body	Pages 39 - 40
	2-19 Remuneration policies	Pages 40 - 41
	2-20 Process to determine remuneration	Pages 40 - 41
	2-22 Statement on sustainable development strategy	Page 19
	2-27 Compliance with laws and regulations	Page 25
	2-28 Membership associations	Page 25
	2-29 Approach to stakeholder engagement	Page 21

# GRI CONTENT INDEX

GRI STANDARDS	DISCLOSURE		LOCATION
MATERIAL TOPICS			
GRI 3: Material Topics 2021	3-1	Process to determine material topics	Page 22
	3-2	List of material topics	Page 22
Sustainable Economic Growth			
GRI 3: Material Topics 2021	3-3	Management of material topics	Page 23
GRI 201: Economic Performance 2016	2-1	Direct economic value generated and distributed	Page 24
Customer Experience and Product Responsibility			
GRI 3: Material Topics 2021	3-3	Management of material topics	Page 24
Legal Compliance and Corporate Governance			
GRI 3: Material Topics 2021	3-3	Management of material topics	Page 25
Anti-Corruption and Anti-Fraud			
GRI 3: Material Topics 2021	3-3	Management of material topics	Page 26
GRI 205: Anti-Corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	Page 26
	205-3	Confirmed incidents of corruptions and actions taken	Page 26
Data Privacy			
GRI 3: Material Topics 2021	3-3	Management of material topics	Page 26
GRI 418: Customer Privacy 2016	418-1	Substantial complaints concerning breaches of customer privacy and losses of customer data	Page 26
Diversity and Equal Opportunity			
GRI 3: Material Topics 2021	3-3	Management of material topics	Page 27
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Page 28
Corporate Social Responsibility			
GRI 3: Material Topics 2021	3-3	Management of material topics	Page 29
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	Page 29
Environmental Stewardship			
GRI 3: Material Topics 2021	3-3	Management of material topics	Page 30



The Board is firmly committed to ensuring a high standard of corporate governance to protect the interests of shareholders of the Company (the “**Shareholders**”) and to enhance long-term Shareholders’ value.

This report describes the Group’s corporate governance structures and practices currently in place, with specific references made to the principles and guidelines of the Code of Corporate Governance 2018 (the “**Code**”) issued in August 2018 and Rule 710 of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalyst (“**Catalist Rules**”).

The Board is pleased to report on the compliance by the Group with the Code. Such compliance is regularly reviewed to ensure transparency and accountability. Where there are deviations from the Code, appropriate explanations have been provided.

### **Principle 1: The Board’s Conduct of Affairs**

*The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.*

As at the date of this annual report, the Board comprises:

Dato’ Sri Dr. Lim Yong Guan, Executive Chairman and Chief Executive Officer (“**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

The Board provides effective leadership and direction to develop long-term value for Shareholders and other stakeholders. The Board oversees the business affairs of the Group and has the overall responsibility for reviewing the Group’s strategic plans and performance objectives, financial plans and annual budget, key operational initiatives, major funding and investment proposals, financial performance and corporate governance practices.

The principal functions of the Board include:

- Approving the broad policies, strategies and financial objectives of the Group and ensuring that the necessary resources are in place for the Group to meet its objectives;
- Overseeing the processes for evaluating the adequacy of internal controls, risk management systems, financial reporting and compliance to enable risks to be assessed and managed, including safeguarding of Shareholders’ interests and the assets of the Group;
- Reviewing the performance of the management and approving the nominations of Directors and appointment of key management personnel;
- Approving annual budgets, material funding, investment, divestment and capital expenditure proposals;
- Setting the Group’s values and principles (including ethical standards) and ensuring that the obligations to Shareholders and other stakeholders are met;
- Considers sustainability issues as part of its strategic formulation; and
- Assuming responsibility for corporate governance.

The Board exercises due diligence and independent judgement in dealing with the business affairs of the Group and works with the management to make objective decisions in the interests of the Group. In order to objectively discharge their duties and responsibilities at all times as fiduciaries in the interests of the Company, any Director facing conflicts of interest would recuse himself from discussion and decision involving the issue of conflict.

The Board has delegated certain responsibilities to the audit committee (the “**AC**”), the nominating committee (the “**NC**”) and the remuneration committee (the “**RC**”) of the Company (collectively, the “**Board Committees**”). The Board Committees operate under clearly defined terms of reference. The Board accepts that while the Board Committees have the authority to examine specific issues and will report back to the Board with their decisions and/or recommendations, the ultimate responsibility on all matters remains with the Board.

In order to keep Directors abreast of the Group's operations, the Directors are also kept updated on initiatives and developments on the Group's business, financial performance, position and prospects, amongst others, in Board and Board Committee meetings, as well as on an ongoing basis as soon as practicable. The management also keeps the Directors updated on relevant and strategic developments in the business, financial reporting standards and industry-related matters periodically to facilitate the discharge of their duties.

The Directors are also encouraged to be kept well-informed of developments in regulatory, legal, compliance and accounting frameworks that are of relevance to the Group with continual development through relevant training courses, seminars and workshops as relevant and/or applicable, at the Company's expense.

The Board meets at least 2 times a year to review and approve, *inter alia*, the half year and full year financial results of the Group. The Board also meets as warranted by circumstances to supervise, direct and control the Group's business and affairs as well as deliberate on key matters. The Executive Chairman and CEO keeps the Board updated through informal meetings and discussions to ensure the Board is aware of developments in the Group's business.

The attendance of the Directors at meetings of the Board and Board Committees, as well as the frequency of such meetings held during FY2022 is as follows:

	Board and Board Committees			
	Board	AC	NC	RC
<b>No. of meetings held</b>	2	2	1	1
<b>No. of meetings attended by the Directors</b>				
Dato' Sri Dr. Lim Yong Guan	2 <sup>(a)</sup>	2 <sup>(b)</sup>	1 <sup>(b)</sup>	1 <sup>(b)</sup>
Mr. Lim Yong Sheng	2	2 <sup>(b)</sup>	1 <sup>(b)</sup>	1 <sup>(b)</sup>
Mr. Ng Cher Yan	2	2 <sup>(a)</sup>	1	1
Mr. Khua Kian Kheng Ivan	2	2	1 <sup>(a)</sup>	1
Mr. Foo Say Tun	2	2	1	1 <sup>(a)</sup>

<sup>(a)</sup> Chairman of the respective Board or Board Committee

<sup>(b)</sup> Attendance by invitation

The Group has adopted guidelines setting forth matters that require Board's approval. Matters that require Board's approval include:

- Strategies and objectives of the Group;
- Annual budgets/forecasts;
- Announcement of half year and full year results, and release of annual reports;
- Issuance of securities;
- Declaration of interim dividends and proposed final dividends;
- Convening of Shareholders' meetings;
- Material acquisition/investment, divestment or capital expenditure;
- Corporate or financial restructuring and major funding proposals;
- Diversification of business; and
- Interested person transactions.

All Directors are required to declare their board representations. Given their full attendance at all the Board and Board Committee meetings, the Board is satisfied that the Directors are able to devote sufficient time and attention to the affairs of the Group.

The management ensures the provision of complete, adequate, and timely information to the Directors on an ongoing basis to enable them to make informed decisions to discharge their duties and responsibilities. To allow the Directors sufficient time to prepare for the meetings, all Board and Board Committee papers are provided to the Directors in advance. Any additional material or information requested by the Directors is promptly furnished.

The management ensures that proposals to the Board for approval provide background and explanatory information such as facts, resources needed, risk analysis and mitigation strategies, financial impact, regulatory implications, expected outcomes, conclusions and recommendations. The Board will seek clarification from management as and when needed. Employees and professional advisers who can provide additional insight into matters to be discussed will be present at the relevant time during the Board and Board Committee meetings.

To facilitate separate and independent access, the Directors have been provided with the phone numbers and email particulars of the following:

- key management personnel;
- the company secretary (the “**Company Secretary**”);
- the external auditor (the “**External Auditor**”);
- the internal auditors (the “**Internal Auditors**”); and
- other professional parties (where relevant).

Should Directors, whether as a group or individually, require independent professional advice, the Board will appoint a professional adviser and the cost of such professional advice will be borne by the Company. Directors are also updated on any changes or developments in laws, rules and/or regulations by the Company Secretary or other professional advisors at the Board and Board Committee meetings, as well as on an ongoing basis.

The appointment and removal of the Company Secretary is a matter for the Board to collectively approve.

## **Principle 2: Board Composition and Guidance**

*The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.*

The Board currently comprises 5 Directors namely, 1 Executive Director, 1 Non-Executive Director, and 3 Independent Directors.

The Independent Directors have each confirmed that they are independent in conduct, character and judgement and do not have any relationship with the other Directors, the Company, its related corporations, its Substantial Shareholders 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 5% of the total votes attached to all voting shares (excluding treasury shares) in the Company, or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of their independent business judgement with a view to the best interests of the Group.

The 3 Independent Directors, namely Mr. Ng Cher Yan, Mr. Khua Kian Kheng Ivan and Mr. Foo Say Tun, were appointed on 27 June 2013 and are currently serving their tenth year in office this year.

The Board has subjected the independence of each of the 3 Independent Directors to rigorous review. Having considered the assessment on the independence status of Mr. Ng Cher Yan, Mr. Khua Kian Kheng Ivan and Mr. Foo Say Tun, the Board is of the view that each of Mr. Ng Cher Yan, Mr. Khua Kian Kheng Ivan and Mr. Foo Say Tun has demonstrated strong independence and judgement over the years in discharging their duties and responsibilities as an Independent Director. They had expressed individual viewpoints, debated issues and objectively scrutinized and challenged the management where necessary. Taking into account the above, the Board confirms that each of Mr. Ng Cher Yan, Mr. Khua Kian Kheng Ivan and Mr. Foo Say Tun continues to be considered as an Independent Director, notwithstanding that each of them will have served on the Board for more than nine years with effect from 27 June 2022.

In line with the requirements of the then Rule 406(3)(d)(iii) of the Catalist Rules, Mr. Ng Cher Yan, Mr. Khua Kian Kheng Ivan and Mr. Foo Say Tun was subjected to a mandatory two-tier voting process at the Company's annual general meeting (“**AGM**”) held on 27 April 2022 in connection with their respective continued appointment as Independent Directors. Approval from Shareholders was obtained for each of Mr. Ng Cher Yan, Mr. Khua Kian Kheng Ivan and Mr. Foo Say Tun to remain as Independent Directors until their retirement or resignation as a Director, or the conclusion of the Company's third AGM following the passing of the relevant resolution under the two-tier voting, whichever is earlier.



On 11 January 2023, the SGX-ST amended the Catalyst Rules pursuant to which Rule 406(3)(d)(iii) was deleted and Rule 406(3)(d)(iv) was inserted. Under Rule 406(3)(d)(iv) of the Catalyst Rules, which takes effect for an issuer's annual general meeting for the financial year ending on or after 31 December 2023, a director will not be independent if he has been a director of the issuer for an aggregate period of more than 9 years (whether before or after the listing). Such director may continue to be considered independent until the conclusion of the next annual general meeting of the issuer. Pursuant to the Transitional Practice Note 3 on transitional arrangements regarding tenure limit for independent directors, during the period between 11 January 2023 and the date of the issuer's annual general meeting for the financial year ending on or after 31 December 2023 (the "**Transitional Period**"), directors who have served for more than 9 years can remain as independent directors so long as they meet the requirements under Rules 406(3)(d)(i) and 406(3)(d)(ii) of the Catalyst Rules and have been re-elected. However, the person must resign from the board or be designated as a non-independent director no later than at the annual general meeting of the issuer for the financial year ending on or after 31 December 2023. In view of the requirements under Rule 406(3)(d)(iv) of the Catalyst Rules, the Board, with the recommendations of the NC, will identify and appoint new Independent Directors to ensure that the Company complies with the Board composition requirements under the Code and the Catalyst Rules by the end of the Transitional Period.

Dato' Sri Dr. Lim Yong Guan (Executive Chairman and CEO) and Mr. Lim Yong Sheng (Non-Executive Director) are siblings. As our Executive Chairman is not independent, Independent Directors make up the majority of the Board, composition of which is in compliance with the Code.

The Board reviews the size and composition of the Board and Board Committees. While reviewing the composition of the Board and Board Committees, the Board takes into account the balance and diversity of the Directors' skills, competencies, experience and knowledge of the Group, other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate. These competencies include accounting and finance, business acumen, management experience, industry knowledge, strategic planning experience, familiarity with regulatory requirements and knowledge of risk management. As mentioned under Principle 5 below, the NC conducts an annual assessment of the performance of the Board as a whole with a view to achieve balance and diversity to ensure effectiveness.

The composition of the Board is reviewed on an annual basis by the NC to ensure that the Board has the appropriate mix of expertise and experience to enable the Management to benefit from a diverse perspective in reviewing the issues that are brought before the Board and to enable it to make decisions in the best interests of the Company.

Pursuant to provision 2.4 of the Code, the Board has adopted a Board Diversity Policy. Having regard to the guidelines in the Board Diversity Policy, the Board is committed to meeting the objectives identified below:

- (i) in designing the Board's composition, Board diversity has been considered from a wide range of aspects, including but not limited to age, gender, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service, and any other factors that the Board may consider relevant and applicable from time to time. Directors with technical, legal, financial, management and/or audit background will bring with them various extensive business experiences. High emphasis is placed on ensuring a balanced composition of skills and experience at the Board level in order to provide a range of perspectives, insights and challenges that enable the Board to discharge its duties and responsibilities effectively, support good decision making in view of the core businesses and strategy of the Group, and support succession planning and development of the Board.
- (ii) For achieving an optimal Board, additional measurable objectives/specific diversity targets may be set and reviewed from time to time to ensure their appropriateness. Such factors will be considered by the Board based on the Company's business model and specific needs and the ultimate decision will be based on merit, value and contribution that the selected candidates will bring to the Board.
- (iii) The Board is of the view that, while it is important to promote Board diversity in terms of gender, age and ethnicity, the normal selection criteria based on an effective blend of competencies, skills, extensive experience and knowledge to strengthen the Board should remain a priority. In addition to ensuring a balanced composition of skills and experience at the Board, the Board has deliberated the following:

- Gender diversity

The Company does not set any specific target for the number of female Directors on the Board but will work towards having female Directors for future board renewal, if opportunity arises. The Company is committed to maintaining an environment of respect for people regardless of their gender in all business dealings and achieving a workplace environment free of harassment and discrimination on the basis of gender, physical or mental state, ethnicity, nationality, religion, age or family status. The same principle is applied to the selection of potential candidates for appointment to the Board in order to attract and retain women participation on the Board;

- Age diversity

The Company does not set any specific target for the Board's age diversity but will work towards having appropriate age diversity in the Board, if opportunity arises. The Company does not fix age limit for its Directors given that such Directors are normally reputed and experienced in the corporate world and could continue to contribute to the Board in steering the Company. The Board is fully committed to promoting age, diversity, valuing the contribution of its members regardless of age, and seek to eliminate age stereotyping and discrimination on age; and

- Ethnic diversity

The Company does not set any specific target for ethnic diversity on the Board but will work towards having appropriate ethnic diversity on the Board, if opportunity arises.

Any external search consultants, if required, engaged to assist the Board and/or the NC to search for candidates for appointment to the Board will be specifically directed to include candidates from diverse backgrounds. The decision on the selection of Director(s) to be appointed on the Board will ultimately be based on merit, and candidates will be considered against objective criteria, having due regard to the benefits of diversity balanced with the needs of the Board.

The Board has reviewed and is satisfied that the current size and composition of the Board and Board Committees are appropriate for effective decision making, having taken into consideration the nature and scope of the Group's operations, the balance and diversity of the Directors' skills, competencies, experience, and knowledge of the Group, among other factors. The Board is also of the view that the Directors possess as a group the necessary competencies and knowledge to lead and govern the Group effectively.

The Independent Directors constructively challenge and participate in setting strategies and goals for the Company and review, as well as monitor, the performance of management in the implementation of the agreed strategies and goals. The Independent Directors meet regularly on their own without the presence of the Executive Chairman and CEO, the Non-Executive Director and the management. The chairman of such meetings would provide feedback to the Executive Chairman and CEO and the Non-Executive Director after such meetings, whenever applicable.

In recommending a Director for re-election to the Board, the NC considers, *inter alia*, his/her performance and contributions to the Board (including attendance and participation at meetings, and time and effort accorded to the Group's business and affairs). All Directors submit themselves for re-nomination and re-election at regular intervals in accordance with the Company's Constitution ("**Constitution**"). Pursuant to Regulation 89 of the Constitution, one-third of the Board are to retire from office by rotation and be subject to re-election at the AGM and all Directors shall retire at least once in every 3 years.

Each member of the NC shall abstain from voting on any resolutions in respect of his nomination for re-election.

The NC has reviewed and recommended to the Board the nomination for re-election of Dato' Sri Dr. Lim Yong Guan and Mr. Foo Say Tun as Directors at the forthcoming AGM. Dato' Sri Dr. Lim Yong Guan and Mr. Foo Say Tun will be retiring pursuant to Regulation 89 of the Constitution. Both retiring Directors have offered themselves for re-election. In making the above recommendations, the NC had considered the said Directors' qualification, experience, independence and/or overall contribution and performance (as the case may be). The Board has accepted the recommendations of the NC. Additional information on Dato' Sri Dr. Lim Yong Guan and Mr. Foo Say Tun, as required under Rule 720(5) of the Catalist Rules are set out on pages 49 to 54 of this annual report.

### Principle 3: Chairman and CEO

*There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.*

The Code advocates that there should be a clear division of responsibilities to ensure an appropriate balance of power, increased accountability, and greater capacity of the Board for independent decision making. Hence no one individual should represent a considerable concentration of power.

Dato' Sri Dr. Lim Yong Guan is the Executive Chairman and CEO of the Group. Dato' Sri Dr. Lim Yong Guan brings with him a wealth of experience and leads the Board to ensure its effectiveness. As the Executive Chairman and CEO, he assumes responsibility for the smooth functioning of the Board and ensures the adequate and timely flow of information between the management and the Board, sets the agenda for meetings, ensures sufficient allocation of time for thorough discussion of each agenda item, promotes a culture of openness and debate at the Board, facilitates the effective contribution of non-executive directors, and promotes high standards of corporate governance. In addition, he also assumes the responsibility for running the day-to-day business of the Group, ensures the implementation of policies and strategies across the Group as set by the Board, manages the management team and leads the development of the Group's future strategies including identifying and assessing risks and opportunities for the growth of its business and reviewing the performance of its existing business. Dato' Sri Dr. Lim Yong Guan also ensures effective communication with shareholders and other stakeholders.

The Board is of the view that it is in the best interests of the Group to adopt a single leadership structure, whereby the Chairman and the CEO is the same person, so as to ensure that the decision-making process of the Group could function expeditiously. All major proposals and decisions made by the Executive Chairman and CEO are discussed, reviewed and approved by the Board.

The Board has appointed Mr. Ng Cher Yan as the Lead Independent Director to provide leadership in situations where the Executive Chairman and CEO is conflicted. The Lead Independent Director will be available to Shareholders where they have concerns and for which contact through normal channels to the Executive Chairman and CEO or the Chief Financial Officer ("CFO") has failed to resolve or is inappropriate.

Further, as the AC, the RC and the NC consist of only Independent Directors, the Board believes that there are sufficient strong and independent elements and safeguards in place against an uneven concentration of power and authority in a single individual.

#### **Principle 4: Board Membership**

*The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.*

The NC comprises 3 members, all of whom, including the chairman of the NC, are Independent Directors. The Lead Independent Director is a member of the NC.

Chairman: Mr. Khua Kian Kheng Ivan

Members: Mr. Ng Cher Yan  
Mr. Foo Say Tun

The NC is guided by its written terms of reference which stipulates that its principal roles include, *inter alia*, maintaining a formal and transparent process for the appointment of new Directors to the Board, determining the independence of the Directors and the appropriate size and composition of the Board and Board Committees, and reviewing and approving the appointment of key management personnel of the Group.

There is currently no concrete succession plan put in place by the Executive Chairman and CEO. Going forward and at the relevant time, the Executive Chairman and CEO will look into formulating such a plan in close consultation with the NC.

Key responsibilities of the NC include making recommendations to the Board on relevant matters such as the process for appointment or re-appointment of Directors, review of training and professional development programs for the Board and evaluating the performance of the Board, the Board Committees and each Director.

Each member of the NC shall abstain from voting on any resolutions in respect of his nomination for re-election.

The NC will be responsible for determining on an annual basis, and as and when circumstances require, whether or not a Director is independent as set out in the Code and the Catalist Rules, considering whether a Director has any existing business or professional relationship of a material nature with the Group, other Directors and/or Substantial Shareholders.

The NC, in its deliberations as to the independence of the Independent Directors, has reviewed, determined and confirmed the independence of the Independent Directors and the Board has concurred with the NC's confirmation.



The Company has established the following process for the selection and appointment of new Directors:

- The NC determines a suitable size of the Board and evaluates the balance and diversity of skills, competencies, experience, gender, age and knowledge of Directors required to add value and facilitate effective decision-making, after taking into consideration the scope and nature of the Group's operations;
- The NC considers various sources of seeking suitable candidate(s) or recommendations from, among others, Directors, business associates and advisers;
- Short-listed candidate(s) will be required to furnish their curriculum vitae stating in detail, among others, their qualification and working experience;
- The NC evaluates candidate(s) in areas of academic and professional qualifications, knowledge and experience in relation to the business of the Group, his/her independence (if applicable) and other present and past directorships; and
- The NC makes recommendation to the Board for approval. The Board is to ensure that the candidate is aware of the expectations and the level of commitment required.

New Directors are briefed on the Group's business, strategies, operations, organisation structures and governance practices to enable them to integrate into their new roles. The new Directors are also welcome to request further explanations, briefings or informal discussions on any aspects of the Group's operational or business issues from the management. The Company will make the necessary arrangements for site visits, briefings, informal discussions or explanations required by the new Directors.

All first-time Directors who have no prior experience as a director of a company listed on the SGX-ST are required to attend the mandatory training as prescribed in the Catalist Rules. Newly appointed Directors will be provided with a formal letter setting out their duties and obligations.

Key information regarding the Directors such as date of first appointment, date of last re-appointment, directorships or chairmanships both present and those held over the preceding 3 years in other listed companies and other principal commitments can be found on pages 10 and 11 of this annual report.

There is no maximum number of listed board representations and principal commitments currently prescribed by the Board as the Board is of the view that having multiple directorships and principal commitments does not prevent the Directors from discharging their duties as a Director effectively. The NC, at the relevant time, will look into reviewing and making a recommendation to the Board on the maximum number of listed board representations and principal commitments which any Director may hold.

When a Director has multiple board representations and principal commitments, the NC will consider whether the Director is able to adequately carry out his duties as a Director, taking into consideration the Director's number of listed board representations, the Director's other principal commitments, the roles and scope of responsibilities of these principal commitments and involvement in any other activities outside of these principal commitments, among other factors. The NC has reviewed and is satisfied that each Director has been able to devote sufficient time and attention to the affairs of the Group to adequately discharge his duties as a Director, notwithstanding his other board representations (if any).

No Director has appointed an alternate director in FY2022.

#### **Principle 5: Board Performance**

*The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.*

The NC has established a review process to assess the performance and effectiveness of the Board as a whole and the Board Committees on an annual basis. The objective of the annual review is to identify areas for improvement and to implement appropriate action.

The Code advocates for the NC to recommend the objective performance criteria and the process for the evaluation of the contribution by the Executive Chairman and CEO and individual Directors to the Board. In view of the different aspects of the Board's decision-making and directions, not all Directors will be able to contribute equally to the decision-making due to their expertise and experience. The decision-making process and review are conducted in a collective and open manner, allowing the Board to maximise on individual Directors' knowledge and allow other Directors to raise their concerns. The Board is of the opinion that it is more effective to evaluate the Directors collectively as a Board and as individual Board Committees.

All the Directors are requested to complete a Board assessment checklist designed to seek their views on the various performance criteria so as to assess the overall performance and effectiveness of the Board and the Board Committees. The checklists were completed and submitted to the Company Secretary for collation and the consolidated responses were presented to the NC for review and discussion before making any recommendations to the Board. The performance criteria will not change from year to year unless they are deemed necessary and the Board is able to justify the changes. The key objective of the evaluation exercise is to obtain constructive feedback from each Director to continually improve the performance of the Board and Board Committees against short-term, long-term financial and non-financial performance indicators, identify areas for improvement and to implement appropriate action. The NC has reviewed the overall performance and effectiveness of the Board and the Board Committees for FY2022 and is of the view that the performance and effectiveness of the Board as a whole and the Board Committees have been satisfactory.

The NC will, at the relevant time, look into adopting guidelines for annual assessment of the contribution of the Executive Chairman and CEO, as well as of each Director, to the performance and effectiveness of the Board and Board Committees.

The NC may engage an external facilitator in conducting the assessment of the performance of the Board and the Board Committees. For FY2022, the NC did not engage any external facilitator.

### **Principle 6: Procedures for Developing Remuneration Policies**

*The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.*

The RC comprises 3 members all of whom, including the chairman of the RC, are Independent Directors.

Chairman: Mr. Foo Say Tun

Members: Mr. Ng Cher Yan  
Mr. Khua Kian Kheng Ivan

The principal responsibilities of the RC are to review and recommend, for the endorsement of the Board, the following:

- The framework of the remuneration packages for each Director and key management personnel. The framework covers all aspects of remuneration, including but not limited to, Directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards and benefits-in-kind;
- The specific remuneration packages for each Director and key management personnel so as to ensure that the packages are competitive and sufficient to attract, retain and motivate the Directors and key management personnel to ensure the long-term success of the Group;
- The remuneration of employees related to the Directors, CEO and/or controlling Shareholders to ensure that their remuneration packages are in line with the Group's staff remuneration guidelines and commensurate with their respective job scope and level of responsibility; and
- The Group's obligations arising in the event of termination of the Executive Director and key management personnel's contracts of service to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

The RC is guided by its written terms of reference which clearly set out its authority and duties.

Each member of the RC shall abstain from voting on any resolution in respect of his own remuneration package.

The RC may seek expert professional advice on remuneration matters as and when necessary. The expenses of such services shall be borne by the Company. For FY2022, the RC did not engage any external remuneration consultant.

**Principle 7: Level and Mix of Remuneration**

*The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.*

The Group's remuneration structure for the Executive Chairman and CEO and key management personnel comprised both fixed and variable components. The fixed component is in the form of a monthly base salary. Any adjustment to the fixed monthly base salary takes into consideration the key management personnel's performance against key performance indicators, general economic environment conditions and prevailing inflation rates, among others. The variable component is in the form of a variable bonus that is linked to the Group's performance as well as the individual's performance. This is designed to align remuneration with the interests of Shareholders and link rewards to corporate and individual performance so as to promote the long-term success of the Group and ensure that the remuneration is appropriate to attract, retain and motivate the Directors to provide good stewardship of the Company and key management personnel to successfully manage the Company for the long term.

Performance conditions such as the financial performance and operations of the Group, as well as any other business objectives such as quality of service and adherence to corporate values and principles which may from time to time be determined by the Board are used to determine the variable component of the remuneration of the Executive Chairman and CEO and key management personnel.

For FY2022, the RC has reviewed the performance conditions for the Executive Chairman and CEO and key management personnel and has determined them to have been met.

All employees of the Group and the Directors are eligible to participate in the Company's performance share plan known as the "MoneyMax Performance Share Plan" ("PSP"). As at the date of this annual report, no awards have been granted under the PSP.

Directors' fees are payable to the Non-Executive Directors, taking into account factors such as the level of contribution, effort and time spent and their scope of responsibilities. The Non-Executive Directors are not over-compensated to the extent that their independence may be compromised. Directors' fees are recommended by the Board for approval of Shareholders at the AGM. The Group proposes that the Executive Chairman and CEO continues to receive an annual director fee from its Malaysian subsidiary in accordance with Malaysian law. Save for the above, the Executive Chairman and CEO does not receive any Directors' fees.

No Director is involved in deciding his own remuneration package.

There are no termination or retirement benefits that are granted to the Directors. The Company does not intend to use contractual provisions to allow the Company to reclaim incentive components of remuneration from the Executive Chairman and CEO and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Group. The RC is of the view that the Executive Chairman and CEO owes a fiduciary duty and interest to the Company. The Company should be able to avail itself to remedies against the Executive Chairman and CEO in the event of such breach of fiduciary duties.

**Principle 8: Disclosure on Remuneration**

*The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.*

The Company's remuneration policy is one that seeks to attract, retain and motivate talent to achieve the Company's business vision and create sustainable value for its stakeholders. Total compensation is pegged to the achievement of organisational and individual performance objectives, and is benchmarked against relevant and comparative compensation in the market.

The remuneration (including salary, directors' fee, variable bonus and benefits-in-kind) of each of the Directors and key management personnel is linked to the financial performance of the Group and the individual's performance so as to promote long-term sustainability of the Group.

Short-term incentive scheme includes salary and variable bonus and are subject to annual review by the RC and to be approved by the Board. The long-term incentive scheme would be covered under the PSP.



Details on the remuneration of Directors and key management personnel for FY2022 are presented below.

## Remuneration of Directors for FY2022

Remuneration band	Directors' fee	Salary <sup>(1)</sup>	Benefits-in-kind	Variable bonus <sup>(1)</sup>	Total
<b>S\$2,500,000 to S\$2,750,000</b>					
Dato' Sri Dr. Lim Yong Guan	4.4%	23.3%	1.3%	71.0%	100.0%
<b>Up to S\$250,000</b>					
Mr. Lim Yong Sheng	100.0%	-	-	-	100.0%
Mr. Ng Cher Yan	100.0%	-	-	-	100.0%
Mr. Khua Kian Kheng Ivan	100.0%	-	-	-	100.0%
Mr. Foo Say Tun	100.0%	-	-	-	100.0%

## Remuneration of key management personnel for FY2022

Remuneration band	Salary <sup>(1)</sup>	Benefits-in-kind	Variable bonus <sup>(1)</sup>	Total
<b>S\$1,500,000 to S\$1,750,000</b>				
Mdm. Tan Yang Hong	22.4%	1.8%	75.8%	100.0%
<b>Up to S\$250,000</b>				
Mdm. Chong Chit Bien	82.4%	-	17.6%	100.0%
Mdm. Lim Liang Soh	71.1%	6.0%	22.9%	100.0%
Mr. Lim Chun Seng	72.8%	6.4%	20.8%	100.0%

### Note:

- (1) Inclusive of employer provident funds. Variable bonus for the Executive Chairman and CEO included profit sharing in accordance with the terms of his service agreement with the Company.

The aggregate remuneration paid to the Group's key management personnel (who are not Directors or the CEO) in FY2022 was approximately S\$2,264,000.

No compensation was paid or is to be paid in the form of share awards. There were no termination, retirement or post-employment benefits granted to the Directors and key management personnel in FY2022.

In considering the disclosure of remuneration of the Directors and key management personnel, the Board has regarded the industry conditions in which the Group operates as well as the sensitive nature of such information. The Board believes that full detailed disclosure of the remuneration of each Director and each key management personnel as recommended by the Code would be prejudicial to the Group's interest and hamper its ability to retain and nurture the Group's talent pool. The Board has instead presented such information in remuneration bands.

The Board is of the opinion that the information as disclosed above would be sufficient for Shareholders to have an adequate appreciation of the Group's compensation policies and practices and therefore does not intend to issue a separate remuneration report, the contents of which would be largely similar.

The names and breakdown of the total remuneration of employees who are Substantial Shareholders of the Company, or are immediate family members of a Director, the CEO or a Substantial Shareholder of the Company and whose remuneration exceeds S\$100,000 in FY2022 is set out below:

Name	Remuneration for FY2022
Mdm. Tan Yang Hong <sup>(1)</sup>	Between S\$1,650,001 and S\$1,700,000
Mdm. Lim Liang Soh <sup>(2)</sup>	Between S\$200,001 and S\$250,000
Mdm. Lim Liang Keng <sup>(3)</sup>	Between S\$150,001 and S\$200,000
Ms. Lau Wan Lin Elim <sup>(4)</sup>	Between S\$150,001 and S\$200,000
Mr. Lim Chun Seng <sup>(5)</sup>	Between S\$150,001 and S\$200,000
Ms. Lim Mei Ying <sup>(6)</sup>	Between S\$100,001 and S\$150,000

**Notes:**

- (1) Mdm. Tan Yang Hong is the spouse of Dato' Sri Dr. Lim Yong Guan (Executive Chairman and CEO) and sister-in-law of Mr. Lim Yong Sheng (Non-Executive Director) and Mdm. Lim Liang Eng (Substantial Shareholder).
- (2) Mdm. Lim Liang Soh is the sister of Dato' Sri Dr. Lim Yong Guan (Executive Chairman and CEO), Mr. Lim Yong Sheng (Non- Executive Director) and Mdm. Lim Liang Eng (Substantial Shareholder).
- (3) Mdm. Lim Liang Keng is the sister of Dato' Sri Dr. Lim Yong Guan (Executive Chairman and CEO), Mr. Lim Yong Sheng (Non- Executive Director) and Mdm. Lim Liang Eng (Substantial Shareholder).
- (4) Ms. Lau Wan Lin Elim is the daughter of Mdm. Lim Liang Eng (Substantial Shareholder) and niece of Dato' Sri. Dr. Lim Yong Guan (Executive Chairman and CEO) and Mr. Lim Yong Sheng (Non-Executive Director).
- (5) Mr. Lim Chun Seng is the son of Dato' Sri Dr. Lim Yong Guan (Executive Chairman and CEO), and nephew of Mr. Lim Yong Sheng (Non-Executive Director) and Mdm. Lim Liang Eng (Substantial Shareholder).
- (6) Ms. Lim Mei Ying is the daughter of Dato' Sri Dr. Lim Yong Guan (Executive Chairman and CEO), and niece of Mr. Lim Yong Sheng (Non-Executive Director) and Mdm. Lim Liang Eng (Substantial Shareholder).

Save as disclosed above, there is no other employee who is related to the Directors, the CEO or Substantial Shareholder and whose remuneration exceeded S\$100,000 in FY2022.

The Company has implemented the PSP which is employed as a long-term incentive in the remuneration of the Executive Chairman and CEO, the Directors and employees, and forms an integral component of the Group's compensation scheme. It is designed to reward, retain and motivate employees and Directors to achieve superior performance to align the interests of employees and Directors with that of Shareholders. The PSP is administered by the RC. The performance conditions used to determine the entitlements of the Executive Chairman and CEO, the Directors and employees under the PSP include specific performance targets imposed by the Group, taking into account factors such as (i) the business strategies, plans and directions of the Company and the Group; (ii) the job scope and responsibilities of the employees and Directors; and (iii) the prevailing economic conditions. Please refer to the Company's offer document dated 25 July 2013 ("**Offer Document**") for details of the PSP. Since the inception of the PSP, no awards have been granted. The PSP is subject to a maximum period of 10 years, and is expected to continue to be in force up to 24 July 2023.

**Principle 9: Risk Management and Internal Controls**

*The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.*

The Board determines the nature and extent of the significant risks that it is prepared to accept in achieving the Group's strategic objectives and value creation. In this regard, major strategic decisions are deliberated by the Board to ensure that identifiable risks are adequately managed.

The Board is responsible for the governance of risk and recognises the importance of maintaining a sound system of internal controls and risk management to safeguard Shareholders' interests and the Group's assets. It therefore acknowledges that it is responsible for reviewing the adequacy and effectiveness of the Group's internal controls (including financial, operational, compliance and information technology ("IT") controls) and risk management systems.

The management is responsible to the Board for the design, implementation and monitoring of the Group's internal controls and risk management systems and providing the Board with a basis to determine the Group's level of risk exposure, risk tolerance and risk policies.

The AC will ensure that a review of the effectiveness of the Group's internal controls (including financial, operational, compliance and IT controls) and risk management systems is conducted annually. In this respect, the AC will review the audit plans and the findings of the External Auditor and the Internal Auditors, and will ensure that the management follows up on the recommendations raised by the External Auditor and the Internal Auditors, if any, during the audit process.

Based on the internal control policies and procedures established and maintained by the Group, work performed by the External Auditor and the Internal Auditors and reviews performed by the AC and the management, the Board confirms that the internal controls (including financial, operational, compliance and IT controls) and risk management systems are adequate and effective for FY2022. The AC concurs with the Board's comments.

The Board has also received assurances from the Executive Chairman and CEO and the CFO, in respect of FY2022, that the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances, and the Group's internal controls (including financial, operational, compliance and IT controls) and risk management systems are adequate and effective.

The Board notes that the internal controls and risk management systems established by the Company provide reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen. Furthermore, the Board also acknowledge that no internal controls and risk management systems can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgement in decision making, human errors, losses, fraud or other irregularities.

### **Principle 10: Audit Committee**

*The Board has an Audit Committee ("AC") which discharges its duties objectively.*

The AC comprises 3 members all of whom, including the chairman of the AC, are Independent Directors.

Chairman: Mr. Ng Cher Yan

Members: Mr. Khua Kian Kheng Ivan  
Mr. Foo Say Tun

The AC is guided by its terms of reference which stipulate that its principal functions include, *inter alia*, reviewing the Group's annual audit plans (internal and external), its internal controls and risk management systems, reviewing the assurance from the CEO and CFO on the financial records and financial statements, the adequacy, effectiveness, independence, scope and results of its external audit and its internal audit function, regulatory compliance matters, interested person transactions and financial results announcements. The AC is also responsible for making recommendations to the Board on the appointment, re-appointment or removal of the External Auditor and the Internal Auditors and their remuneration. The AC meets at least on a half-yearly basis to review any significant reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance.

The Board considers Mr. Ng Cher Yan, a fellow member with the Institute of Singapore Chartered Accountants and member of Chartered Accountants Australia and New Zealand, and who has extensive and practical financial knowledge and experience, well-qualified to chair the AC. The Board is of the view that the members of the AC are appropriately qualified in that they have sufficient accounting or related financial management expertise and experience to discharge the duties and responsibilities of the AC. No former partner or director of the External Auditor and the Internal Auditors is a member of the AC.

The AC meets with the External Auditor and the Internal Auditors, without the presence of the management at least once a year, and is not aware of any materially adverse findings for FY2022.



The role of the Internal Auditors is to assist the AC in ensuring that the controls are effective and functioning as intended, to undertake investigations as directed by the AC, to conduct regular audits of high risk areas and to report their findings to the AC for review by both the AC and the Board.

The internal audit function of the Company is outsourced to external professional firms, CLA Global TS Risk Advisory Pte Ltd ("**CLA**") (formerly known as Nexia TS Holdings Pte Ltd) and Talent League Sdn. Bhd. ("**Talent League**").

CLA is recognised as an established mid-tier accounting firm for more than 25 years. CLA possesses vast experience in providing internal audits, risk management services and advisory services in the region. The current engagement team comprises 4 members and is led by Ms Pamela Chen who has more than 15 years performing audits for listed companies.

Talent League is a boutique corporate and management consulting company providing personalized and professional services, including compliance and advisory services, to small and medium sized enterprises, as well as public listed and large multinational corporations.

Talent League uses the Committee of Sponsoring Organisation of the Treadway Commission - Internal Control (COSO - IC) Integrated Framework and the International Professional Practices Framework during the course of assignments as a basis to evaluate the effectiveness of internal control systems.

The team handling the current engagement consists of 8 personnel, led by Mr. Roy Thean Chong Yew who is a member of the Malaysian Institute of Accountants, Malaysian Institute of Certified Public Accountants, and Institute of Internal Auditors Malaysia. He has over 20 years of working experience in local and international professional services firms.

The primary reporting line of the Internal Auditors is to the AC. The AC also decides on the appointment, termination and remuneration of the Internal Auditors.

The Internal Auditors have confirmed their independence to the AC. The AC is satisfied that the Internal Auditors are independent, effective and adequately resourced and is staffed with persons with the relevant qualifications and experience. The internal audit is carried out in accordance to the Standards for the Professional Practice of Internal Auditing (in respect of CLA) and the International Professional Practices Framework (in respect of Talent League) adopted by the Institute of Internal Auditors in Singapore and Malaysia respectively.

The Internal Auditors report directly to the AC and have unrestricted access to documents, records, properties and personnel of the Group. The Internal Auditors plan their internal audit schedules in consultation with the management and their plans are reviewed and approved by the AC. The results of the internal audit will be presented to and reviewed by the AC and the Board. The Internal Auditors had conducted a review of the effectiveness of the Group's internal controls and noted no material internal control weaknesses in FY2022.

The Board recognises that it is responsible for maintaining a system of internal controls to safeguard Shareholders' interests and the Group's businesses and assets while the management is responsible for establishing and implementing the internal control procedures in a timely and appropriate manner.

The AC reviews the independence of the External Auditor annually and evaluates the performance of the External Auditor. The AC is satisfied that based on the nature and extent of non-audit services provided to the Group by the External Auditor in FY2022, it would not prejudice the independence and objectivity of the External Auditor and has recommended the External Auditor's re-appointment as external auditor of the Company to the Board for the financial year ending 31 December 2023. A breakdown of the fees for audit and non-audit services payable to the External Auditor in respect of FY2022 is set out in the Notes to the Financial Statements on page 88 of this annual report. The non-audit fees relate to tax advisory fees.

The Company confirms that it is in compliance with Rules 712 and 715 or 716 of the Catalist Rules.

The Group has put in place a whistle-blowing framework (the "**Whistle Blowing Policy**"), endorsed by the AC where the employees of the Group or any other person may, in confidence, raise concerns about possible corporate improprieties on matters of financial reporting or other matters. A dedicated secured email address has been set up to allow whistle-blowers to contact the Chairman of the AC directly.

Details of the Whistle Blowing Policy have been made available to all employees of the Group and well-defined processes and arrangements are in place to ensure independent investigation of issues or concerns raised; appropriate follow-up action, and that whistle blowers will be protected from reprisal within the limits of the law.

The AC reports to the Board on such matters at the Board meetings. Should the AC receive reports relating to serious offences and/or criminal activities relating to the Group, the AC and the Board have access to appropriate external advice where necessary.

There were no reported incidents pertaining to whistle blowing during FY2022.

### **Principle 11: Shareholder Rights and Conduct of General Meetings**

*The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.*

Shareholders are invited to participate effectively in and vote at the general meetings held by the Company. Shareholders are informed of general meetings through notices published in the Company's announcements and press releases via SGXNET and website as well as through reports/circulars sent to all Shareholders. Voting procedures are clearly explained to Shareholders at the general meetings of the Company before the resolutions are put to vote.

The Company will, to the best of its abilities, arrange the general meetings at the most convenient time to encourage Shareholders' participation. If needed, the Company will consider the use of other avenues of engaging Shareholders including webcasting meetings. The Company publishes minutes of general meetings of Shareholders on its corporate website as soon as practicable. The minutes record substantial and relevant comments or queries from Shareholders relating to the agenda of the general meeting, and responses from the Board and management.

The Board ensures that there are separate resolutions at general meetings on each distinct issue. Separate resolutions are proposed for substantially separate issues at Shareholders' meetings for approval. "Bundling" of resolutions is done only where the resolutions are interdependent and linked so as to form one significant proposal. Where the resolutions are "bundled", the Company explains the reasons and material implications in the notice of the meeting.

The Constitution allows a Shareholder to appoint up to 2 proxies to attend and vote instead of the Shareholder. A Shareholder who is a relevant intermediary may appoint more than 2 proxies to attend and vote at the general meetings of the Company.

Voting in absentia such as voting via email, electronic mail or facsimile at the general meetings may only be possible following careful study to ensure that integrity of the information and authentication of the identity of Shareholders through the web is not compromised.

All Directors, including the chairman of the Board, the AC, the NC and the RC, attend all general meetings to address issues raised by Shareholders. The External Auditor is also invited to attend the AGM and is available to assist the Directors in addressing any relevant queries raised by Shareholders relating to the conduct of the audit and the preparation of the contents of the External Auditor's report. All Directors have attended the AGM held in FY2022.

The forthcoming AGM will be held, in a wholly physical format, at SOOKEE HQ, located at 7 Changi Business Park Vista, Singapore 486042, at 10.00 a.m. on 27 April 2023. Shareholders will not be able to participate by way of electronic means at the forthcoming AGM.

Further information regarding the arrangements for the forthcoming AGM are set out in the Notice of AGM on pages 124 to 130 of this annual report.

Currently, the Company does not have a fixed dividend policy. Any declaration and payment of dividends in the future will depend on, *inter alia*, the Group's operating results, financial conditions, other cash requirements including capital expenditures, and other factors deemed relevant by the Directors. The Company is proposing a final tax exempt one-tier dividend of 1.00 Singapore cent per share in respect of FY2022 for the approval of Shareholders at the forthcoming AGM.

**Principle 12: Engagement with Shareholders**

*The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.*

The Board informs Shareholders of all major developments that may have a material impact on the Group on a timely basis. All of the Company's announcements are released via SGXNET, including the financial results, annual reports, distribution of dividends, notices, press releases, analyst briefings, presentations, announcements on acquisitions and other material developments. The Company does not practise selective disclosure of material information and price sensitive information is publicly released as soon as is practicable as required by the Catalist Rules.

General meetings are the principal forum for dialogue with Shareholders. To promote a better understanding of Shareholders' views, the Board encourages Shareholders to participate during the Company's general meetings. At these meetings, Shareholders are able to engage the Board and the management on the Group's business activities, financial performance and other business-related matters. The Company could also gather views and address Shareholders' concerns at general meetings. The Company also maintains a corporate website, <http://www.moneymax.com.sg>, to provide Shareholders and potential investors' access to the Company's corporate announcements, press releases, annual reports and corporate information. In addition, the Company has designated its Customer Service department to facilitate all investor relations communications with Shareholders, analysts and media as well as to keep the investing public informed of the Group's corporate developments and financial performance.

**Principle 13: Engagement with Stakeholders**

*The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.*

The Company engages stakeholders through various channels to understand and address stakeholder concerns and feedback to manage stakeholder expectations and align the Company's interests.

The Company has identified its key stakeholders as its customers, investors, employees, business partners, regulatory authorities and community. The Company has identified material environmental, social and governance factors which are assessed to have significance on the Company's business processes. The Board reviews these factors annually. Please refer to pages 18 to 32 of this annual report for the Company's sustainability report in respect of FY2022.

The Company welcomes feedback from its stakeholders with regards to the Company's sustainability efforts. The stakeholders may send feedback to the Company at: [ir@moneymax.com.sg](mailto:ir@moneymax.com.sg).

**DEALING IN SECURITIES**

The Group has adopted a policy whereby the Directors and employees of the Group are prohibited from dealing in the securities of the Company while in possession of price-sensitive information as well as during the period commencing 1 month before the announcement of the Company's half year and full year results. The Directors and employees of the Group are to refrain from dealing in the Company's securities on short-term considerations.

The Directors and employees of the Group are also required to adhere to the provisions of the Securities and Futures Act 2001 of Singapore ("**Securities and Futures Act**"), the Companies Act 1967 of Singapore ("**Companies Act**"), the Catalist Rules and any other relevant regulations with regard to their securities transactions.

Directors and employees of the Group are also expected to observe insider trading laws at all times even when dealing with securities within the permitted trading period.

**NON-SPONSOR FEES**

There were no non-sponsor fees paid to the Company's sponsor, United Overseas Bank Limited, in FY2022.



## INTERESTED PERSON TRANSACTIONS

The Group has established internal control policies to ensure that transactions with interested persons are properly reviewed and approved, and are conducted at arm's length commercial terms basis. Any Director, CEO and/or controlling Shareholder who is interested in a transaction will abstain and refrain from deliberating, discussing, making recommendations and approving the transaction. The Group did not have a general mandate from Shareholders for interested person transactions during FY2022 pursuant to Rule 920 of the Catalist Rules.

However, pursuant to Rule 905 of the Catalist Rules, the aggregate value of all interested person transactions entered into during FY2022 is as follows:

	Aggregate value of all interested person transactions during FY2022 (including transactions less than S\$100,000)
Name of Interested Person	S\$'000
<b>Purchases of products</b>	
SK Jewellery Group Pte. Ltd. and its subsidiaries (the "SK Group of Companies")	28
Sin Lian Pawnshop Pte. Ltd.	56
<b>Sales of products</b>	
SK Group of Companies	33
<b>Central support and payroll services</b>	
SK Group of Companies	231
<b>Lease of premises</b>	
SK Group of Companies	455
Soo Kee Investment Pte. Ltd.	222
SK Properties Pte. Ltd.	260
<b>Loan interest</b>	
SK Group of Companies	794
Money Farm Pte. Ltd.	153
Lim Yong Guan	654
Lim Yong Sheng	79
	2,965

## MATERIAL CONTRACTS

Save for those previously disclosed in the Offer Document and the service agreement entered into between the Company and the Executive Chairman and CEO, there are no other material contracts of the Company and its subsidiaries involving the interests of the CEO, any Director or controlling Shareholder which is either subsisting at the end of FY2022 or, if not then subsisting, entered into since the end of FY2021.

Information on the Directors who are retiring and being eligible, offer themselves for re-election at the forthcoming AGM as required under Rule 720(5) of the Catalist Rules:

Details	Name of Director	Name of Director
	Lim Yong Guan	Foo Say Tun
Date of appointment	9 October 2008	27 June 2013
Date of last re-appointment (if applicable)	27 April 2021	27 April 2022
Age	63	57
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	Having reviewed his qualifications, work experience, attendance during meetings, board review evaluation, and contributions to the Company, the Board, with the recommendation of the NC, approves the re-appointment of Dato' Sri Dr. Lim Yong Guan as the Executive Chairman and CEO of the Company	Having reviewed his qualifications, work experience, attendance during meetings, board review evaluation, and contributions to the Company, the Board, with the recommendation of the NC, approves the re-appointment of Mr. Foo Say Tun as an Independent Director of the Company
Whether appointment is executive, and if so, the area of responsibility	Executive  Responsible for the overall management, operations, strategic planning, and business development of the Group	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	- Executive Chairman and CEO	- Independent Director - Chairman, RC - Member, NC - Member, AC
Professional qualifications	- Diploma in Business Administration, Singapore Chinese Chamber Institute of Business	- Bachelor of Law degree from the University of East Anglia (UK) - Admission to Middle Temple (UK) as a Barrister-at-Law
Working experience and occupation(s) during the past 10 years	2008 to present - Executive Chairman and CEO of the Company 2015 to present - Non-Executive Chairman, SK Jewellery Group Pte. Ltd.	1998 - 2013 - Partner in Litigation Department of Wee, Tay & Lim LLP Jan 2020 - Mar 2022 - CEO of ZWEEC Analytics Pte Ltd
Shareholding interest in the listed issuer and its subsidiaries	Direct interest of 55,462,500 shares in the Company  Deemed interest of 273,805,170 shares in the Company  <ul style="list-style-type: none"> <li>By virtue of Section 4 of the Securities &amp; Futures Act, Dato' Sri Dr. Lim Yong Guan is deemed to be interested in the 269,846,835 shares in the Company held by Money Farm Pte. Ltd.. Dato' Sri Dr. Lim Yong Guan is also deemed to be interested in the 3,958,335 shares in the Company held by his spouse, Mdm. Tan Yang Hong, by virtue of Section 164(15) of the Companies Act.</li> </ul>	Direct interest of 31,250 shares in the Company

Details	Name of Director	Name of Director
	Lim Yong Guan	Foo Say Tun
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	<ul style="list-style-type: none"> <li>- Brother of Mr. Lim Yong Sheng (Non-Executive Director), Mdm. Lim Liang Soh (Deputy General Manager - Pawnbroking and Retail) and Mdm. Lim Liang Eng (Controlling Shareholder of the Company)</li> <li>- Spouse of Mdm. Tan Yang Hong (Chief Operating Officer)</li> <li>- Father of Mr. Lim Chun Seng (Group General Manager)</li> <li>- Controlling shareholder and director of Money Farm Pte. Ltd. (Controlling Shareholder of the Company)</li> </ul>	None
Conflict of interest (including any competing business)	None	None
Undertaking (in the format set out in Appendix 7H) under Catalist Rule 704(6) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments Including Directorships	<p><u>Present:</u> Director of:</p> <ol style="list-style-type: none"> <li>(1) SK Jewellery Group Pte. Ltd.</li> <li>(2) MoneyMax Properties Pte. Ltd.</li> <li>(3) Guan Sheng Capital Pte. Ltd.</li> <li>(4) Love &amp; Co. Pte. Ltd.</li> <li>(5) MoneyMax Leasing Pte. Ltd.</li> <li>(6) Money Farm Pte. Ltd.</li> <li>(7) MoneyMax Holdings Pte. Ltd.</li> <li>(8) MoneyMax Capital Pte. Ltd.</li> <li>(9) MoneyMax Group Ltd.</li> <li>(10) MoneyMax Jewellery Pte. Ltd.</li> <li>(11) MoneyMax Pawnshop Pte. Ltd.</li> <li>(12) MoneyMax Pte. Ltd.</li> <li>(13) MoneyMax Express Pte. Ltd.</li> <li>(14) SG e-Auction Pte. Ltd.</li> <li>(15) SK Jewellery Pte. Ltd.</li> <li>(16) SK Properties Pte. Ltd.</li> <li>(17) SKJ Group Pte. Ltd.</li> <li>(18) Soo Kee Capital Pte. Ltd.</li> <li>(19) Soo Kee Investment Pte. Ltd.</li> <li>(20) Love &amp; Co. International Pte. Ltd.</li> <li>(21) Sin Wang Jewellery Pte. Ltd.</li> <li>(22) S.E. Investment Pte. Ltd.</li> <li>(23) Orogreen Investment Pte. Ltd.</li> <li>(24) MoneyMax Credit Pte. Ltd.</li> <li>(25) MoneyMax Pawnshop Sdn. Bhd.</li> <li>(26) MoneyMax Jewellery Sdn. Bhd.</li> <li>(27) Cash Online Sdn. Bhd.</li> <li>(28) Easimine Group Sdn. Bhd.</li> <li>(29) Easigram Group Sdn. Bhd.</li> <li>(30) MS1 Infinite Sdn. Bhd.</li> <li>(31) MS2 Infinite Sdn. Bhd.</li> <li>(32) MS3 Infinite Sdn. Bhd.</li> <li>(33) MS4 Infinite Sdn. Bhd.</li> </ol>	<p><u>Present:</u> Non-Executive and Independent Director of:</p> <ol style="list-style-type: none"> <li>(1) Eurosports Global Limited</li> <li>(2) Aquapro Solutions Pte Ltd</li> <li>(3) Dynagen Power Systems Pte Ltd</li> <li>(4) M Grade Services Pte Ltd</li> </ol> <p><u>Past (for the last 5 years):</u> Non-Executive and Independent Director of:</p> <ol style="list-style-type: none"> <li>(1) Jubilee Industries Holdings Ltd.</li> <li>(2) Qingmei Group Holdings Limited</li> <li>(3) Sino Techfibre Limited</li> <li>(4) Fu Yu Corporation Limited</li> <li>(5) Ioni Water Pte Ltd</li> </ol>



Details	Name of Director	Name of Director
	Lim Yong Guan	Foo Say Tun
	<p>(34) MS5 Infinite Sdn. Bhd.  (35) MS10 Infinite Sdn. Bhd.  (36) Easigram (Pandan) Sdn. Bhd.  (37) Easigram (Batu Pahat) Sdn. Bhd.  (38) Easigold Group Sdn. Bhd.  (39) Yong Mei Group Sdn. Bhd.  (40) Guan Sang Group Sdn. Bhd.  (41) Citipath Sdn. Bhd.  (42) Bedok Land Sdn. Bhd.  (43) Ez Path Sdn. Bhd.  (44) Love &amp; Co Sdn. Bhd.  (45) Kedai Emas Prett Gold Sdn. Bhd.  (46) Moneymax (Southern) Sdn. Bhd.  (47) Pajak Gadai Moneymax (Taman Daya Sagu) Sdn. Bhd.  (48) Pajak Gadai Moneymax (Larkin) Sdn. Bhd.  (49) Pajak Gadai Moneymax (Skudai) Sdn. Bhd.  (50) Pajak Gadai Moneymax (Kulai) Sdn. Bhd.  (51) Pajak Gadai Moneymax (Bandar Baru Uda) Sdn. Bhd.  (52) Pajak Gadai Moneymax (Masai) Sdn. Bhd.  (53) Pajak Gadai Moneymax (Taman Daya) Sdn. Bhd.  (54) Pajak Gadai Moneymax (Senai) Sdn. Bhd.  (55) Pajak Gadai Moneymax (Kluang) Sdn. Bhd.  (56) Pajak Gadai Moneymax (Batu Pahat) Sdn. Bhd.  (57) Pajak Gadai Moneymax (Muar) Sdn. Bhd.  (58) Pajak Gadai Moneymax (Tun Aminah) Sdn. Bhd.  (59) Pajak Gadai Moneymax (Sungai Way) Sdn. Bhd.  (60) Pajak Gadai Moneymax (Seri Orkid) Sdn. Bhd.  (61) Pajak Gadai Moneymax (Segamat) Sdn. Bhd.  (62) Pajak Gadai Moneymax (Bayan Lepas) Sdn. Bhd.  (63) Pajak Gadai Moneymax (Pandan1) Sdn. Bhd.  (64) Pajak Gadai Moneymax (Jasin) Sdn. Bhd.  (65) Pajak Gadai Moneymax (Prai) Sdn. Bhd.  (66) Pajak Gadai Moneymax (Bukit Mertajam) Sdn. Bhd.  (67) Moneymax Malaysia Sdn. Bhd.  (68) SK Jewellery Sdn. Bhd.  (69) Soo Kee Jewellery Sdn. Bhd.</p> <p><u>Past (for the last 5 years):</u>  Director of:  (1) SK Bullion Pte. Ltd.</p>	

Details		Name of Director	Name of Director
		Lim Yong Guan	Foo Say Tun
a.	Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
b.	Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
c.	Whether there is any unsatisfied judgment against him?	No	No
d.	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No

Details		Name of Director	Name of Director
		Lim Yong Guan	Foo Say Tun
e.	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
f.	Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
g.	Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
h.	Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
i.	Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No



Details		Name of Director	Name of Director
		Lim Yong Guan	Foo Say Tun
j.	Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-		
	i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	Yes  Mr. Foo Say Tun was previously an independent director and a member of the audit committee of Sino Techfibre Limited ("STFL") from December 2009 to February 2020. In May 2011, STFL had appointed KPMG Services Pte Ltd to conduct a special audit on STFL. However, Mr. Foo Say Tun was not a subject matter of the special audit conducted.
	ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No
	iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
	iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
k.	Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No

# FINANCIAL STATEMENTS

- 56** Statement By Directors
- 59** Independent Auditor's Report
- 64** Consolidated Statement Of Profit Or Loss  
And Other Comprehensive Income
- 65** Statements Of Financial Position
- 66** Statements Of Changes In Equity
- 68** Consolidated Statement Of Cash Flows
- 69** Notes To The Financial Statements

## STATEMENT BY DIRECTORS

The directors of the company are pleased to present the accompanying financial statements of the company and of the group for the reporting year ended 31 December 2022.

### 1. Opinion of the directors

In the opinion of the directors,

- (a) the accompanying financial statements and the consolidated financial statements are drawn up so as to give a true and fair view of the financial position and performance of the company and, of the financial position and performance of the group for the reporting year covered by the financial statements or consolidated financial statements; and
- (b) at the date of the statement, there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

The board of directors approved and authorised these financial statements for issue.

### 2. Directors

The directors of the company in office at the date of this statement are:

Lim Yong Guan  
Lim Yong Sheng  
Ng Cher Yan  
Khua Kian Kheng Ivan  
Foo Say Tun

### 3. Directors' interests in shares and debentures

The directors of the company holding office at the end of the reporting year had no interest in shares in or debentures of the company or other related body corporate as recorded in the register of directors' shareholdings kept by the company under section 164 of the Singapore Companies Act 1967 (the "Act") except as follows:

Name of directors and companies in which interests are held	Direct Interest		Deemed Interest	
	At beginning of the reporting year	At end of the reporting year	At beginning of the reporting year	At end of the reporting year
<u>The company</u>	<u>Number of shares of no par value</u>			
Lim Yong Guan	55,462,500	55,462,500	273,389,370	273,805,170
Lim Yong Sheng	47,850,000	47,850,000	269,431,035	269,846,835
Ng Cher Yan	31,250	31,250	-	-
Khua Kian Kheng Ivan	31,250	31,250	-	-
Foo Say Tun	31,250	31,250	-	-

By virtue of section 7 of the Act, Mr Lim Yong Guan and Mr Lim Yong Sheng are deemed to have an interest in the company and in all the related body corporate of the company.

The directors' interests as at 21 January 2023 were the same as those at the end of the reporting year.

**4. Arrangements to enable directors to acquire benefits by means of the acquisition of shares and debentures**

Neither at the end of the reporting year nor at any time during the reporting year did there subsist arrangements to which the company is a party, being arrangements whose objects are, or one of whose objects is, to enable directors of the company to acquire benefits by means of the acquisition of shares in or debentures of the company or any other body corporate.

**5. Options**

During the reporting year, no option to take up unissued shares of the company or other body corporate in the group was granted.

During the reporting year, there were no shares of the company or other body corporate in the group issued by virtue of the exercise of an option to take up unissued shares.

At the end of the reporting year, there were no unissued shares under option.

**6. Report of audit committee**

The members of the Audit Committee at the date of this statement are as follows:

Ng Cher Yan (Chairman)	(Independent and non-executive director)
Khua Kian Kheng Ivan	(Independent and non-executive director)
Foo Say Tun	(Independent and non-executive director)

The Audit Committee performs the functions specified by section 201B (5) of the Act, Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST") and the Code of Corporate Governance. Among other functions, it performed the following:

- Reviewed with the internal auditors, the scope of the internal audit plan and results of the internal audit procedures (including those relating to financial, operational and compliance controls and risk management);
- Reviewed with the company's independent external auditor, the audit plan, the results of the external audit procedures conducted, and internal control recommendations, if any, arising from the statutory audit;
- Reviewed the assistance provided by the company's officers to the internal and external auditors;
- Reviewed the financial information and annual financial statements of the group and the company prior to their submission to the Board of Directors of the company for adoption; and
- Reviewed the interested person transactions (as defined in Chapter 9 of the SGX-ST's Listing Manual Section B: Rules of Catalyst).

Other functions performed by the Audit Committee are described in the Report on Corporate Governance included in the Annual Report of the company. It also includes an explanation of how the independent auditor's objectivity and independence are safeguarded where the independent auditor provides non-audit services.

The Audit Committee has recommended to the board of directors that the independent auditor, RSM Chio Lim LLP, be nominated for re-appointment as the independent auditor at the next annual general meeting of the company.



**7. Independent auditor**

RSM Chio Lim LLP has expressed willingness to accept re-appointment.

**8. Directors' opinion on the adequacy of internal controls**

Based on the internal controls established and maintained by the group, work performed by the internal and external auditors, and reviews performed by management, other committees of the board and the board, the board, with the concurrence of the Audit Committee, is of the opinion that the group's internal controls, (including financial, operational, compliance and information technology controls), and risk management systems were adequate and effective as at the reporting year end to address the risks that the company considers relevant and material to its operations.

**9. Subsequent developments**

There are no significant developments subsequent to the release of the group's and the company's preliminary financial statements, as announced on 27 February 2023, which would materially affect the group's and the company's operating and financial performance as of the date of this report.

On behalf of the directors

.....  
Lim Yong Guan  
Director

.....  
Lim Yong Sheng  
Director

6 April 2023

## TO THE MEMBERS OF MONEymax FINANCIAL SERVICES LTD.

**Report on the audit of the financial statements**

We have audited the accompanying financial statements of MoneyMax Financial Services Ltd. (the "company") and its subsidiaries (the "group"), which comprise the consolidated statement of financial position of the group and the statement of financial position of the company as at 31 December 2022, and the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the group, and statement of changes in equity of the company for the reporting year then ended, and notes to the financial statements, including accounting policies.

In our opinion, the accompanying consolidated financial statements of the group and the statement of financial position and statement of changes in equity of the company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS (I)") so as to give a true and fair view of the consolidated financial position of the group and the financial position of the company as at 31 December 2022 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the group and the changes in equity of the company for the reporting year ended on that date.

**Basis for opinion**

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key audit matters ("KAMs")**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current reporting year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**(a) Impairment and existence of pledged loan receivables**

Refer to Notes 2A and 2C for the relevant accounting policy and key estimates used in the valuation of pledged loan receivables respectively, and Note 20 for the pledged loan receivables balance for the reporting year end.

The carrying amount of pledged loan receivables amounted to \$266,974,000 which accounted for approximately 42% of the group's total assets as at the reporting year end. Pledged loan receivables are collateralised loans, whose value are secured by items such as gold, jewellerys, watches and bags. The carrying amount of pledged loan receivables may not be recoverable in full in the event that a customer does not renew or redeem a pledged article within the agreed redemption period from the grant date of the loan, and the market value of the pledged article declines. Management applies judgement in determining the appropriate allowance for expected credit loss on pledged loan receivables based upon an assessment of the collateral concerned, considering the authenticity of collateral and articles, historical renewal / redemption rate and the fluctuation of gold market prices.

Our procedures include:

- (i) obtained an understanding of the internal controls with respect to the physical safeguards over pledged loan receivables;
- (ii) on a sampling basis, matched details on the open pawn tickets of pledged loan receivables to the physical pledged items during the year-end count of pledged items;
- (iii) assessed the independence, qualifications and competence of the gemologist and the watch valuer;
- (iv) on a sampling basis, compared the carrying values of selected non-gold pledges to their fair values assessed by the gemologist and the watch valuer;

## Key audit matters (cont'd)

### (a) Impairment and existence of pledged loan receivables (cont'd)

- (v) reviewed the gold price index for the reporting year and compared the average value of gold pledges as at the reporting year end to the latest practicable market gold price subsequent to the reporting year end;
- (vi) compared the carrying values of collaterals to their subsequent forfeiture selling prices;
- (vii) reviewed the historical data on the renewal / redemption rate and historical default patterns; and
- (viii) assessed the adequacy of disclosures made in the financial statements.

### (b) Assessment of expected credit loss on lease payment receivables

Refer to Notes 2A and 2C for the relevant accounting policy and key estimates used in the assessment of expected credit losses ("ECL") of lease payment receivables respectively, and Note 17 and Note 20 for the lease payment receivables balance for the reporting year end.

The carrying amount of lease payment receivables amounted to \$199,217,000 which accounted for approximately 32% of the group's total assets as at the reporting year end. Lease payment receivables are mainly motor loans, whose value are secured by collateral of leased vehicles. The carrying amount of lease payment receivables may not be recoverable in full in the event that a customer defaults during the loan term. Management applies judgement in determining the appropriate allowance for expected credit loss on lease payment receivables based upon an assessment of historical default rates, past experience at collecting receipts, and forward looking information such as forecasts of future economic conditions.

Our procedures include:

- (i) obtained an understanding of management's process over the recoverability of outstanding lease payment receivables and evaluated management's assumptions used to estimate the allowance for impairment of lease payment receivables;
- (ii) on a sampling basis, reviewed hire purchase agreements entered into with hirees;
- (iii) assessed the reasonableness of lease payment receivables balance based on recomputation;
- (iv) assessed the adequacy of disclosures made in the financial statements.

### (c) Impairment and existence of inventories

Refer to Notes 2A and 2C for the relevant accounting policy and key estimates used in the valuation of inventories respectively, and Note 19 for the breakdown of inventory for the reporting year end.

The carrying amount of inventories amounted to \$81,760,000 which accounted for approximately 13% of the group's total assets as at the reporting year end. Inventories comprise mainly of gold, jewelleries, watches and bags. The cost of inventories may not be recoverable in full if their selling prices have declined. Management applies judgement in determining the appropriate allowance for inventories based upon an assessment of inventories concerned, considering the authenticity of inventories, future demand, future selling prices, rework cost and fluctuation of gold market prices and ageing analysis of inventories.

Our procedures include:

- (i) obtained an understanding of the internal controls with respect to the physical safeguards over inventories;
- (ii) on a sampling basis, attended and observed the year-end inventory count;
- (iii) assessed the independence, qualifications and competence of the gemologist and the watch valuer;
- (iv) compared the carrying value of selected non-gold inventories to their fair values assessed by the gemologist and watch valuer;

**Key audit matters (cont'd)****(c) Impairment and existence of inventories (cont'd)**

- (v) compared the carrying value of gold inventories for retails to their subsequent selling prices;
- (vi) reviewed the gold price index for the reporting year and compared the average cost of gold items as at the reporting year end to latest practicable market gold price subsequent to the reporting year end;
- (vii) reviewed the assumptions used in computing the rework cost for aged products; and
- (viii) assessed the adequacy of disclosures made in the financial statements.

**(d) Valuation of investment in equity interests of an unquoted entity**

Refer to Notes 2A and 2C for the relevant accounting policy and key estimates used in the fair value assessment of other financial assets respectively, and Note 18 for the balance for the reporting year end.

The carrying amount of other financial assets amounted to \$6,881,000 which relates mainly to the company's 12.5% equity interests in Chongqing Zongshen Financial Leasing Company Limited (the "Investment"). As part of the investment arrangement, the company was also granted an option by the major shareholder of the Investment whereby the company has the right to sell to the major shareholder its equity interests in the Investment (the "Option").

The exercise price of the Option shall be based on the higher of the company's original capital contribution of approximately \$5,192,000 and the agreed market value at the time of exercise of the Option.

The company accounted for the Investment and the Option together as a hybrid instrument measured at fair value through profit or loss. To this end, management has engaged an external valuer to perform an independent valuation of this financial asset as at 31 December 2022. The fair value of \$5,853,000 was determined based on the adjusted net assets approach. As the Investment is an unquoted entity, the valuation involved significant management judgements.

Our procedures include:

- (i) assessed the independence, qualifications, and competence of the external valuer;
- (ii) with the assistance of our internal valuation specialists, assessed the appropriateness of the external valuer's valuation methodology, valuation models and the unobservable inputs of those models;
- (iii) performed cross-check of fair value against other valuation approaches to determine whether it is within the acceptable range; and
- (iv) assessed the adequacy of disclosures made in the financial statements.

**(e) Impairment of goodwill**

Refer to Notes 2A and 2C for the relevant accounting policy and key estimates used in impairment assessment of goodwill respectively, and Note 15A for the key assumptions used in impairment testing of goodwill.

The group had goodwill of \$3,744,000 (via acquisitions of subsidiaries in Malaysia) allocated to several cash generating units ("CGUs") as at the reporting year end. Refer to Note 15A for the list of CGUs. Goodwill are tested for impairment annually. Management uses the value-in-use method to determine the recoverable amount of each CGU. The value-in-use calculation, which is based on discounted cash flows of each CGU, requires management to exercise significant judgement in projecting each CGU's pledges growth rate, forfeiture rates, growth rate of gross profit margin of forfeiture sales, operating expenses growth rates, discount rate and terminal value. Any shortfall of the recoverable amounts against the carrying amounts would be recognised as impairment losses.



## Key audit matters (cont'd)

### (e) Impairment of goodwill (cont'd)

Our procedures include:

- (i) challenged management's estimates used in the value-in-use model through our knowledge of the CGU's operations, their past performance, management's growth strategies and cost initiatives;
- (ii) with the assistance of our internal valuation specialists, assessed the appropriateness of management's valuation methodology, valuation models and the unobservable inputs of those models;
- (iii) compared inputs to the discount rates to regional indices and industry benchmarks; and
- (iv) assessed the adequacy of disclosures made in the financial statements.

## Other information

Management is responsible for the other information. The other information comprises the information included in the annual report and statement by directors, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and the financial reporting standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the group's financial reporting process.

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

**Auditor's responsibilities for the audit of the financial statements (cont'd)**

- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on other legal and regulatory requirements**

In our opinion, the accounting and other records required by the Act to be kept by the company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Lee Mong Sheong.

RSM Chio Lim LLP  
Public Accountants and  
Chartered Accountants  
Singapore

6 April 2023

Engagement partner - effective from year ended 31 December 2021

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Reporting Year Ended 31 December 2022

	Notes	Group	
		2022 \$'000	2021 \$'000
<b>Revenue</b>	5	253,491	199,217
Other income and gains	6	1,692	2,702
Material costs		(162,813)	(128,991)
Employee benefits expense	7	(24,888)	(19,532)
Depreciation and amortisation expense	13,14 & 15C	(13,068)	(12,092)
Other losses	6	(562)	(551)
Finance costs	8	(14,588)	(9,461)
Other expenses	9	(9,519)	(5,845)
<b>Profit before income tax</b>		29,745	25,447
Income tax expense	10	(5,962)	(4,321)
<b>Profit for the year</b>		23,783	21,126
<b><u>Other comprehensive income</u></b>			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translating foreign operations, net of tax	24A	(1,311)	(123)
Cash flow hedges, net of tax	24B	1,312	288
<b>Other comprehensive income for the year, net of tax</b>		1	165
<b>Total comprehensive income</b>		23,784	21,291
Profit for the year attributable to:			
Owners of the parent		22,052	19,805
Non-controlling interests		1,731	1,321
		23,783	21,126
Total comprehensive income attributable to:			
Owners of the parent		22,053	19,970
Non-controlling interests		1,731	1,321
		23,784	21,291
<b>Earnings per share</b>			
		<u>2022</u>	<u>2021</u>
		Cents	Cents
Basic and diluted	11	4.99	4.48

The accompanying notes form an integral part of these financial statements.

As at 31 December 2022

		Group		Company	
	Notes	2022	2021	2022	2021
		\$'000	\$'000	\$'000	\$'000
<b>ASSETS</b>					
<b><u>Non-current assets</u></b>					
Property, plant and equipment	13	22,476	20,386	-	-
Right-of-use assets	14	12,144	17,933	-	-
Intangible assets	15	4,541	4,488	-	-
Investments in subsidiaries	16	-	-	89,291	65,376
Deferred tax assets	10	22	33	-	-
Other financial assets, non-current	18	6,881	6,867	5,853	5,853
Derivative financial instruments, non-current	29	1,145	-	-	-
Trade and other receivables, non-current	20	149,440	108,102	-	-
Other assets, non-current	21	2,736	2,316	-	-
<b>Total non-current assets</b>		<b>199,385</b>	<b>160,125</b>	<b>95,144</b>	<b>71,229</b>
<b><u>Current assets</u></b>					
Inventories	19	81,760	73,242	-	-
Derivative financial instruments, current	29	414	-	-	-
Trade and other receivables, current	20	321,246	260,617	19,392	37,941
Other assets, current	21	6,671	5,108	82	78
Cash and cash equivalents	22	20,911	19,772	420	1,347
<b>Total current assets</b>		<b>431,002</b>	<b>358,739</b>	<b>19,894</b>	<b>39,366</b>
<b>Total assets</b>		<b>630,387</b>	<b>518,864</b>	<b>115,038</b>	<b>110,595</b>
<b>EQUITY AND LIABILITIES</b>					
<b><u>Equity</u></b>					
Share capital	23	56,144	56,144	56,144	56,144
Retained earnings		75,180	57,329	7,319	7,639
Other reserves	24	(97)	(98)	-	-
<b>Equity attributable to owners of the parent</b>		<b>131,227</b>	<b>113,375</b>	<b>63,463</b>	<b>63,783</b>
Non-controlling interests		9,631	7,900	-	-
<b>Total equity</b>		<b>140,858</b>	<b>121,275</b>	<b>63,463</b>	<b>63,783</b>
<b><u>Non-current liabilities</u></b>					
Other financial liabilities, non-current	25	130,032	112,522	1,858	2,438
Lease liabilities, non-current	26	4,726	8,936	-	-
Deferred tax liabilities	10	329	113	-	-
<b>Total non-current liabilities</b>		<b>135,087</b>	<b>121,571</b>	<b>1,858</b>	<b>2,438</b>
<b><u>Current liabilities</u></b>					
Income tax payable		4,348	4,182	-	-
Trade and other payables	27	55,480	39,488	43,137	40,812
Other financial liabilities, current	25	282,852	218,679	6,580	3,562
Lease liabilities, current	26	9,214	10,373	-	-
Other liabilities	28	2,548	3,296	-	-
<b>Total current liabilities</b>		<b>354,442</b>	<b>276,018</b>	<b>49,717</b>	<b>44,374</b>
<b>Total liabilities</b>		<b>489,529</b>	<b>397,589</b>	<b>51,575</b>	<b>46,812</b>
<b>Total equity and liabilities</b>		<b>630,387</b>	<b>518,864</b>	<b>115,038</b>	<b>110,595</b>

The accompanying notes form an integral part of these financial statements.



## STATEMENTS OF CHANGES IN EQUITY

Reporting Year Ended 31 December 2022

<b>Group:</b>	<b>Share capital \$'000</b>	<b>Retained earnings \$'000</b>	<b>Other reserves \$'000</b>	<b>Attributable to parent sub-total \$'000</b>	<b>Non- controlling interests \$'000</b>	<b>Total equity \$'000</b>
<b>Current year:</b>						
Opening balance at 1 January 2022	56,144	57,329	(98)	113,375	7,900	121,275
<b>Changes in equity:</b>						
Total comprehensive income for the year	-	22,052	1	22,053	1,731	23,784
Dividends paid (Note 12)	-	(4,201)	-	(4,201)	-	(4,201)
<b>Closing balance at 31 December 2022</b>	<b>56,144</b>	<b>75,180</b>	<b>(97)</b>	<b>131,227</b>	<b>9,631</b>	<b>140,858</b>
<b>Previous year:</b>						
Opening balance at 1 January 2021	56,144	41,699	(263)	97,580	6,579	104,159
<b>Changes in equity:</b>						
Total comprehensive income for the year	-	19,805	165	19,970	1,321	21,291
Dividends paid (Note 12)	-	(4,175)	-	(4,175)	-	(4,175)
<b>Closing balance at 31 December 2021</b>	<b>56,144</b>	<b>57,329</b>	<b>(98)</b>	<b>113,375</b>	<b>7,900</b>	<b>121,275</b>

The accompanying notes form an integral part of these financial statements.

## STATEMENTS OF CHANGES IN EQUITY

Reporting Year Ended 31 December 2022

**Company:**

**Current year:**

Opening balance at 1 January 2022

**Changes in equity:**

Total comprehensive income for the year

Dividends paid (Note 12)

**Closing balance at 31 December 2022**

Share capital \$'000	Retained earnings \$'000	Total equity \$'000
56,144	7,639	63,783
-	3,881	3,881
-	(4,201)	(4,201)
<u>56,144</u>	<u>7,319</u>	<u>63,463</u>

**Previous year:**

Opening balance at 1 January 2021

**Changes in equity:**

Total comprehensive income for the year

Dividends paid (Note 12)

**Closing balance at 31 December 2021**

56,144	8,092	64,236
-	3,722	3,722
-	(4,175)	(4,175)
<u>56,144</u>	<u>7,639</u>	<u>63,783</u>

The accompanying notes form an integral part of these financial statements.

# CONSOLIDATED STATEMENT OF CASH FLOWS

Reporting Year Ended 31 December 2022

	Group	
	2022	2021
	\$'000	\$'000
<b>Cash flows from operating activities</b>		
Profit before income tax	29,745	25,447
Adjustments for:		
Interest expense	14,588	9,461
Dividend income	(61)	-
Depreciation of property, plant and equipment	2,445	1,924
Depreciation of right-of-use assets	10,607	10,082
Amortisation of intangible assets	16	86
Fair value gain on other financial assets at FVTPL	-	(382)
Gain on disposal of property, plant and equipment	(146)	-
Reversal of for inventory obsolescence	-	(37)
Net effect of exchange rate changes in consolidating foreign operations	260	127
Operating cash flows before changes in working capital	57,454	46,708
Inventories	(8,518)	(30,798)
Trade and other receivables	(101,968)	(92,495)
Other assets	(1,982)	(1,866)
Trade and other payables	16,192	15,979
Other liabilities	(748)	449
Net cash flows used in operations	(39,570)	(62,023)
Income taxes paid	(6,068)	(4,287)
Net cash flows used in operating activities	(45,638)	(66,310)
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment (Notes 13 and 22B)	(4,525)	(2,155)
Proceeds from disposal of property, plant and equipment	148	-
Acquisition of licences (Note 15)	(307)	(480)
Dividend from other financial assets at FVTPL	61	-
Net cash flows used in investing activities	(4,623)	(2,635)
<b>Cash flows from financing activities</b>		
Increase in loans and borrowings	179,688	141,475
Loans and borrowings paid	(98,581)	(46,428)
Payments of principal portion of lease liabilities	(10,399)	(8,963)
Repayments of finance lease liabilities	(30)	(11)
Interest expense paid	(14,588)	(9,461)
Dividends paid (Note 12)	(4,201)	(4,175)
Net cash flows from financing activities	51,889	72,437
<b>Net increase in cash and cash equivalents</b>	1,628	3,492
Cash and cash equivalents, beginning balance	17,864	14,372
<b>Cash and cash equivalents, ending balance (Note 22A)</b>	<b>19,492</b>	<b>17,864</b>

The accompanying notes form an integral part of these financial statements.

**31 December 2022**

**1. General**

The company is incorporated in Singapore with limited liability. The financial statements are presented in Singapore Dollar and they cover the company (referred to as "parent") and the subsidiaries. All financial information in these financial statements are rounded to the nearest thousand ("'\$'000") except when otherwise indicated.

The board of directors approved and authorised these financial statements for issue on the date of the statement by directors. The directors have the power to amend and reissue the financial statements.

The principal activity of the company is that of investment holding. The principal activities of the subsidiaries are described in Note 34 to the financial statements.

The company is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited ("SGX-ST").

The registered office is: 7 Changi Business Park Vista, #01-01, SOOKEE HQ, Singapore 486042. The company is situated in Singapore.

**Statement of compliance with financial reporting standards**

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards International ("SFRS(I)") and the related interpretations to SFRS(I) ("SFRS(I) INT") as issued by the Singapore Accounting Standards Council. They are in compliance with the provisions of the Singapore Companies Act 1967 and with the International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB").

**Accounting convention**

The financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in the financial reporting standards may not be applied when the effect of applying them is not material. The disclosures required by financial reporting standards may not be provided if the information resulting from that disclosure is not material.

**Basis of preparation of the financial statements**

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Apart from those involving estimations, management has made judgements in the process of applying the entity's accounting policies. The areas requiring management's most difficult, subjective or complex judgements, or areas where assumptions and estimates are significant to the financial statements, are disclosed at the end of this footnote, where applicable.



## 1. General (cont'd)

### Basis of presentation and principles of consolidation

The consolidated financial statements include the financial statements made up to the end of the reporting year of the company and all of its subsidiaries. The consolidated financial statements are the financial statements of the group (the parent and its subsidiaries) presented as those of a single economic entity and are prepared using uniform accounting policies for like transactions and other events in similar circumstances. All significant intragroup balances and transactions are eliminated on consolidation. Subsidiaries are consolidated from the date the reporting entity obtains control of the investee. They are de-consolidated from the date that control ceases.

Changes in the group's ownership interest in a subsidiary that do not result in the loss of control are accounted for within equity as transactions with owners in their capacity as owners. The carrying amounts of the group's and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. When the group loses control of a subsidiary, it derecognises the assets and liabilities and related equity components of the former subsidiary. Any gain or loss is recognised in profit or loss. Any investment retained in the former subsidiary is measured at fair value at the date when control is lost and is subsequently accounted for as equity investments financial assets in accordance with the financial reporting standard on financial instruments.

## 2. Significant accounting policies and other explanatory information

### 2A. Significant accounting policies

#### Revenue recognition

The financial reporting standard on revenue from contracts with customers establishes a five-step model to account for revenue arising from contracts with customers. Revenue is recognised at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer (which excludes estimates of variable consideration that are subject to constraints, such as right of return exists, trade discounts, volume rebates and changes to the transaction price arising from modifications), net of any related sales taxes and excluding any amounts collected on behalf of third parties. An asset (goods or services) is transferred when or as the customer obtains control of that asset. As a practical expedient, the effects of any significant financing component is not adjusted if the payment for the good or service will be within one year.

Revenue from the sales of pre-owned luxury items comprising unredeemed pledges is recognised at a point in time when the performance obligation is satisfied upon the transfer of the goods to the buyer, which generally coincides with delivery and acceptance of the pledged articles sold. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

Interest income from collateral loan services is recognised on a time-proportion basis using the effective interest method.

Interest income from hire purchases is recognised over the term of the hire purchases using the Rule 78 (sum of digits) method which approximates the effective interest method. The balance of such charges at the end of the reporting year is carried forward as unearned charges.

#### Other income

Rental income is recognised on a time-proportion basis that takes into account the effective yield on the assets on a straight-line basis over the lease term. Dividend income from equity instruments is recognised only when the entity's right to receive payment of the dividend is established; and the amount of the dividend can be measured reliably.

**2. Significant accounting policies and other explanatory information (cont'd)**

**2A. Significant accounting policies (cont'd)**

**Government grants**

Government grants are recognised at fair value when there is reasonable assurance that the conditions attaching to them will be complied with and that the grants will be received. Grants in recognition of specific expenses are recognised in profit or loss on a systematic basis over the periods necessary to match them with the related costs that they are intended to compensate.

**Employee benefits**

Contributions to a defined contribution retirement benefit plan are recorded as an expense as they fall due. The entity's legal or constructive obligation is limited to the amount that it is obligated to contribute for the Singapore employees to an independently administered fund (such as the Central Provident Fund in Singapore, a government managed defined contribution retirement benefit plan). Certain subsidiaries overseas have defined contribution retirement benefit plans in which employees are entitled to join upon fulfilling certain conditions. The assets of the fund may or may not be held separately from those of the entity in an independently administered fund. The entity contributes an amount equal to a fixed percentage of the salary of each participating employee. For employee leave entitlement the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.

**Borrowing costs**

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds and are recognised as an expense in the period in which they are incurred. Interest expense is calculated using the effective interest rate method.

**Foreign currency transactions**

The functional currency is the Singapore Dollar as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the reporting year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the reporting year and fair value measurement dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss except when a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. The presentation is in the functional currency.

**Translation of financial statements of other entities**

Each company in the group determines the appropriate functional currency as it reflects the primary economic environment in which the relevant reporting entity operates. In translating the financial statements of such a company for incorporation in the consolidated financial statements in the presentation currency, the assets and liabilities denominated in other currencies are translated at end of the reporting year rates of exchange and the income and expense items for each statement presenting profit or loss and other comprehensive income are translated at average rates of exchange for the reporting year. The resulting translation adjustments (if any) are recognised in other comprehensive income and accumulated in a separate component of equity until the disposal of that relevant reporting company.

**2. Significant accounting policies and other explanatory information (cont'd)**

**2A. Significant accounting policies (cont'd)**

**Income tax**

The income taxes are accounted using the asset and liability method that requires the recognition of taxes payable or refundable for the current year and deferred tax liabilities and assets for the future tax consequence of events that have been recognised in the financial statements or tax returns. The measurements of current and deferred tax liabilities and assets are based on provisions of the enacted or substantially enacted tax laws; the effects of future changes in tax laws or rates are not anticipated. Tax expense (tax income) is the aggregate amount included in the determination of profit or loss for the reporting year in respect of current tax and deferred tax. Current and deferred income taxes are recognised as income or as an expense in profit or loss unless the tax relates to items that are recognised in the same or a different period outside profit or loss. For such items recognised outside profit or loss, the current tax and deferred tax are recognised (a) in other comprehensive income if the tax is related to an item recognised in other comprehensive income and (b) directly in equity if the tax is related to an item recognised directly in equity. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same income tax authority. The carrying amount of deferred tax assets is reviewed at each end of the reporting year and is reduced, if necessary, by the amount of any tax benefits that, based on available evidence, are not expected to be realised. A deferred tax amount is recognised for all temporary differences, unless the deferred tax amount arises from the initial recognition of an asset or liability in a transaction which (i) is not a business combination; and (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss). A deferred tax liability or asset is recognised for all taxable temporary differences associated with investments in subsidiaries except where the reporting entity is able to control the timing of the reversal of the taxable temporary difference and it is probable that the taxable temporary difference will not reverse in the foreseeable future or for deductible temporary differences, they will not reverse in the foreseeable future and they cannot be utilised against taxable profits.

**Property, plant and equipment**

Property, plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight-line method to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets. The annual rates of depreciation are as follows:

Properties	-	2.5%
Leasehold improvements	-	Over lease term
Plant, fixture and fittings	-	20% to 100%

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle. Fully depreciated assets still in use are retained in the financial statements.

The gain or loss arising from the derecognition of an item of property, plant and equipment is recognised in profit or loss. The residual value and the useful life of an asset is reviewed at least at each end of the reporting year and, if expectations differ significantly from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted.

Cost includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss when they are incurred.

Cost also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period. See Note 28 on provisions.

**2. Significant accounting policies and other explanatory information (cont'd)**

**2A. Significant accounting policies (cont'd)**

**Right-of-use assets**

The right-of-use assets are accounted and presented as if they were owned such as property, plant and equipment. The annual rate of depreciation is as follows:

Retail outlets	-	Over lease term
----------------	---	-----------------

**Leases of lessee**

A lease conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. A right-of-use asset is capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. A liability corresponding to the capitalised right-of-use asset is also recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. The right-of-use asset is depreciated over the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

An interest expense is recognised on the lease liability (included in finance costs). For short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office equipment) where an accounting policy choice exists under the lease standard, the lease payments are expensed to profit or loss as incurred on a straight line basis over the remaining lease term.

**Leases of lessor**

For a lessor each of lease is classified as either an operating lease or a finance lease. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is representative of the time pattern of the user's benefit, even if the payments are not on that basis. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset and it is presented in its statement of financial position as a receivable at an amount equal to the net investment in the lease. For a finance lease the finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

**Intangible assets**

An identifiable non-monetary asset without physical substance is recognised as an intangible asset at acquisition cost if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. After initial recognition, an intangible asset with finite useful life is carried at cost less any accumulated amortisation and any accumulated impairment losses. An intangible asset with an indefinite useful life is not amortised. An intangible asset is regarded as having an indefinite useful life when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the entity.

The amortisable amount of an intangible asset with finite useful life is allocated on a systematic basis over the best estimate of its useful life from the point at which the asset is ready for use. The useful lives are as follows:

Lease assignment fees	-	Over lease term
Customer lists	-	5 years
License	-	Not amortised

Identifiable intangible assets acquired as part of a business combination are initially recognised separately from goodwill if the asset's fair value can be measured reliably, irrespective of whether the asset had been recognised by the acquiree before the business combination. An intangible asset is considered identifiable only if it is separable or if it arises from contractual or other legal rights, regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.



**2. Significant accounting policies and other explanatory information (cont'd)**

**2A. Significant accounting policies (cont'd)**

**Subsidiaries**

A subsidiary is an entity including unincorporated and special purpose entity that is controlled by the group and the group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The existence and effect of substantive potential voting rights that the group has the practical ability to exercise (that is, substantive rights) are considered when assessing whether the group controls another entity. In the company's separate financial statements, an investment in a subsidiary is accounted for at cost less any allowance for impairment in value. Impairment loss recognised in profit or loss for a subsidiary is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying value and the net book value of the investment in a subsidiary are not necessarily indicative of the amount that would be realised in a current market exchange.

**Business combinations**

A business combination is a transaction or other event which requires that the assets acquired and liabilities assumed constitute a business. It is accounted for by applying the acquisition method of accounting. The cost of a business combination includes the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the acquirer, in exchange for control of the acquiree. The acquisition-related costs are expensed in the periods in which the costs are incurred and the services are received except for any costs to issue debt or equity securities are recognised in accordance with the financial reporting standard on financial instruments.

As of the acquisition date, the acquirer recognises, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree measured at acquisition date fair values as defined in and that meet the conditions for recognition under the financial reporting standard on business combinations. If there is gain on bargain purchase, for the gain on bargain purchase a reassessment is made of the identification and measurement of the acquiree's identifiable assets, liabilities and contingent liabilities and the measurement of the cost of the business combination and any excess remaining after this reassessment is recognised immediately in profit or loss.

Business combinations are initially accounted for on a provisional basis until they are finalised within one year from the acquisition date. The fair value of assets acquired, liabilities and contingent liabilities assumed are initially estimated by management by taking into consideration all available information at the reporting date. Fair value adjustments on the finalisation of the business combination accounting is retrospective to the period the combination occurred and may have an impact on the assets and liabilities, depreciation and amortisation reported.

Goodwill and fair value adjustments resulting from the application of purchase accounting at the date of acquisition are treated as assets and liabilities of the foreign entity and are recorded at the exchange rates prevailing at the acquisition date and are subsequently translated at the period end exchange rate.

**Non-controlling interests**

The non-controlling interest is equity in a subsidiary not attributable, directly or indirectly, to the group as the parent. The non-controlling interest is presented in the consolidated statement of financial position within equity, separately from the equity of the owners of the parent. For each business combination, any non-controlling interest in the acquiree (subsidiary) is initially measured either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Where the non-controlling interest is measured at fair value, the valuation techniques and key model inputs used are disclosed in the relevant note. Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

**2. Significant accounting policies and other explanatory information (cont'd)**

**2A. Significant accounting policies (cont'd)**

**Goodwill**

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognised. Goodwill is recognised as of the acquisition date measured as the excess of (a) over (b); (a) being the aggregate of: (i) the consideration transferred which generally requires acquisition date fair value; (ii) the amount of any non-controlling interest in the acquiree measured in accordance with the financial reporting standard on business combinations (measured either at fair value or as the non-controlling interest's proportionate share of the acquiree's net identifiable assets); and (iii) in a business combination achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree; and (b) being the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed measured in accordance with the financial reporting standard on business combinations.

After initial recognition, goodwill acquired in a business combination is measured at cost less any accumulated impairment losses. Goodwill is not amortised. Irrespective of whether there is any indication of impairment, goodwill and also any intangible asset with an indefinite useful life or any intangible asset not yet available for use are tested for impairment at least annually. Goodwill impairment is not reversed in any circumstances.

For the purpose of impairment testing and since the acquisition date of the business combination, goodwill is allocated to each cash-generating unit, or groups of cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree were assigned to those units or groups of units. Each unit or group of units to which the goodwill is so allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes and is not larger than a segment.

**Inventories**

Inventories are measured at the lower of cost (specific identification method) and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. A write down on cost is made where the cost is not recoverable or if the selling prices have declined. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

**Carrying amounts of non-financial assets**

Irrespective of whether there is any indication of impairment, an annual impairment test is performed at about the same time every year on an intangible asset with an indefinite useful life or an intangible asset not yet available for use. The carrying amount of other non-financial assets is reviewed at each end of the reporting year for indications of impairment and where an asset is impaired, it is written down through profit or loss to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is recognised in profit or loss. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. When the fair value less costs of disposal method is used, any available recent market transactions are taken into consideration. When the value in use method is adopted, in assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). At each end of the reporting year non-financial assets other than goodwill with impairment loss recognised in prior periods are assessed for possible reversal of the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been measured, net of depreciation or amortisation, if no impairment loss had been recognised.

**2. Significant accounting policies and other explanatory information (cont'd)**

**2A. Significant accounting policies (cont'd)**

**Financial instruments**

Recognition and derecognition of financial instruments:

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the entity becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting or settlement date accounting. A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. A financial liability is removed from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires.

At initial recognition, the financial asset or financial liability is measured at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Classification and measurement of financial assets:

Financial assets are classified into (1) Financial asset classified as measured at amortised cost; (2) Financial asset that is an equity investment measured at fair value through other comprehensive income (FVTOCI); (3) Financial asset that is a debt asset instrument classified as measured at fair value through other comprehensive income (FVTOCI); and (4) Financial asset classified as measured at fair value through profit or loss (FVTPL). At the end of the reporting year, the reporting entity had the following financial assets:

- Financial asset classified as measured at amortised cost: A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss (FVTPL), that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Typically trade and other receivables, bank and cash balances are classified in this category.
- Financial asset that is a debt asset instrument classified as measured at fair value through other comprehensive income (FVTOCI): A debt asset instrument is measured at fair value through other comprehensive income (FVTOCI) only if it meets both of the following conditions and is not designated as at FVTPL, that is (a): the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets are not reclassified subsequent to their initial recognition, except when, and only when, the reporting entity changes its business model for managing financial assets (expected to be rare and infrequent events). The previously recognised gains, losses, or interest cannot be restated. When these financial assets are derecognised, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.
- Financial asset classified as measured at fair value through profit or loss (FVTPL): All other financial assets are classified as measured at FVTPL. In addition, on initial recognition, management may irrevocably designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

**2. Significant accounting policies and other explanatory information (cont'd)**

**2A. Significant accounting policies (cont'd)**

**Financial instruments (cont'd)**

Classification and measurement of financial liabilities:

Financial liabilities are classified as at FVTPL in either of the following circumstances: (1) the liabilities are managed, evaluated and reported internally on a fair value basis; or (2) the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise. All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted.

**Cash and cash equivalents**

Cash and cash equivalents include bank and cash balances, on demand deposits and any highly liquid debt instruments purchased with an original maturity of three months or less. For the statement of cash flows the item includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management.

**Derivative financial instruments**

A derivative financial instrument is a financial instrument with all three of the following characteristics (a) its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices, credit ratings or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract; (b) it requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors; and (c) it is settled at a future date. The derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently classified as measured at FVTPL unless the derivative is designated and effective as a hedging instrument.

**Derivatives held for risk management purposes and hedge accounting**

Certain derivatives held for risk management as well as certain non-derivative financial instruments may be designated as hedging instruments in qualifying hedging relationships. Hedge accounting is used only when the following conditions at the inception of the hedge are satisfied: (a) The hedging instrument and the hedged item are clearly identified. (b) Formal designation and documentation of the hedging relationship is in place. Such hedge documentation includes the hedge strategy, the method used to assess the hedge's effectiveness. (c) The hedge relationship is expected to be highly effective throughout the life of the hedge based on the principle of an economic relationship. Hedge effectiveness is the extent to which changes in the fair value or the cash flows of the hedging instrument offset changes in the fair value or the cash flows of the hedged item (for example, when the hedged item is a risk component, the relevant change in fair value or cash flows of an item is the one that is attributable to the hedged risk). The above documentation is subsequently updated at each end of the reporting year in order to assess whether the hedge is still expected to be highly effective over the remaining life of the hedge. Hedge accounting is used for (1) Fair value hedge; (2) Cash flow hedge; and (3) Hedge of a net investment in a foreign operation.

If the hedge is terminated, no longer meets the criteria for hedge accounting or is revoked, the adjusted carrying amount of a hedged financial instrument for which the effective interest method is used is amortised to profit or loss. The applicable derivatives and other hedging instruments used are described in the notes to the financial statements.

**2. Significant accounting policies and other explanatory information (cont'd)****2A. Significant accounting policies (cont'd)****Fair value measurement**

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, market observable data to the extent possible is used. If the fair value of an asset or a liability is not directly observable, an estimate is made using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (e.g. by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset / liability that market participants would take into account. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value.

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety: Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 fair value measurements are those derived from 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 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Transfers between levels of the fair value hierarchy are recognised at the end of the reporting period during which the change occurred.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements.

**2B. Other explanatory information****Provisions**

A liability or provision is recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A provision is made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Changes in estimates are reflected in profit or loss in the reporting year they occur.

**Segment reporting**

The group discloses financial and descriptive information about its consolidated reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing the performance. Generally, financial information is reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments.

**2C. Critical judgements, assumptions and estimation uncertainties**

The critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements and the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities currently or within the next reporting year are discussed below. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.



**2. Significant accounting policies and other explanatory information (cont'd)**

**2C. Critical judgements, assumptions and estimation uncertainties (cont'd)**

Impairment of inventories:

A review is made on inventory for decline in net realisable value below cost and an allowance is recorded against the inventory balance for any such decline. The review requires management to consider the future demand for the products. In any case, the realisable value represents the best estimate of the recoverable amount and is based on the acceptable evidence available at the end of the reporting year and inherently involves estimates regarding the future expected realisable value. The usual consideration in determining the realisable value includes authenticity of inventories, age of the inventories, future demand and future selling prices of inventories, rework cost and fluctuation of gold market prices. In general, such an evaluation process requires significant management judgement and may materially affects the carrying amount of inventories at the end of the reporting year. Possible changes in these estimates could result in revisions to the stated value of the inventories. The carrying amount of inventories at the end of the reporting year is disclosed in Note 19.

Impairment of pledged loan receivables:

The group assesses at the end of each reporting year whether there is any objective evidence that the pledged loan receivables are impaired. Pledged loan receivables are secured by pledges of goods and chattels. The carrying amount of the pledged loan receivables may not be recoverable in full in the event that a customer does not renew or redeem a pledged article within the agreed redemption period from the grant date of the loan, and the market value of the pledged article has declined. The determination of the appropriate allowance for expected credit loss on pledged loan receivables requires management to consider factors such as the significant decline in values of collaterals, the authenticity of the collaterals or probabilities of default or significant delay in payments by pledgers. The carrying amounts of the pledged loan receivables at the end of the reporting year are disclosed in Note 20.

Impairment of lease payment receivables:

The group assesses at the end of each reporting year whether there is any objective evidence that the lease payment receivables are impaired. Lease payment receivables are secured by pledges of hire purchase assets. The carrying amount of the pledged loan receivables may not be recoverable in full in the event that a customer defaults the hire purchase payments and the market value of the hire purchase assets has declined. The determination of the appropriate allowance for expected credit loss on lease payment receivables requires management to consider factors such as the significant decline in values of collaterals, probabilities of default or significant delay in payments by customers. The carrying amounts of the lease payment receivables at the end of the reporting year are disclosed in Note 17.

Investment in equity interests of unquoted entity:

The fair value of this financial instrument is not based on quoted price in an active market. Therefore, there is significant measurement uncertainty involved in the measurement of fair value. Management has engaged an external valuer to perform an independent valuation of this investment as at 31 December 2022. The fair value was determined based on the adjusted net assets approach. The fair value is disclosed in Note 18.

Assessment of impairment of goodwill:

Goodwill is assessed annually for impairment. This assessment is complex and requires significant management's judgement in determining the forecasted revenue growth and profit margins for each cash generating unit ("CGU"), taking into account their knowledge of the local market conditions, economic and legal environment in which the CGUs operate, as well as changes to the market interest rates. The disclosures about goodwill are included in Note 15A on intangible assets, which explains that small changes in the key assumptions used could give rise to an impairment of the goodwill balance in the future. Actual outcomes could vary from these estimates.

Measurement of impairment of investments in subsidiaries:

Where a subsidiary is in net equity deficit and or has suffered losses, a test is made whether the investment has suffered any impairment. This measurement requires significant judgement. An estimate is made for the future profitability of the subsidiaries, and the financial health of and near-term business outlook of the subsidiaries, including factors such as industry and sector performance, and operational and financing cash flow. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions could require a material adjustment to the carrying amount of the investment. The carrying amount of the investments in subsidiaries as at the end of the reporting year is disclosed in Note 16.

**2. Significant accounting policies and other explanatory information (cont'd)**

**2C. Critical judgements, assumptions and estimation uncertainties (cont'd)**

*De facto* control of subsidiary:

The group entered into an agreement with a third party, which the group and the third party owns 51% and 49% of the voting shares, to establish and operate SG e-Auction Pte. Ltd. ("SG e-Auction"). According to this agreement and the fact that the group has power to govern the financial and operational matters of SG e-Auction, rights to variables returns and the ability to affect amount of returns, the group recognises SG e-Auction as a subsidiary. Accordingly, the results of SG e-Auction are consolidated within the group.

Assessment of impairment of right-of-use assets:

Significant judgment is applied by management when determining impairment of the right-of-use asset. Impairment is assessed for separable parts of leased buildings that have been or will be vacated in the near future. The impairment is sensitive to changes in estimated future expected sub-lease income and sub-lease period. Judgement is also involved when determining whether sub-lease contracts are financial or operational, as well as when determining lease term for contracts that has extension or termination options. The amount at the end of the reporting year are disclosed in Note 14 to the financial statements.

**3. Related party relationships and transactions**

The financial reporting standard on related party disclosures requires the reporting entity to disclose: (a) transactions with its related parties; and (b) relationships between parents and subsidiaries irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

**3A. Members of a group**

Name	Relationship	Country of incorporation
Money Farm Pte. Ltd.	Immediate and ultimate parent company	Singapore

Related companies in these financial statements include the member of the above group of companies.

The ultimate controlling parties are Lim Yong Guan, Lim Yong Sheng, who are directors of the company and Lim Liang Eng, who is the shareholder of the company.

**3B. Related party transactions**

There are transactions and arrangements between the reporting entity and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances and transfer of resources, services or obligations if any are unsecured, without fixed repayment terms and interest or charge unless stated otherwise.

Intragroup transactions and balances that have been eliminated in these consolidated financial statements are not disclosed as related party transactions and balances below.

**3. Related party relationships and transactions (cont'd)**

**3B. Related party transactions (cont'd)**

In addition to transactions and balances disclosed elsewhere in the notes to the financial statements, this item includes the following:

Significant related party transactions:

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<u>Parent company</u>		
Interest expense	(117)	(53)
	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<u>Other related parties</u>		
Sales of pre-owned luxury items	33	17
Purchase of pre-owned luxury items	(84)	(435)
Rental expense	(2,394)	(2,326)
Central support services	(216)	(312)
Interest expense	(429)	(105)
Outsourced payroll services	(15)	(16)
<u>Directors</u>		
Interest expense	(781)	(545)

The related parties and the group have common directors.

**3C. Key management compensation**

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Salaries and other short-term employee benefits	5,070	3,448

The above amounts are included under employee benefits expense. Included in the above amounts are the following items:

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Remuneration of directors of the company	2,486	1,739
Fees to directors of the company <sup>(a)</sup>	320	307

<sup>(a)</sup> Included in fees to directors of the company is an amount of \$115,000 (2021: \$122,000) paid by a subsidiary.

Further information about the remuneration of individual directors is provided in the Report on Corporate Governance.

Key management personnel include the directors and those persons having authority and responsibility for planning, directing and controlling the activities of the group, directly or indirectly. The above amounts do not include compensation, if any, of certain key management personnel and directors of the company received compensation from related parties in their capacity as directors and or executives of those related parties.

**3. Related party relationships and transactions (cont'd)**

**3D. Other receivables from and other payables to related parties**

The trade transactions and the related trade receivables and payables balances arising from sales and purchases of goods and services are disclosed elsewhere in the notes to the financial statements.

The movements in other receivables from and (other payables to) related parties are as follows:

	<b>Group and Company</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<u>Other payables to parent company:</u>		
Balance at beginning of the year	(1,400)	(1,000)
Amounts paid in and settlement of liabilities on behalf of the group	(2,000)	(400)
Balance at end of the year (Note 27)	<u>(3,400)</u>	<u>(1,400)</u>
	<b>Group and Company</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<u>Other payables to directors:</u>		
Balance at beginning of the year	(17,290)	(8,490)
Amounts paid out and settlement of liabilities on behalf of directors	3,000	-
Amounts paid in and settlement of liabilities on behalf of the group	(2,000)	(8,800)
Balance at end of the year (Note 27)	<u>(16,290)</u>	<u>(17,290)</u>
	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<u>Other related parties:</u>		
Balance at beginning of the year	(10,806)	(2,957)
Amounts paid in and settlement of liabilities on behalf of the group - net	(9,622)	(7,849)
Balance at end of the year	<u>(20,428)</u>	<u>(10,806)</u>
Presented in the statement of financial position as follows:		
Other receivables (Note 20)	415	398
Other payables (Note 27)	<u>(20,843)</u>	<u>(11,204)</u>
	<u>(20,428)</u>	<u>(10,806)</u>
	<b>Company</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<u>Subsidiaries:</u>		
Balance at beginning of the year	18,395	6,665
Amounts paid out and settlement of liabilities on behalf of subsidiaries - net	-	7,730
Amounts paid in and settlement of liabilities on behalf of the company - net	(21,243)	-
Dividend receivable	7,500	4,000
Balance at end of the year	<u>4,652</u>	<u>18,395</u>
Presented in the statement of financial position as follows:		
Other receivables (Note 20)	10,852	31,361
Other payables (Note 27)	<u>(6,200)</u>	<u>(12,966)</u>
	<u>4,652</u>	<u>18,395</u>

**3. Related party relationships and transactions (cont'd)**

**3D. Other receivables from and other payables to related parties (cont'd)**

	Company	
	2022	2021
	\$'000	\$'000
<u>Other payables to other related parties:</u>		
Balance at beginning of the year	(7,000)	-
Amounts paid in and settlement of liabilities on behalf of the company - net	(7,000)	(7,000)
Balance at end of the year (Note 27)	<u>(14,000)</u>	<u>(7,000)</u>

**4. Financial information by operating segments**

**Information about reportable segment profit or loss, assets and liabilities**

Disclosure of information about operating segments, products and services, the geographical areas, and the major customers are made as required by SFRS(I) 8 Operating Segments. This disclosure standard has no impact on the reported financial performance or financial position of the group.

For management monitoring and financial reporting purposes, the group is organised into three major operating segments, namely:

- i) Pawnbroking;
- ii) Retail and trading of gold and luxury items; and
- iii) Secured lending

Other operations include provision of other support services.

Such a structural organisation is determined by the nature of risks and returns associated with each business segment and it defines the management structure as well as the internal reporting system. It represents the basis on which the management reports the primary segment information that is available and that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing the performance. They are managed separately because each business requires different strategies.

Inter-segment sales are measured on the basis that the entity actually used to price the transfers. Internal transfer pricing policies of the group are as far as practicable based on market prices. The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly income tax recoverable, provision for taxation, deferred tax liabilities and deferred tax assets.

Capital expenditure comprises additions to property, plant and equipment.



**4. Financial information by operating segments (cont'd)**

**Information about reportable segment profit or loss, assets and liabilities (cont'd)**

Segment information about these businesses is presented below:

	Pawn broking \$'000	Retail and trading of gold and luxury items \$'000	Secured lending \$'000	Others \$'000	Elimination \$'000	Note	Group \$'000
<b>2022:</b>							
<b>Revenue by segment</b>							
Revenue from external customers	50,904	184,759	17,220	608	-		253,491
Inter-segment sales	32,436	-	6	3	(32,445)	A	-
<b>Results</b>							
Segment results	19,899	12,304	13,428	5,606	(6,904)	B	44,333
Finance costs	(6,982)	(1,185)	(5,511)	38	(948)		(14,588)
<b>Profit before income tax</b>	<b>12,917</b>	<b>11,119</b>	<b>7,917</b>	<b>5,644</b>	<b>(7,852)</b>	<b>B</b>	<b>29,745</b>
Income tax expense	(2,967)	(1,817)	(1,209)	31	-		(5,962)
<b>Profit, net of tax</b>	<b>9,950</b>	<b>9,302</b>	<b>6,708</b>	<b>5,675</b>	<b>(7,852)</b>	<b>B</b>	<b>23,783</b>
Segment assets	335,844	100,297	199,038	57,977	(62,791)	C	630,365
Unallocated assets							22
<b>Total group assets</b>							<b>630,387</b>
Segment liabilities	222,887	62,352	174,675	73,381	(48,443)		484,852
Unallocated liabilities							4,677
<b>Total group liabilities</b>							<b>489,529</b>
Capital expenditure	2,585	1,946	32	-	-		4,563
Depreciation and amortisation	6,681	5,868	26	493	-		13,068
Loss on collateral loan services	12	-	-	-	-		12

**4. Financial information by operating segments (cont'd)**

**Information about reportable segment profit or loss, assets and liabilities (cont'd)**

<b>2021:</b>	<b>Pawn broking \$'000</b>	<b>Retail and trading of gold and luxury items \$'000</b>	<b>Secured lending \$'000</b>	<b>Others \$'000</b>	<b>Elimination \$'000</b>	<b>Note</b>	<b>Group \$'000</b>
<b>Revenue by segment</b>							
Revenue from external customers	38,604	147,291	11,139	2,183	-		199,217
Inter-segment sales	27,983	-	2	7	(27,992)	A	-
<b>Results</b>							
Segment results	18,009	8,591	8,861	3,566	(4,119)	B	34,908
Finance costs	(4,475)	(538)	(3,636)	(1,021)	209		(9,461)
<b>Profit before income tax</b>	<b>13,534</b>	<b>8,053</b>	<b>5,225</b>	<b>2,545</b>	<b>(3,910)</b>	<b>B</b>	<b>25,447</b>
Income tax expense	(2,051)	(1,350)	(873)	(47)	-		(4,321)
<b>Profit, net of tax</b>	<b>11,483</b>	<b>6,703</b>	<b>4,352</b>	<b>2,498</b>	<b>(3,910)</b>	<b>B</b>	<b>21,126</b>
Segment assets	298,027	90,155	140,003	47,692	(57,046)	C	518,831
Unallocated assets							33
<b>Total group assets</b>							<b>518,864</b>
Segment liabilities	189,642	62,491	130,091	80,464	(69,394)		393,294
Unallocated liabilities							4,295
<b>Total group liabilities</b>							<b>397,589</b>
Capital expenditure	576	1,673	13	17	-		2,279
Depreciation and amortisation	6,063	5,412	39	578	-		12,092
Loss on collateral loan services	11	-	-	-	-		11

**Notes**

A. Inter-segment revenues are eliminated.

B. The following items are deducted from segment profit to arrive at profit before income tax presented in the consolidated statement of profit or loss and other comprehensive income:

	<b>2022 \$'000</b>	<b>2021 \$'000</b>
Profit from inter-segment sales	6,904	4,119

C. The following items are deducted from segment assets to arrive at total assets reported in the consolidated statements of financial position:

	<b>2022 \$'000</b>	<b>2021 \$'000</b>
Inter-segment balances	62,718	56,997
Unrealised profit on unsold inventories	73	49
	<b>62,791</b>	<b>57,046</b>

**4. Financial information by operating segments (cont'd)**

**Information about reportable segment profit or loss, assets and liabilities (cont'd)**

- D. The following items are deducted from segment liabilities to arrive at total liabilities reported in the consolidated statements of financial position:

	2022 \$'000	2021 \$'000
Inter-segment balances	48,443	69,394

**Geographical information**

	Revenue		Non-current assets	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Singapore	232,480	187,073	191,680	154,923
Malaysia	21,011	12,144	7,683	5,169
	<u>253,491</u>	<u>199,217</u>	<u>199,363</u>	<u>160,092</u>

Revenues are attributed to countries on the basis of the customer's location, irrespective of the origin of the goods and services.

The non-current assets are analysed by the geographical area in which the assets are located. The non-current assets exclude deferred tax assets.

**Information about major customers**

	2022 \$'000	2021 \$'000
Top 1 customer	50,027	35,131
Top 2 customers	<u>50,105</u>	<u>35,873</u>

The major customers are from wholesale trading of gold and luxury items segment.

**5. Revenue**

**5A. Classification by type of goods or services**

	Group	
	2022 \$'000	2021 \$'000
Interest income - collateral loan services	40,651	34,975
Interest income - motor loans	14,199	9,247
Retail and trading of gold and luxury items	195,012	152,642
Others	3,629	2,353
	<u>253,491</u>	<u>199,217</u>

**5. Revenue (cont'd)**

**5B. Classification by duration of contracts**

	Group	
	2022	2021
	\$'000	\$'000
Short-term contracts - less than 12 months	238,987	189,722
Long-term contracts - over 12 months	14,504	9,495
	<u>253,491</u>	<u>199,217</u>

**5C. Classification by timing of revenue recognition**

	Group	
	2022	2021
	\$'000	\$'000
Point in time	198,223	154,726
Over time	55,268	44,491
	<u>253,491</u>	<u>199,217</u>

The customers are mainly individuals and wholesalers based in Singapore and Malaysia.

**6. Other income and gains and (other losses)**

	Group	
	2022	2021
	\$'000	\$'000
Dividend income	61	-
Rental income (Note 30)	112	318
Foreign exchange losses	(146)	(295)
Government grants #a	911	1,659
Fair value gain on other financial assets at FVTPL	-	382
Gain on disposal of property, plant and equipment	146	-
Loss on collateral loan services	(12)	(11)
Provision for doubtful debts (Note 20)	(330)	(234)
Bad debts written off	(74)	-
Miscellaneous income	373	343
Other minor gains/(losses)	89	(11)
Net	<u>1,130</u>	<u>2,151</u>
Presented in profit or loss as:		
Other income and gains	1,692	2,702
Other losses	(562)	(551)
Net	<u>1,130</u>	<u>2,151</u>

#a Included in the amount of government grants is the Job Support Scheme amounting to \$68,000 (2021: \$1,046,000), which is to provide wage support to employers to help them retain their local employees during this period of economic uncertainty amid Covid-19.

**7. Employee benefits expense**

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Short term employee benefits expense	22,869	17,976
Contributions to defined contribution plan	2,019	1,556
	<u>24,888</u>	<u>19,532</u>

**8. Finance costs**

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Interest expense on loans and borrowings	14,108	8,974
Interest on lease liabilities	480	487
	<u>14,588</u>	<u>9,461</u>

**9. Other expenses**

The major components include the following:

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Advertisement and promotions	850	419
Central support services	216	312
Merchant bank commission	1,741	749
Insurance	647	545
Telephone and utility charges	872	654
Audit fees to the independent auditor of the company	226	219
Audit fees to the other independent auditors	69	70
Other fees to the independent auditor of the company	88	49
	<u>88</u>	<u>49</u>



**10. Income tax**

**10A. Components of income tax expense recognised in profit or loss include:**

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<u>Current income tax expense:</u>		
Current income tax expense	6,135	4,647
Over adjustments in respect of prior periods	98	(366)
Withholding tax	(198)	35
Subtotal	6,035	4,316
<u>Deferred tax (income) expense:</u>		
Deferred tax (income) expense	(73)	5
Subtotal	(73)	5
Total income tax expense	5,962	4,321

The income tax in profit or loss varied from the amount of income tax amount determined by applying the Singapore income tax rate of 17.0% (2021: 17.0%) to profit or loss before income tax as a result of the following differences:

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Profit before income tax	29,745	25,447
Income tax expense at the above rate	5,056	4,326
Effect of different tax rates in different country	428	234
Income not subject to tax	(448)	(178)
Expenses not deductible for tax purposes	535	377
Deferred tax assets not recognised	578	-
Tax exemptions and rebates	(87)	(107)
Withholding tax	(198)	35
Under/(over) adjustments in respect of prior periods	98	(366)
Total income tax expense	5,962	4,321

There are no income tax consequences of dividends to owners of the company.

**10B. Deferred tax (income) expense recognised in profit or loss includes:**

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Difference between book value over tax value of property, plant and equipment	33	21
Provision	5	(16)
Tax losses carryforwards	(111)	-
Total deferred income tax (income) expense recognised in profit or loss	(73)	5

**10. Income tax (cont'd)**

**10C. Deferred tax balance in the statement of financial position:**

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Difference between book value over tax value of property, plant and equipment	(80)	(113)
Provisions	(6)	(11)
Tax losses carryforwards	(73)	42
Subtotal	(159)	(82)
<i>Deferred tax assets recognised in other comprehensive income:</i>		
Cash flow hedges	(148)	2
Net balance	(307)	(80)
Presented in the statement of financial position as follows:		
Deferred tax assets	22	33
Deferred tax liabilities	(329)	(113)
Net balance	(307)	(80)

It is impracticable to estimate the amount expected to be settled or used within one year.

The realisation of the future income tax benefits from tax loss carryforwards and temporary differences from capital allowance is available for an unlimited future period subject to the conditions imposed by law including the retention of majority shareholders as defined. Tax losses carried forward amounted to NIL (2021: \$247,000).

**11. Earnings per share**

The following table illustrates the numerators and denominators used to calculate basic and diluted earnings per share of no par value:

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Numerators: earnings attributable to equity		
Profit attributable to owners of the parent, net of tax	22,052	19,805
Denominators: weighted average number of equity shares		
	<b>No.: '000</b>	<b>No.: '000</b>
Basic and diluted	442,250	442,250

The weighted average number of equity shares refers to shares in issue outstanding during the reporting period.

The basic earnings per share ratio is based on the weighted average number of ordinary shares outstanding during each reporting year. Both basic and diluted earnings per share are the same as there are no dilutive potential ordinary shares outstanding during the reporting period.

**12. Dividends on equity shares**

	Rate per share - cents		Company	
	2022	2021	2022 \$'000	2021 \$'000
<i>Declared and paid during the financial year:</i>				
First and final tax exempt (one-tier) dividend	0.95	1.18	4,201	4,175
<i>Proposed but not recognised as a liability as at 31 December:</i>				
First and final tax exempt (one-tier) dividend	1.00	0.95	4,422	4,201

**13. Property, plant and equipment**

	Properties \$'000	Leasehold improvements \$'000	Plant, fixture and fittings \$'000	Total \$'000
<u>Group:</u>				
<u>Cost:</u>				
At 1 January 2021	18,529	9,893	8,142	36,564
Foreign exchange adjustments	-	(31)	(20)	(51)
Additions	183	1,551	545	2,279
Disposals	-	(190)	(50)	(240)
At 31 December 2021	18,712	11,223	8,617	38,552
Foreign exchange adjustments	(11)	(140)	(94)	(245)
Additions	-	2,300	2,263	4,563
Disposals	-	-	(518)	(518)
At 31 December 2022	18,701	13,383	10,268	42,352
<u>Accumulated depreciation:</u>				
At 1 January 2021	390	9,030	7,100	16,520
Foreign exchange adjustments	-	(21)	(17)	(38)
Depreciation for the year	463	721	740	1,924
Disposals	-	(190)	(50)	(240)
At 31 December 2021	853	9,540	7,773	18,166
Foreign exchange adjustments	-	(129)	(90)	(219)
Depreciation for the year	468	1,183	794	2,445
Disposals	-	-	(516)	(516)
At 31 December 2022	1,321	10,594	7,961	19,876
<u>Carrying amount:</u>				
At 1 January 2021	18,139	863	1,042	20,044
At 31 December 2021	17,859	1,683	844	20,386
At 31 December 2022	17,380	2,789	2,307	22,476

Certain items are under finance lease agreements (Note 26).

A fixed and floating charge has been placed on property, plant and equipment with a carrying amount of \$22,066,000 (2021: \$20,351,000) as security for bank borrowings (Note 25).

**14. Right-of-use assets**

The right-of-use assets in the statement of financial position are as follows:

	<b>Retail outlets \$'000</b>
<u>Group:</u>	
<u>Cost:</u>	
At 1 January 2021	31,239
Foreign exchange adjustments	1
Additions	14,106
Re-measurement	231
At 31 December 2021	45,577
Foreign exchange adjustments	(106)
Additions	4,993
Re-measurement	(124)
Disposals	(880)
At 31 December 2022	49,460
 <u>Accumulated depreciation:</u>	
At 1 January 2021	17,551
Foreign exchange adjustments	11
Depreciation for the year	10,082
At 31 December 2021	27,644
Foreign exchange adjustments	(59)
Depreciation for the year	10,607
Re-measurement	4
Disposals	(880)
At 31 December 2022	37,316
 <u>Carrying amount:</u>	
At 1 January 2021	13,688
At 31 December 2021	17,933
At 31 December 2022	12,144

**15. Intangible assets**

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Goodwill (Note 15A)	3,744	3,982
Licenses (Note 15B)	787	480
Other intangible assets (Note 15C)	10	26
Total	4,541	4,488

**15A. Goodwill**

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<u>Cost:</u>		
Balance at beginning of the year	3,982	4,035
Foreign currency translation adjustments	(238)	(53)
Balance at end of the year	3,744	3,982

**15. Intangible assets (cont'd)**

**15A. Goodwill (cont'd)**

Goodwill is allocated to cash-generating units ("CGU") or groups of CGUs for the purpose of impairment testing. Each of those CGU represents the group's investment in subsidiaries as follows:

	Group	
	2022 \$'000	2021 \$'000
<u>Name of CGUs</u>		
Easimine group of companies <sup>(a)</sup>	884	940
Kedai Pajak Heng Soon Sdn. Bhd.	365	389
Pajak Gadai T&M Sdn. Bhd.	181	193
Pajak Gadai Money Mine Sdn. Bhd.	183	195
Pajak Gadai Malim Maju Sdn. Bhd.	102	108
Pajak Gadai Semabok Sdn. Bhd.	162	171
Pajak Gadai Hen Teck Sdn. Bhd.	101	107
Pajak Gadai Pasir Gudang Sdn. Bhd.	138	147
Pajak Gadai Rengit Sdn. Bhd.	134	143
Pajak Gadai Simpang Renggam Sdn. Bhd.	131	139
Pajak Gadai Bukit Mertajam Sdn. Bhd.	148	158
Pajak Gadai Bukit Gambir Sdn. Bhd.	138	146
Pajak Gadai Senai Sdn. Bhd.	182	194
Pajak Gadai Pagoh Sdn. Bhd.	156	166
Pajak Gadai Kulai Sdn. Bhd.	181	193
Pajak Gadai Masai Sdn. Bhd.	167	178
Pajak Gadai Sungai Petani Sdn. Bhd.	185	196
Pajak Gadai Butterworth Sdn. Bhd.	176	187
Various subsidiaries <sup>(b)</sup>	30	32
	<u>3,744</u>	<u>3,982</u>

<sup>(a)</sup> This relates to subsidiaries, MS 1 Infinite Sdn. Bhd., MS 2 Infinite Sdn. Bhd., MS 3 Infinite Sdn. Bhd., MS 4 Infinite Sdn. Bhd., MS 5 Infinite Sdn. Bhd., MS 10 Infinite Sdn. Bhd., Easigram (Pandan) Sdn. Bhd., Easigram (Batu Pahat) Sdn. Bhd., Pajak Gadai Pure Merit Sdn. Bhd. and Pajak Gadai Aeon Fountain Sdn. Bhd.

<sup>(b)</sup> This relates to various subsidiaries, Pajak Gadai Poh San Sdn. Bhd., Pajak Gadai Poh Guan Sdn. Bhd., Pajak Gadai Poh Fook Sdn. Bhd. and Pajak Gadai Poh Mei Sdn. Bhd.

The goodwill was tested for impairment at the end of the reporting year except for various subsidiaries. An impairment loss is the amount by which the carrying amount of an asset or a CGU exceeds its recoverable amount. The recoverable amount of an asset or a CGU is the higher of its fair value less costs of disposal or its value in use. The recoverable amounts of CGUs have been measured based on value in use method.



**15. Intangible assets (cont'd)**

**15A. Goodwill (cont'd)**

The value in use was measured by management. The key assumptions for the value in use calculations are discount rates and pledged loan growth rates as follows. The value in use is a recurring fair value measurement (Level 3). The quantitative information about the value in use measurement using significant unobservable inputs for the CGU are consistent with those used for the measurement last performed and is analysed as follows:

Valuation technique and unobservable inputs  
Discounted cash flow method:

	Range (weighted average)	
	2022	2021
Pledged loan growth rates <sup>(i)</sup>	Refer below	Refer below
Terminal growth rates <sup>(ii)</sup>	2.3%	2.3%
Pre-tax cost of debts <sup>(i)</sup>	6.6%	7.0%
Debts to pledged loans ratio <sup>(i)</sup>	80.0%	80.0%
Pre-tax discount rates <sup>(iii)</sup>	15.3%	16.1%
Operating expenses growth rates <sup>(i)</sup>	2% - 5%	2% - 5%
Cash flow forecasts <sup>(i)</sup>	5 years	5 years

(i) Estimated based on most recent financial budgets and plans approved by management that derived from historical trend.

(ii) Estimated based on industry growth forecasts and not exceeding the average long-term growth rate for the relevant markets.

(iii) Management's estimated discount rates using pre-tax discount rates that reflect current market assessments at the risks specific to the CGUs.

Name of the CGUs	2022	2021
<u>Pledged loan growth rates (per annum)</u>		
Easimine group of companies	2.0% - 29.0%	1.0% - 5.0%
Kedai Pajak Heng Soon Sdn. Bhd.	5.0%	0.0%
Pajak Gadai T&M Sdn. Bhd.	13.0% - 23.0%	15.0%
Pajak Gadai Money Mine Sdn. Bhd.	18.0% - 28.0%	15.0%
Pajak Gadai Malim Maju Sdn. Bhd.	23.0% - 33.0%	15.0%
Pajak Gadai Semabok Sdn. Bhd.	27.0% - 37.0%	15.0%
Pajak Gadai Hen Teck Sdn. Bhd.	5.0%	5.0%
Pajak Gadai Pasir Gudang Sdn. Bhd.	19.0% - 29.0%	10.0%
Pajak Gadai Rengit Sdn. Bhd.	18.0% - 28.0%	15.0%
Pajak Gadai Simpang Renggam Sdn. Bhd.	18.0% - 28.0%	10.0%
Pajak Gadai Bukit Mertajam Sdn. Bhd.	10.0% - 20.0%	10.0%
Pajak Gadai Bukit Gambir Sdn. Bhd.	5.0%	5.0%
Pajak Gadai Senai Sdn. Bhd.	15.0%	15.0%
Pajak Gadai Pagoh Sdn. Bhd.	10.0%	10.0%
Pajak Gadai Kulai Sdn. Bhd.	5.0%	5.0%
Pajak Gadai Masai Sdn. Bhd.	5.0%	5.0%
Pajak Gadai Sungai Petani Sdn. Bhd.	27.0% - 37.0%	5.0%
Pajak Gadai Butterworth Sdn. Bhd.	22.0% - 32.0%	5.0%

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the CGUs as of the end of the reporting year, assuming if all other assumptions were held constant.

If the estimated pledged loan and terminal growth rates at the end of the reporting year had been 10% less favourable than management's estimates at the end of the reporting year, no impairment allowance would be recognised because the carrying amount of all CGUs was lower than their revised estimated recoverable amount.

**15. Intangible assets (cont'd)**

**15A. Goodwill (cont'd)**

If the debts to pledged loan ratio at the end of the reporting year had been revised from 80% to 70% at the end of the reporting year, no impairment allowance would be recognised because the carrying amount of all CGUs would still be lower than their revised estimated recoverable amount.

If the estimated pre-tax discount rate applied to the discounted cash flows had been revised from 15.30% to 16.30%, no impairment allowance would be recognised because the carrying amount of all CGUs would still be lower than their revised estimated recoverable amount.

No impairment allowance was recognised because the carrying amount of all CGUs was lower than their recoverable amount.

**15B. Licenses**

Moneylending licence and pawnbroking licences were acquired when the Group acquired the subsidiaries, S.E. Investments Pte. Ltd. in 2021 and EZ Path Sdn. Bhd. in 2022. These licenses are not amortised and the amount is not material to the Group.

**15C. Other intangible assets**

	<b>Lease assignment fees \$'000</b>	<b>Customer lists \$'000</b>	<b>Total \$'000</b>
<u>Group:</u>			
<u>Cost:</u>			
At 1 January 2021	1,500	785	2,285
Foreign exchange adjustments	-	(11)	(11)
At 31 December 2021	1,500	774	2,274
Foreign exchange adjustments	-	(41)	(41)
At 31 December 2022	1,500	733	2,233
<u>Accumulated amortisation:</u>			
At 1 January 2021	1,431	742	2,173
Amortisation for the year	69	17	86
Foreign exchange adjustments	-	(11)	(11)
At 31 December 2021	1,500	748	2,248
Amortisation for the year	-	16	16
Foreign exchange adjustments	-	(41)	(41)
At 31 December 2022	1,500	723	2,223
<u>Carrying amount:</u>			
At 1 January 2021	69	43	112
At 31 December 2021	-	26	26
At 31 December 2022	-	10	10

**16. Investments in subsidiaries**

	<b>Company</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<u>Unquoted equity shares at cost:</u>		
Balance at beginning of the year	65,376	58,930
Additions during the year	23,915	6,446
Balance at the end of the year	<u>89,291</u>	<u>65,376</u>

The listing of and information on the subsidiaries are given in Note 34.

**17. Lease payment receivables**

	<b>Minimum payments \$'000</b>	<b>Finance charges \$'000</b>	<b>Present value \$'000</b>
<u>Group:</u>			
<u>2022:</u>			
Minimum lease payments receivable:			
Due within 1 year	62,129	(12,352)	49,777
Due within 2 to 5 years	152,171	(22,215)	129,956
Due over 5 years	20,374	(890)	19,484
Total	<u>234,674</u>	<u>(35,457)</u>	<u>199,217</u>
<u>2021:</u>			
Minimum lease payments receivable:			
Due within 1 year	35,672	(9,016)	26,656
Due within 2 to 5 years	107,140	(16,890)	90,250
Due over 5 years	18,646	(794)	17,852
Total	<u>161,458</u>	<u>(26,700)</u>	<u>134,758</u>

The average lease term ranges from less than 1 year to 7 years (2021: 1 to 7 years). The interest rate inherent in the lease is fixed at the contract date for the lease terms. The weighted average interest rate is 2.00% - 6.00% (2021: 1.88% - 6.00%) per annum. The carrying amount is a reasonable approximation of fair value (Level 3).

All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental receipts. The obligations under hire purchase agreements are secured by the lessee's charge over the leased assets.

**18. Other financial assets**

	<b>Group</b>		<b>Company</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<u>Unquoted equity shares:</u>				
Investment at fair value through profit or loss	<u>6,881</u>	<u>6,867</u>	<u>5,853</u>	<u>5,853</u>
<u>Movements during the year:</u>				
Fair value at beginning of the year	6,867	6,500	5,853	5,471
Increase in fair value through profit or loss (Note 6)	-	382	-	382
Exchange differences	14	(15)	-	-
Fair value at end of the year	<u>6,881</u>	<u>6,867</u>	<u>5,853</u>	<u>5,853</u>

**18. Other financial assets (cont'd)**

In 2016, the company entered into an agreement with three outside parties to establish Chongqing Zongshen Financial Leasing Company Limited ("Chongqing Zongshen Financial Leasing"), a company incorporated in the People's Republic of China ("PRC"), for the purpose of undertaking a financial leasing business. Pursuant to the agreement, the company will subscribe for 12.5% of the equity interests (unquoted) in Chongqing Zongshen Financial Leasing for RMB25,000,000 (the "Investment").

As part of this arrangement, the company also entered into a supplementary agreement with all the above parties pursuant to which the major shareholder of Chongqing Zongshen Financial Leasing granted a put option to the company whereby the company has the right to sell to the major shareholder of Chongqing Zongshen Financial Leasing, at their sole discretion, all or part of their equity interests in Chongqing Zongshen Financial Leasing (the "Option"). The Option is exercisable on 1 January 2021 and shall be valid for as long as the company holds the equity interests in Chongqing Zongshen Financial Leasing, and the exercise price shall be based on the higher of the company's original capital contribution and the agreed market value at the time of exercise.

The company has designated this entire hybrid (combined) instrument as at fair value through profit or loss. The fair value of the financial asset (Level 3) was determined by an independent external valuer based on the adjusted net asset approach. There is no transfer between Level 2 to Level 3 during the year. Significant increases (decreases) in adjusted net asset in isolation would result in a significantly higher (lower) fair value measurement.

In 2020, the group entered into an agreement with an outside party vendor to acquire 3% equity interest of Link Gold Tec & Co. Ltd. ("Link Gold") for a cash consideration of RMB5,000,000. Link Gold is a company incorporated in the PRC, whose principal business activities are those of R&D and supply of automated gold self-recovery machine which uses automated intelligence technology in place of the traditional modes of gold collection and direct dealing with refineries, and functions as a collection point for used gold. The management is of the view that the cost of the investment approximates its fair value (Level 3).

**19. Inventories**

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Finished goods	81,760	73,242
Inventories are stated after movements in allowance as follows:		
Balance at beginning of the year	8	45
Reversed from profit or loss included in other income and gains and (other losses)	-	(37)
Balance at end of the year	8	8

A fixed and floating charge has been placed on inventories with a carrying value of \$80,792,000 (2021: \$73,242,000) as security for bank borrowings (Note 25).

**20. Trade and other receivables**

	<b>Group</b>		<b>Company</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<u>Trade receivables:</u>				
Pledged loans receivables <sup>(a)</sup>	266,974	231,382	-	-
Lease payment receivables (Note 17)	199,217	134,758	-	-
Outside parties	3,384	1,777	-	-
Less allowance for impairment	(533)	(234)	-	-
Subsidiaries	-	-	8,538	6,578
Sub-total	<u>469,042</u>	<u>367,683</u>	<u>8,538</u>	<u>6,578</u>
<u>Other receivables:</u>				
Outside parties	1,134	530	2	2
Subsidiaries (Note 3)	-	-	10,852	31,361
Related parties (Note 3)	415	398	-	-
Advances	95	108	-	-
Sub-total	<u>1,644</u>	<u>1,036</u>	<u>10,854</u>	<u>31,363</u>
Total trade and other receivables	<u>470,686</u>	<u>368,719</u>	<u>19,392</u>	<u>37,941</u>
Presented in statement of financial position as:				
Current	321,246	260,617	19,392	37,941
Non-current	149,440	108,102	-	-
	<u>470,686</u>	<u>368,719</u>	<u>19,392</u>	<u>37,941</u>
Movements in above allowance on trade receivables:				
Balance at beginning of the year	234	-	-	-
Charged for trade receivables to profit or loss included in other losses	330	234	-	-
Impairment allowance written off	(31)	-	-	-
Balance at end of the year	<u>533</u>	<u>234</u>	<u>-</u>	<u>-</u>

<sup>(a)</sup> Pledged loans receivables are secured by pledges of goods and chattels. The quantum of loans granted to customers is based on a portion of the value of articles pledged. In the event that a customer does not renew or redeem a pledged article within the agreed redemption period from the grant date of the loan, the pledged article will be disposed of by a sale by auction or forfeited, in accordance with the provisions of the Pawnbrokers Act in the local jurisdictions.

The pledged loans receivables bear fixed interest ranging from 0.95% to 2.00% (2021: 0.95% to 2.00%) per month.

A fixed and floating charge has been placed on trade and other receivables with a carrying value of \$464,529,000 (2021: \$365,062,000) as security for bank borrowings (Note 25).

Pledged loan receivables, which are secured by pledges of goods and chattels, are assessed for impairment based on the estimated market value of the pledged goods and chattels. The group also assess probability of default based on historical non-renewal and non-redemption and adjusts for forward-looking macroeconomic data obtained from the monitoring process of the volatility of market prices of gold.



**20. Trade and other receivables (cont'd)**

Lease payment receivables amounting to \$198,342,000 (2021: \$133,883,000) are secured by collateral of the leased assets.

For the remaining trade receivables, they are subject to the expected credit loss model under the financial reporting standard on financial instruments. These trade receivables are considered to have low credit risk individually. At the end of the reporting year, no loss allowance is considered necessary.

Other receivables are normally with no fixed terms and therefore there is no maturity. Other receivables are subject to the expected credit loss model under the financial reporting standard on financial instruments. These receivables can be graded as low risk individually and are considered to have low credit risk. At the end of the first reporting period, a loss allowance is recognised at an amount equal to 12 month expected credit losses because there has not been a significant increase in credit risk since initial recognition. No loss allowance is necessary. At each subsequent reporting date, an evaluation is made whether there is a significant change in credit risk by comparing the debtor's credit risk at initial recognition (based on the original, unmodified cash flows) with the credit risk at the reporting date (based on the modified cash flows). Adjustment to the loss allowance is made for any increase or decrease in credit risk.

**21. Other assets**

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
<u>Non-current:</u>				
Deferred commission expenses <sup>(a)</sup>	2,736	2,316	-	-
Sub-total	2,736	2,316	-	-
<u>Current:</u>				
Prepayments	1,388	1,231	47	46
Deposits	3,587	3,117	32	32
Deferred commission expenses <sup>(a)</sup>	1,389	546	-	-
Others	307	214	3	-
Sub-total	6,671	5,108	82	78
Total	9,407	7,424	82	78

<sup>(a)</sup> The deferred commission expenses pertain to the commission expenses paid for securing the hire purchase arrangements. The deferred commission expenses are amortised over the contract's tenor.

**22. Cash and cash equivalents**

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
<i>Not restricted in use</i>				
Cash on hand and in bank	20,911	19,772	420	1,347

The interest earning balances are not significant.

A fixed and floating charge has been placed on cash and bank balances with a carrying value at \$18,804,000 (2021: \$14,933,000) as security for bank borrowings (Note 25).

**22. Cash and cash equivalents (cont'd)**

**22A. Cash and cash equivalents in the statement of cash flows:**

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Amount as shown above	20,911	19,772
Bank overdrafts (Note 25)	(1,419)	(1,908)
Cash and cash equivalents for statement of cash flows purposes at end of the year	<u>19,492</u>	<u>17,864</u>

**22B. Non-cash transactions:**

- a. Included in additions to leasehold improvements (Note 13) is an amount of \$38,000 (2021: \$33,000) being provision for restoration costs capitalised (Note 28).
- b. The additions and re-measurement to right-of-use assets (Note 14) relating to retail outlets with a total cost of \$4,869,000 (2021: \$14,337,000) were recognised with corresponding increase in lease liabilities (Note 26).

**22C. Reconciliation of liabilities arising from financing activities:**

	<b>At beginning of year \$'000</b>	<b>Cash flows \$'000</b>	<b>Non-cash changes \$'000</b>	<b>At end of year \$'000</b>
<u>2022:</u>				
Lease liabilities	19,309	(10,399)	4,634	13,544
Bank loans	286,674	98,881	1,086 <sup>(a)</sup>	386,641
Term loans	42,598	(17,774)	-	24,824
Finance lease liabilities	-	(30)	426 <sup>(c)</sup>	396
Derivative financial instruments	21	-	(1,580) <sup>(b)</sup>	(1,559)
Total liabilities from financing activities	<u>348,602</u>	<u>70,678</u>	<u>4,566</u>	<u>423,846</u>
<u>2021:</u>				
Lease liabilities	13,965	(8,963)	14,307	19,309
Bank loans	209,872	76,614	188 <sup>(a)</sup>	286,674
Term loans	24,165	18,433	-	42,598
Finance lease liabilities	11	(11)	-	-
Derivative financial instruments	368	-	(347) <sup>(b)</sup>	21
Total liabilities from financing activities	<u>248,381</u>	<u>86,073</u>	<u>14,148</u>	<u>348,602</u>

<sup>(a)</sup> Foreign exchange movements.

<sup>(b)</sup> Unrealised fair value gains of derivative financial instruments.

<sup>(c)</sup> Hire purchase additions

**23. Share capital**

	Group and Company			
	Number of shares issued		Share capital	
	2022 '000	2021 '000	2022 \$'000	2021 \$'000
Ordinary shares of no par value:				
Balance at beginning of the reporting year	442,250	353,800	56,144	56,144
Issuance of new ordinary shares <sup>(a)</sup>	-	88,450	-	-
Balance at end of the reporting year	442,250	442,250	56,144	56,144

<sup>(a)</sup> On 13 October 2021, 88,449,999 new ordinary shares in the capital of the Company ("Bonus Shares") were allotted and issued by the Company pursuant to a bonus issue.

The ordinary shares of no par value are fully paid, carry one vote each and have no right to fixed income. The company is not subject to any externally imposed capital requirements.

Capital management:

The objectives when managing capital are: to safeguard the reporting entity's ability to continue as a going concern, so that it can continue to provide returns for owners and benefits for other stakeholders, and to provide an adequate return to owners by pricing the sales commensurately with the level of risk. The management sets the amount of capital to meet its requirements and the risk taken. There were no changes in the approach to capital management during the reporting year. The management manages the capital structure and makes adjustments to it where necessary or possible in the light of changes in conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the management may adjust the amount of dividends paid to owners, return capital to owners, issue new shares, or sell assets to reduce debt. Adjusted capital comprises all components of equity (that is, share capital and reserves) less other amounts recognised in the statement of equity relating to cash flow hedges.

In order to maintain its listing on the Singapore Stock Exchange, the company has to have share capital with a free float of at least 10% of the shares. The company met the capital requirement on its initial listing and the rules limiting treasury share purchases mean it will continue to satisfy that requirement, as it did throughout the reporting year. Management receives a report from the share registrars frequently on substantial share interests showing the non-free float to ensure continuing compliance with the 10% limit throughout the reporting year.

The management monitors the capital on the basis of the debt-to-capital ratio. This ratio is calculated as net debt / adjusted capital (as shown below). Net debt is calculated as total borrowings less cash and cash equivalents.

	2022 \$'000	2021 \$'000
<b>Group:</b>		
Net debt:		
All current and non-current borrowings including lease liabilities	426,824	350,489
Less: cash and cash equivalents (Note 22)	(20,911)	(19,772)
Net debt	405,913	330,717
Adjusted capital:		
Total equity	140,858	121,275
Add/(less): amounts accumulated in equity relating to cash flow hedges (Note 24B)	(1,294)	18
Balance at end of the year	139,564	121,293
Debt-to-capital ratio	291%	273%

There are significant borrowings but these are secured by specific assets. The unfavourable change in 2022 as shown by the increase in the debt-to-capital ratio for the reporting year resulted primarily due to increased borrowings and other lease liabilities recognised during the year.

**24. Other reserves**

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Foreign currency translation reserve (Note 24A)	(1,391)	(80)
Hedging reserve (Note 24B)	1,294	(18)
Total at the end of the year	<u>(97)</u>	<u>(98)</u>

All reserves classified on the face of the statements of financial position as retained earnings represent past accumulated earnings and are distributable. The other reserves are not available for cash dividends unless realised.

**24A. Foreign currency translation reserve**

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
At beginning of the year	(80)	43
Exchange differences on translating foreign operations	(1,311)	(123)
At end of the year	<u>(1,391)</u>	<u>(80)</u>

The foreign currency translation reserve accumulates all foreign exchange differences.

**24B. Hedging reserve**

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
At beginning of the year	(18)	(306)
Cash flow hedge gains from interest rate swaps	1,580	347
Deferred tax thereon	(268)	(59)
At end of the year	<u>1,294</u>	<u>(18)</u>

The hedging reserve accumulates after tax gains / (losses) on cash flow hedges.

**25. Other financial liabilities**

	<b>Group</b>		<b>Company</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<u>Non-current:</u>				
Financial instruments with floating interest rates:				
Bank loans (secured) (Note 25A)	111,173	90,410	1,858	2,438
Term loans (secured) (Note 25B)	18,859	22,112	-	-
Subtotal	<u>130,032</u>	<u>112,522</u>	<u>1,858</u>	<u>2,438</u>

**25. Other financial liabilities (cont'd)**

	<b>Group</b>		<b>Company</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<u>Current:</u>				
Financial instruments with floating interest rates:				
Bank overdrafts (secured) (Note 25A)	1,419	1,908	-	-
Bank loans (secured) (Note 25A)	275,468	196,264	6,580	3,562
Term loans (secured) (Note 25B)	5,965	20,486	-	-
	282,852	218,658	6,580	3,562
Derivative financial instruments (Note 29A)	-	21	-	-
Subtotal	282,852	218,679	6,580	3,562
Total	412,884	331,201	8,438	6,000

The non-current portion is repayable as follows:

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Due within 2 - 5 years	118,711	94,574
Due over 5 years	11,321	17,948
	130,032	112,522

The range of floating interest rates paid were as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Bank overdrafts (secured)	5.00 - 6.32	5.00 - 6.32	-	-
Bank loans and term loans (secured)	1.53 - 7.52	1.52 - 4.40	3.25 - 6.41	3.25 - 3.52

**25A. Bank overdrafts and bank loans (secured)**

The bank loans comprises of money market loans and revolving loans with maturities between one month to six months or any other period agreed by the banks.

Both the money market loans and revolving loans are at floating rates of interest. However, as described in Note 29, interest rate swaps have been entered into with the objective to convert some of these loans to fixed rates.

The carrying amounts approximate their fair values due to their short term nature or that they are floating rate instruments that are frequently re-priced to market interest rates.



**25. Other financial liabilities (cont'd)**

**25A. Bank overdrafts and bank loans (secured) (cont'd)**

The bank agreements for the bank loans and overdrafts provide among other matters for the following:

1. Debenture incorporating a fixed and floating charge over present and future assets of certain subsidiaries;
2. Corporate guarantee from the company and certain subsidiaries;
3. Assignment of insurance policies;
4. An all monies facilities agreement of a subsidiary;
5. Subordination of advances from a subsidiary and a director of certain subsidiaries;
6. Personal guarantee granted by a non-controlling shareholder; and
7. Master and recourse block discounting agreement and assignment of hire purchase agreements.

**25B. Term loans (secured)**

The term loans are at floating rates of interest and will be matured between 2023 to 2040. The carrying amounts of the term loans approximate their fair values due to their short term nature or that they are floating rate instruments that are frequently re-priced to market interest rates. The bank agreements for the term loans provide among other matters for the following:

1. Debenture incorporating a fixed and floating charge over present and future assets of certain subsidiaries;
2. Corporate guarantee from the company;
3. Assignment of insurance policies; and
4. Mortgage over properties (Note 13).

**26. Lease liabilities**

Lease liabilities are presented in the statement of financial position as follows:

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<u>Non-current:</u>		
Finance lease liability	311	-
Other lease liabilities	4,415	8,936
Sub-total	4,726	8,936
<u>Current:</u>		
Finance lease liability	85	-
Other lease liabilities	9,129	10,373
Sub-total	9,214	10,373
Total	13,940	19,309

A summary of the maturity analysis of lease liabilities is disclosed in Note 31E. Total cash outflows from leases are shown in the statement of cash flows. The related right-of-use assets are disclosed in Note 14.

**26. Lease liabilities (cont'd)**

Movements of other lease liabilities for the reporting year are as follows:

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Total lease liabilities at beginning of the year	19,309	13,965
Additions	4,993	14,106
Accretion of interests	480	487
Re-measurement	-	231
Lease payments - principal portion paid	(10,399)	(8,963)
Lease payments - interest portion paid	(480)	(487)
Foreign exchange adjustments	37	(30)
Total lease liabilities at end of the year	<u>13,940</u>	<u>19,309</u>

There are restrictions or covenants imposed by the leases to sublet the asset to another party. Unless permitted by the owner, the right-of-use asset can only be used by the lessee. Typically the leases are non-cancellable. Some leases contain an option to extend the lease for a further term. For leases over properties the leases require those properties in a good state of repair and return the properties in their original condition at the end of the lease. Insurance and maintenance fees on right-of-use assets are usually required under the lease contracts.

The lease liability above does not include the short-term leases of less than 12 months and leases of low-value underlying assets. Variable lease payments which do not depend on an index or a rate or based on a percentage of revenue are not included from the initial measurement of the lease liability and the right-of-use assets.

Lease liabilities under operating leases are secured by the right-of-use assets because these will revert to the lessor in the event of default. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Certain leases of \$396,000 (2021: Nil) are secured by a legal charge over the leased assets. The obligations under finance leases are secured by a legal charge over the leased assets. The effective interest for finance lease is about 1.99% (2021: 4.88%) per annum. Finance leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments. The carrying amounts of the finance lease liabilities approximate their fair values.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes to in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

There were no future cash outflows to which the lessee is potentially exposed that are not reflected in the measurement of lease liabilities above.

Apart from the disclosures made in other Notes to the financial statements, amounts relating to leases include the following:

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Income from subleasing right-of-use assets	<u>99</u>	<u>184</u>

**27. Trade and other payables**

	<b>Group</b>		<b>Company</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<u>Trade payables:</u>				
Surplus payable <sup>(a)</sup>	1	1	-	-
Outside parties and accrued liabilities	5,398	4,858	3,196	2,126
Sub-total	5,399	4,859	3,196	2,126
<u>Other payables:</u>				
Outside parties	9,548	4,735	51	30
Parent company (Note 3) <sup>(e)</sup>	3,400	1,400	3,400	1,400
Subsidiaries (Note 3)	-	-	6,200	12,966
Related parties (Note 3) <sup>(b)(c)</sup>	20,843	11,204	14,000	7,000
Directors (Note 3) <sup>(d)</sup>	16,290	17,290	16,290	17,290
Sub-total	50,081	34,629	39,941	38,686
Total trade and other payables	55,480	39,488	43,137	40,812

<sup>(a)</sup> This represents surplus realised at sale of unredeemed pledges by auction. They are to be settled with (i) the holders of the pawn tickets on demand within 4 months after the sale and, when no demand is made, (ii) the Accountant-General of Malaysia within 14 days after the expiration of the period of 4 months.

<sup>(b)</sup> Included in the balance is an amount of \$3,084,000 (2021: \$3,230,000) owing to the non-controlling interest which is unsecured, non-interest bearing and repayable on demand.

<sup>(c)</sup> Included in the balance is a loan from a related party of \$14,000,000 (2021: \$7,000,000) which bears interest at 4.5% (2021: 4.5%) per annum and is repayable on demand.

<sup>(d)</sup> Advances from directors are interest bearing at 4.5% (2021: 4.5%) per annum and are repayable on demand.

<sup>(e)</sup> Included in the balance is a loan from parent company of \$3,400,000 (2021: \$1,400,000) which bears interest at 4.5% (2021: 4.5%) per annum and is repayable on demand.

**28. Other liabilities**

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Deposits received	1,335	2,081
Provision for restoration costs <sup>(a)</sup>	1,211	1,213
Other liabilities	2	2
Total	2,548	3,296
Movements in above provision:		
At beginning of the year	1,213	1,130
Additions	50	124
Utilisation	(15)	(44)
Foreign exchange adjustments	(37)	3
At end of the year	1,211	1,213

<sup>(a)</sup> The provision is based on the present value of costs to be incurred to remove leasehold improvements from leased properties. The estimate is based on quotations from external contractors. The unexpired lease terms range from less than 1 year to 8 years. The unwinding of discount is not significant.

**29. Derivative financial instruments**

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Interest rate swaps (Note 29A)	1,559	(21)

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at each reporting date with the gain or loss recognised immediately in profit or loss except where the derivatives qualify for cash flow hedge accounting or hedges of net investment in a foreign operation, in which case recognition of any resultant gain or loss depends on the nature of the item being hedged.

**29A. Interest rate swaps**

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Assets - Contracts with positive fair values:		
Derivatives designated as hedging instruments:		
Cash flow hedge - Interest rate swaps	1,559	-
Sub-total	1,559	-

Liabilities - Contracts with negative fair values:		
Derivatives designated as hedging instruments:		
Cash flow hedge - Interest rate swaps	-	(21)
Sub-total	-	(21)

Total derivatives designated as hedging instrument to hedging reserve (Note 24B)	1,559	(21)
--	-------	------

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Presented in statement of financial position as:		
Current	414	-
Non-current	1,145	-
	1,559	-

The notional amount of the interest rate swaps was \$50,000,000 (2021: \$25,000,000). They are designed to convert floating rate borrowings at 3.41% to 5.00% per annum (2021: 3.63% to 3.86%) to fixed rate exposure for the next two to three years at 2.59% to 3.07% per annum (2021: 2.59% to 2.63%). Information on the maturities of the loans is provided in Note 25.

The gross amount of all notional values for contracts that have not yet been settled or cancelled, is not necessarily a measure or indication of market risk, as the exposure of certain contracts may be offset by that of other contracts.

The interest rate swaps are not traded in an active market. As a result, their fair values are based on valuation model provided by financial institutions using market observable inputs (Level 3).

**30. Operating lease income commitments - as lessor**

At the end of the reporting year, the total of future minimum lease receivables committed under non-cancellable operating leases are not significant.

	<b>Group</b>		<b>Company</b>	
	<b>2022 \$'000</b>	<b>2021 \$'000</b>	<b>2022 \$'000</b>	<b>2021 \$'000</b>
Not later than one year	286	294	-	-
Later than one year and not later than five years	4	664	-	-
Rental income for the year	112	318	54	54

Operating lease income commitments are for sub-lease rental receivables from outside parties and a subsidiary for the retail outlet premises and office premise respectively. The lease rental terms range from one to five years and are not subject to an escalation clause.

**31. Financial instruments: information on financial risks**

**31A. Categories of financial assets and liabilities**

The following table categorises the carrying amount of financial assets and liabilities recorded at the end of the reporting year:

	<b>Group</b>		<b>Company</b>	
	<b>2022 \$'000</b>	<b>2021 \$'000</b>	<b>2022 \$'000</b>	<b>2021 \$'000</b>
<u>Financial assets:</u>				
Financial assets at amortised costs	491,597	388,491	19,812	39,288
Financial assets at fair value through profit or loss	6,881	6,867	5,853	5,853
Financial assets at fair value through other comprehensive income	1,559	-	-	-
	500,037	395,358	25,665	45,141
<u>Financial liabilities:</u>				
Financial liabilities at amortised costs	482,304	389,977	51,575	46,812
Financial liabilities at fair value through other comprehensive income	-	21	-	-
	482,304	389,998	51,575	46,812

Further quantitative disclosures are included throughout these financial statements.

**31. Financial instruments: information on financial risks (cont'd)**

**31B. Financial risk management**

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate, currency risk and price risk exposures. Management has certain practices for the management of financial risks. However these are not formally documented in written form. The guidelines include the following:

1. Minimise interest rate, currency, credit and market risks for all kinds of transactions.
2. Maximise the use of "natural hedge": favouring as much as possible the natural off-setting of sales and costs and payables and receivables denominated in the same currency and therefore put in place hedging strategies only for the excess balance (if necessary). The same strategy is pursued with regard to interest rate risk.
3. All financial risk management activities are carried out and monitored by senior management staff.
4. All financial risk management activities are carried out following acceptable market practices.
5. When appropriate consideration is given to entering into derivatives or any other similar instruments solely for hedging purposes.

There have been no changes to the exposures to risk; the objectives, policies and processes for managing the risk and the methods used to measure the risk.

The chief executive officer who monitors the procedures reports to the board.

**31C. Fair values of financial instruments**

The analyses of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include both the significant financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

**31D. Credit risk on financial assets**

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner. These arise principally from cash balances with banks, cash equivalents, receivables and other financial assets. The maximum exposure to credit risk is the total of the fair value of the financial assets at the end of the reporting year. Credit risk on cash balances with banks and any other financial instruments is limited because the counter-parties are entities with acceptable credit ratings. For ECL on financial assets, the general approach (three-stage approach) in the financial reporting standard on financial instruments is applied to measure the impairment allowance. Under this general approach the financial assets move through the three stages as their credit quality changes. On initial recognition, a day-1 loss is recorded equal to the 12 month ECL unless the assets are considered credit impaired. However, the simplified approach (that is, to measure the loss allowance at an amount equal to lifetime ECL at initial recognition and throughout its life) permitted by the financial reporting standards on financial instruments is applied for financial assets that do not have a significant financing component, such as trade receivables. For credit risk on trade receivables and other financial assets an ongoing credit evaluation is performed on the financial condition of the debtors and an impairment loss is recognised in profit or loss. Reviews and assessments of credit exposures in excess of designated limits are made. Renewals and reviews of credits limits are subject to the same review process.

Cash and cash equivalents as disclosed in Note 22 are amounts with less than 90 days maturity. Cash and cash equivalents are also subject to the impairment requirements of the standard on financial instruments. There was no identified impairment loss.



**31. Financial instruments: information on financial risks (cont'd)**

**31E. Liquidity risk - financial liabilities maturity analysis**

The following table analyses the non-derivative financial liabilities by remaining contractual maturity (contractual and undiscounted cash flows):

<u>Group:</u>	<b>Less than 1 year \$'000</b>	<b>1 - 5 years \$'000</b>	<b>Over 5 years \$'000</b>	<b>Total \$'000</b>
<u>Non-derivative financial liabilities:</u>				
<u>2022:</u>				
Gross borrowing commitments	295,580	127,487	13,140	436,207
Gross lease liabilities	9,338	4,568	46	13,952
Trade and other payables	56,996	-	-	56,996
At end of the year	<u>361,914</u>	<u>132,055</u>	<u>13,186</u>	<u>507,155</u>
<u>2021:</u>				
Gross borrowing commitments	227,350	102,281	19,213	348,844
Gross lease liabilities	10,454	9,338	85	19,877
Trade and other payables	40,644	-	-	40,644
At end of the year	<u>278,448</u>	<u>111,619</u>	<u>19,298</u>	<u>409,365</u>
<u>Company:</u>				
<u>Non-derivative financial liabilities:</u>				
<u>2022:</u>				
Gross borrowing commitments		6,580	1,858	8,438
Trade and other payables		44,653	-	44,653
At end of the year		<u>51,233</u>	<u>1,858</u>	<u>53,091</u>
<u>2021:</u>				
Gross borrowing commitments		3,754	2,603	6,357
Trade and other payables		41,968	-	41,968
At end of the year		<u>45,722</u>	<u>2,603</u>	<u>48,325</u>

The undiscounted amounts on the borrowings with fixed and floating interest rates are determined by reference to the conditions existing at the reporting date.

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be settled at their contractual maturity. The average credit period taken to settle trade payables is about 60 days (2021: 60 days). The classification of the financial assets is shown in the statement of financial position as they may be available to meet liquidity needs and no further analysis is deemed necessary. In order to meet such cash commitments the operating activity is expected to generate sufficient cash inflows. In addition, the financial assets are held for which there is a liquid market and that are readily available to meet liquidity needs.

The following table analyses the derivative financial liabilities by remaining contractual maturity (contractual undiscounted cash flows):

<u>Group:</u>	<b>Less than 1 year \$'000</b>	<b>1 - 5 years \$'000</b>	<b>1 - 3 years \$'000</b>
<u>Derivative financial assets / (liabilities):</u>			
<u>2022:</u>			
Net settled:			
Interest rate swaps	<u>414</u>	<u>1,145</u>	<u>1,559</u>
<u>2021:</u>			
Net settled:			
Interest rate swaps	<u>(21)</u>	<u>-</u>	<u>(21)</u>

**31. Financial instruments: information on financial risks (cont'd)**

**31E. Liquidity risk - financial liabilities maturity analysis (cont'd)**

The above amounts disclosed in the maturity analysis are the contractual undiscounted cash flows and such undiscounted cash flows differ from the amount included in the statement of financial position. When the counterparty has a choice of when an amount is paid, the liability is included on the basis of the earliest date on which it can be required to pay.

**31F. Interest rate risk**

Interest rate risk arises on interest-bearing financial instruments recognised in the statement of financial position and on some financial instruments not recognised in the statement of financial position. The interest from financial assets including cash balances is not significant. The following table analyses the breakdown of the significant financial instruments by type of interest rate:

	Group	
	2022	2021
	\$'000	\$'000
<u>Financial liabilities with interest:</u>		
Fixed rate	229,919	162,979
Floating rate	230,593	213,221
Total at end of the year	460,512	376,200

The floating rate debt instruments are with interest rates that are re-set at regular intervals. The interest rates are disclosed in Note 25. When considered appropriate, in order to manage the interest rate risk, interest rate swaps are entered into to mitigate the fair value risk relating to fixed-interest assets or liabilities and the cash flow risk related to variable interest rate assets and liabilities.

Sensitivity analysis:

	Group	
	2022	2021
	\$'000	\$'000
<u>Financial liabilities with fixed rate:</u>		
A hypothetical variation in interest rates by 100 basis points with all other variables held constant, would have a change in pre-tax profit for the year by	2,299	1,630
<u>Financial liabilities with floating rate:</u>		
A hypothetical variation in interest rates by 100 basis points with all other variables held constant, would have a change in pre-tax profit for the year by	4,129	3,312

The analysis has been performed for fixed interest rate and floating interest rate over a year for financial instruments. The impact of a change in interest rates on fixed interest rate financial instruments has been assessed in terms of changing of their fair values. The impact of a change in interest rates on floating interest rate financial instruments has been assessed in terms of changing of their cash flows and therefore in terms of the impact on profit or loss. The hypothetical changes in basis points are not based on observable market data (unobservable inputs).

**31G. Foreign currency risk**

Foreign exchange risk arises on financial instruments that are denominated in a foreign currency, i.e. in a currency other than the functional currency in which they are measured. For the purpose of this financial reporting standard on financial instruments: disclosures, currency risk does not arise from financial instruments that are non-monetary items or from financial instruments denominated in the functional currency.

The group and the company is not exposed to significant foreign currency risk.

**32. Changes and adoption of financial reporting standards**

For the current reporting year new or revised financial reporting standards were issued by the Singapore Accounting Standards Council. Those applicable to the reporting entity are listed below. Those applicable new or revised standards did not require any significant modification of the measurement methods or the presentation in the financial statements.

<b>SFRS (I) No.</b>	<b>Title</b>
SFRS (I) 1-16	Property, Plant and Equipment: Proceeds before Intended Use - Amendments to
SFRS (I) 3	Definition of a Business - Reference to the Conceptual Framework - Amendments to
SFRS (I) 9	Financial Instruments - Fees in the "10 per cent" test for derecognition of financial liabilities (Annual Improvement Project)
SFRS (I) 16	Covid-19 Related Rent Concessions beyond 30 June 2021 - Amendments to
Various	Annual Improvements to SFRS (I)s 2018-2020 - Amendments to SFRS(I) 1 First-time Adoption of SFRS(I); IFRS 9 Financial Instruments; SFRS(I) 16 Leases, and; SFRS(I) 1-41 Agriculture

**33. New or amended standards in issue but not yet effective**

For the future reporting years certain new or revised financial reporting standards were issued by the Singapore Accounting Standards Council and these will only be effective for future reporting years. Those applicable to the reporting entity for future reporting years are listed below. The transfer to the applicable new or revised standards from the effective dates is not expected to result in any significant modification of the measurement methods or the presentation in the financial statements for the following year from the known or reasonably estimable information relevant to assessing the possible impact that application of the new or revised standards may have on the entity's financial statements in the period of initial application.

<b>SFRS (I) No.</b>	<b>Title</b>	<b>Effective date for periods beginning on or after</b>
SFRS (I) 1-1	Presentation of Financial Statements - amendment relating to Classification of Liabilities as Current or Non-current	1 Jan 2024
SFRS (I) 1-1	Disclosure of Accounting Policies - Amendments to SFRS (I) 1-1 and SFRS (I) Practice Statement 2 Making Materiality Judgements	1 Jan 2023
SFRS (I) 1-8	Definition of Accounting Estimates - Amendments to	1 Jan 2023
SFRS (I) 1-12	Deferred Tax related to Assets and Liabilities arising from a Single	1 Jan 2023
SFRS (I) 1	Transaction - Amendments to	

**34. Listing of and information on subsidiaries**

The listing of and information on the subsidiaries are given below.

Name of subsidiaries, country of incorporation, place of operations and principal activities and independent auditors	Cost in books of company		Effective percentage of equity held	
	2022 \$'000	2021 \$'000	2022 %	2021 %
<u>Held by the company:</u>				
MoneyMax Pawnshop Pte. Ltd. <sup>(a)</sup> Singapore Pawn brokerage	19,014	19,014	100	100
MoneyMax Group Pte. Ltd. <sup>(a)</sup> Singapore Pawn brokerage	19,477	19,477	100	100
MoneyMax Pte. Ltd. <sup>(a)</sup> Singapore Pawn brokerage	12,618	11,618	100	100
MoneyMax Express Pte. Ltd. <sup>(a)</sup> Singapore Pawn brokerage	7,725	6,725	100	100
MoneyMax Jewellery Pte. Ltd. <sup>(a)</sup> Singapore Retail of luxury items	3,542	3,542	100	100
MoneyMax Properties Pte. Ltd. <sup>(a)</sup> Singapore Properties owning	29	29	100	100
MoneyMax Holdings Pte. Ltd. <sup>(a)</sup> Singapore Investment holding	+	+	100	100
MoneyMax Leasing Pte. Ltd. <sup>(a)</sup> Singapore Finance leasing	10,000	3,000	100	100
MoneyMax Assurance Pte. Ltd. <sup>(a)</sup> Singapore Insurance agency services	25	25	100	100
MoneyMax Credit Pte. Ltd. <sup>(a)</sup> Singapore Finance leasing	2,000	+	100	100
MoneyMax Capital Pte. Ltd. <sup>(b)</sup> Singapore Investment holding (Verity Partners)	+	+	100	100

**34. Listing of and information on subsidiaries (cont'd)**

Name of subsidiaries, country of incorporation, place of operations and principal activities and independent auditors	Cost in books of company		Effective percentage of equity held	
	2022 \$'000	2021 \$'000	2022 %	2021 %
<u>Held by the company: (cont'd)</u>				
Sin Wang Jewellery Pte. Ltd. <sup>(b)</sup> Singapore Dormant (Verity Partners)	+	+	100	100
SE Investment Pte. Ltd. <sup>(b)</sup> Singapore Dormant (Unity Assurance PAC)	480	480	100	100
MoneyMax Pawnshop Sdn. Bhd. <sup>(b)</sup> Malaysia Dormant (FS Wong & Co., Malaysia)	+	+	100	100
MoneyMax Jewellery Sdn. Bhd. <sup>(b)</sup> Malaysia Dormant (FS Wong & Co., Malaysia)	+	+	100	100
Cash Online Sdn. Bhd. <sup>(c)</sup> Malaysia Investment holding	14,349	1,466	100	100
MoneyMax Malaysia Sdn. Bhd. <sup>(b)</sup> Malaysia Investment Holding (ChengCo PLT)	32	-	100	-
<u>Held by MoneyMax Holdings Pte. Ltd.</u>				
SG e-Auction Pte. Ltd. <sup>(a) (d)</sup> Singapore Online auction platform			51	51
<u>Held by Cash Online Sdn. Bhd.</u>				
Easimine Group Sdn. Bhd. <sup>(c)</sup> Malaysia Investment holding			51	51
Yong Mei Group Sdn. Bhd. <sup>(c)</sup> Malaysia Investment holding			51	51
Guan Sang Group Sdn. Bhd. <sup>(c)</sup> Malaysia Investment holding			51	51

**34. Listing of and information on subsidiaries (cont'd)**

Name of subsidiaries, country of incorporation, place of operations and principal activities and independent auditors	Effective percentage of equity held	
	2022 %	2021 %
<u>Held by Cash Online Sdn. Bhd. (cont'd)</u>		
MoneyMax (Southern) Sdn. Bhd. <sup>(b)</sup>	100	100
Malaysia		
Investment holding		
(ChengCo PLT)		
 Kedai Emas Prett Gold Sdn. Bhd. <sup>(b)</sup>	 100	 100
Malaysia		
Retail and wholesale of gold and jewellery items		
(ChengCo PLT)		
 <u>Held by Easimine Group Sdn. Bhd.</u>		
Easigram Group Sdn. Bhd. <sup>(c)</sup>	51	51
Malaysia		
Investment holding		
 Easigold Group Sdn. Bhd. <sup>(c)</sup>	 51	 51
Malaysia		
Investment holding		
 <u>Held by Easigram Group Sdn. Bhd.</u>		
MS 1 Infinite Sdn. Bhd. <sup>(c)</sup>	51	51
Malaysia		
Pawn brokerage		
 MS 2 Infinite Sdn. Bhd. <sup>(c)</sup>	 51	 51
Malaysia		
Pawn brokerage		
 MS 3 Infinite Sdn. Bhd. <sup>(c)</sup>	 51	 51
Malaysia		
Pawn brokerage		
 MS 4 Infinite Sdn. Bhd. <sup>(c)</sup>	 51	 51
Malaysia		
Pawn brokerage		
 MS 5 Infinite Sdn. Bhd. <sup>(c)</sup>	 51	 51
Malaysia		
Pawn brokerage		
 MS 10 Infinite Sdn. Bhd. <sup>(c)</sup>	 51	 51
Malaysia		
Pawn brokerage		
 Easigram (Pandan) Sdn. Bhd. <sup>(c)</sup>	 51	 51
Malaysia		
Pawn brokerage		
 Easigram (Batu Pahat) Sdn. Bhd. <sup>(c)</sup>	 51	 51
Malaysia		
Pawn brokerage		



**34. Listing of and information on subsidiaries (cont'd)**

**Name of subsidiaries, country of incorporation,  
place of operations and principal activities  
and independent auditors**

**Effective percentage of  
equity held**

	<b>2022</b>	<b>2021</b>
	<b>%</b>	<b>%</b>
Held by Easigold Group Sdn. Bhd. Pajak Gadai Pure Merit Sdn. Bhd. <sup>(c)</sup> Malaysia Pawn brokerage	51	51
Pajak Gadai Aeon Fountain Sdn. Bhd. <sup>(c)</sup> Malaysia Pawn brokerage	51	51
Kedai Pajak Heng Soon Sdn. Bhd. <sup>(c)</sup> Malaysia Pawn brokerage	51	51
Pajak Gadai Poh Heng Sdn. Bhd. <sup>(c)</sup> Malaysia Pawn brokerage	51	51
Pajak Gadai T&M Sdn. Bhd. <sup>(c)</sup> Malaysia Pawn brokerage	51	51
Pajak Gadai Money Mine Sdn. Bhd. <sup>(c)</sup> Malaysia Pawn brokerage	51	51
Pajak Gadai Malim Maju Sdn. Bhd. <sup>(c)</sup> Malaysia Pawn brokerage	51	51
Pajak Gadai Semabok Sdn. Bhd. <sup>(c)</sup> Malaysia Pawn brokerage	51	51
EZ Path Sdn. Bhd. <sup>(b)</sup> Malaysia Investment holding (FS Wong & Co., Malaysia)	51	-
Ez Path (1) Sdn. Bhd. <sup>(b)</sup> Malaysia Pawn brokerage (FS Wong & Co., Malaysia)	51	-
Ez Path (2) Sdn. Bhd. <sup>(b)</sup> Malaysia Pawn brokerage (FS Wong & Co., Malaysia)	51	-

**34. Listing of and information on subsidiaries (cont'd)**

**Name of subsidiaries, country of incorporation,  
place of operations and principal activities  
and independent auditors**

**Effective percentage of  
equity held**

	<b>2022</b>	<b>2021</b>
	<b>%</b>	<b>%</b>
<u>Held by Easigold Group Sdn. Bhd.</u>		
Ez Path (3) Sdn. Bhd. <sup>(b)</sup>	51	-
Malaysia		
Pawn brokerage		
(FS Wong & Co., Malaysia)		
 Ez Path (4) Sdn. Bhd. <sup>(b)</sup>	 51	 -
Malaysia		
Pawn brokerage		
(FS Wong & Co., Malaysia)		
 Ez Path (5) Sdn. Bhd. <sup>(b)</sup>	 51	 -
Malaysia		
Pawn brokerage		
(FS Wong & Co., Malaysia)		
 Ez Path (6) Sdn. Bhd. <sup>(b)</sup>	 51	 -
Malaysia		
Pawn brokerage		
(FS Wong & Co., Malaysia)		
 Ez Path (7) Sdn. Bhd. <sup>(b)</sup>	 51	 -
Malaysia		
Pawn brokerage		
(FS Wong & Co., Malaysia)		
 Ez Path (8) Sdn. Bhd. <sup>(b)</sup>	 51	 -
Malaysia		
Pawn brokerage		
(FS Wong & Co., Malaysia)		
 <u>Held by Yong Mei Group Sdn. Bhd.</u>		
Pajak Gadai Pagoh Sdn. Bhd. <sup>(c)</sup>	51	51
Malaysia		
Pawn brokerage		
 Pajak Gadai Hen Teck Sdn. Bhd. <sup>(c)</sup>	 51	 51
Malaysia		
Pawn brokerage		
 Pajak Gadai Pasir Gudang Sdn. Bhd. <sup>(c)</sup>	 51	 51
Malaysia		
Pawn brokerage		
 Pajak Gadai Rengit Sdn. Bhd. <sup>(c)</sup>	 51	 51
Malaysia		
Pawn brokerage		

**34. Listing of and information on subsidiaries (cont'd)**

**Name of subsidiaries, country of incorporation,  
place of operations and principal activities  
and independent auditors**

**Effective percentage of  
equity held**

Held by Yong Mei Group Sdn. Bhd. (cont'd)

Pajak Gadai Simpang Renggam Sdn. Bhd. <sup>(c)</sup>

Malaysia

Pawn brokerage

51

51

Pajak Gadai Senai Sdn. Bhd. <sup>(c)</sup>

Malaysia

Pawn brokerage

51

51

Pajak Gadai Masai Sdn. Bhd. <sup>(c)</sup>

Malaysia

Pawn brokerage

51

51

Pajak Gadai Kulai Sdn. Bhd. <sup>(c)</sup>

Malaysia

Pawn brokerage

51

51

Pajak Gadai Bukit Gambir Sdn. Bhd. <sup>(c)</sup>

Malaysia

Pawn brokerage

51

51

Held by Guan Sang Group Sdn. Bhd.

Pajak Gadai Bukit Mertajam Sdn. Bhd. <sup>(c)</sup>

Malaysia

Pawn brokerage

51

51

Pajak Gadai Poh San Sdn. Bhd. <sup>(b)</sup>

Malaysia

Pawn brokerage

(FS Wong & Co., Malaysia)

51

51

Pajak Gadai Poh Guan Sdn. Bhd. <sup>(b)</sup>

Malaysia

Pawn brokerage

(FS Wong & Co., Malaysia)

51

51

Pajak Gadai Poh Fook Sdn. Bhd. <sup>(b)</sup>

Malaysia

Pawn brokerage

(FS Wong & Co., Malaysia)

51

51

Pajak Gadai Poh Mei Sdn. Bhd. <sup>(b)</sup>

Malaysia

Pawn brokerage

(FS Wong & Co., Malaysia)

51

51

Pajak Gadai Sungai Petani Sdn. Bhd. <sup>(c)</sup>

Malaysia

Pawn brokerage

51

51

**34. Listing of and information on subsidiaries (cont'd)**

Name of subsidiaries, country of incorporation, place of operations and principal activities and independent auditors	Effective percentage of equity held	
	2022 %	2021 %
<u>Held by Guan Sang Group Sdn. Bhd. (cont'd)</u> Pajak Gadai Butterworth Sdn. Bhd. <sup>(c)</sup> Malaysia Pawn brokerage	51	51
<u>Held by MoneyMax (Southern) Sdn. Bhd.</u> Pajak Gadai MoneyMax (Taman Daya Sagu) Sdn. Bhd. <sup>(b)</sup> Malaysia Pawn brokerage (ChengCo PLT)	100	100
Pajak Gadai MoneyMax (Larkin) Sdn. Bhd. <sup>(b)</sup> Malaysia Pawn brokerage (ChengCo PLT)	100	100
Pajak Gadai MoneyMax (Skudai) Sdn. Bhd. <sup>(b)</sup> Malaysia Pawn brokerage (ChengCo PLT)	100	100
Pajak Gadai MoneyMax (Kulai) Sdn. Bhd. <sup>(b)</sup> Malaysia Pawn brokerage (ChengCo PLT)	100	100
Pajak Gadai MoneyMax (Bandar Baru Uda) Sdn. Bhd. <sup>(b)</sup> Malaysia Pawn brokerage (ChengCo PLT)	100	100
Pajak Gadai MoneyMax (Masai) Sdn. Bhd. <sup>(b)</sup> Malaysia Pawn brokerage (ChengCo PLT)	100	100
Pajak Gadai Moneymax (Taman Daya) Sdn. Bhd. <sup>(b)</sup> Malaysia Pawn brokerage (ChengCo PLT)	100	100
Pajak Gadai MoneyMax (Senai) Sdn. Bhd. <sup>(b)</sup> Malaysia Pawn brokerage (ChengCo PLT)	100	100
Pajak Gadai MoneyMax (Kluang) Sdn. Bhd. <sup>(b)</sup> Malaysia Pawn brokerage (ChengCo PLT)	100	100

**34. Listing of and information on subsidiaries (cont'd)**

**Name of subsidiaries, country of incorporation,  
place of operations and principal activities  
and independent auditors**

**Effective percentage of  
equity held**

**2022  
%** **2021  
%**

Held by MoneyMax (Southern) Sdn. Bhd. (cont'd)

Pajak Gadai MoneyMax (Batu Pahat) Sdn. Bhd. <sup>(b)</sup>

Malaysia

Pawn brokerage

(ChengCo PLT)

100 100

Pajak Gadai MoneyMax (Muar) Sdn. Bhd. <sup>(b)</sup>

Malaysia

Pawn brokerage

(ChengCo PLT)

100 100

Pajak Gadai MoneyMax (Tun Aminah) Sdn. Bhd. <sup>(b)</sup>

Malaysia

Pawn brokerage

(ChengCo PLT)

100 100

Pajak Gadai MoneyMax (Sungai Way) Sdn. Bhd. <sup>(b)</sup>

Malaysia

Pawn brokerage

(ChengCo PLT)

100 100

Pajak Gadai MoneyMax (Seri Orkid) Sdn. Bhd. <sup>(b)</sup>

Malaysia

Pawn brokerage

(ChengCo PLT)

100 100

Pajak Gadai MoneyMax (Segamat) Sdn. Bhd. <sup>(b)</sup>

Malaysia

Pawn brokerage

(ChengCo PLT)

100 100

Pajak Gadai MoneyMax (Bayan Lepas) Sdn. Bhd. <sup>(b)</sup>

Malaysia

Pawn brokerage

(ChengCo PLT)

100 100

Pajak Gadai MoneyMax (Pandan1) Sdn. Bhd. <sup>(b)</sup>

Malaysia

Pawn brokerage

(ChengCo PLT)

100 100

Pajak Gadai MoneyMax (Jasin) Sdn. Bhd. <sup>(b)</sup>

Malaysia

Pawn brokerage

(ChengCo PLT)

100 100

**34. Listing of and information on subsidiaries (cont'd)**

**Name of subsidiaries, country of incorporation,  
place of operations and principal activities  
and independent auditors**

**Effective percentage of  
equity held**

	<b>2022</b>	<b>2021</b>
	<b>%</b>	<b>%</b>
<u>Held by MoneyMax (Southern) Sdn. Bhd. (cont'd)</u>		
Pajak Gadai MoneyMax (Prai) Sdn. Bhd. <sup>(b)</sup>	100	100
Malaysia		
Pawn brokerage		
(ChengCo PLT)		
 Pajak Gadai MoneyMax (Bukit Mertajam) Sdn. Bhd. <sup>(b)</sup>	 100	 100
Malaysia		
Pawn brokerage		
(ChengCo PLT)		

+ Amount less than \$1,000.

<sup>(a)</sup> Audited by RSM Chio Lim LLP in Singapore, a member firm of RSM International.

<sup>(b)</sup> Audited by firms of accountants other than member firms of RSM International of which RSM Chio Lim LLP in Singapore is a member. Their names are indicated above.

<sup>(c)</sup> Audited by RSM Malaysia, a member firm of RSM International.

<sup>(d)</sup> The group recognises the company as a subsidiary as it has control over the financial and operational matters.

As is required by Rule 716 of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Audit Committee and the Board of Directors of the company have satisfied themselves that the appointment of different auditor for certain of its overseas subsidiaries would not compromise the standard and effectiveness of the audit of the group.

**35. Subsequent events**

On 9 January 2023, the company established a \$100 million unsecured commercial paper programme ("the Programme"), where the company may issue unsecured commercial papers in the form of digital security tokens (the "Tokens"). Net proceeds raised will be utilised for refinancing of borrowings, financing investments, general working capital and capital expenditure requirements.

On 26 January 2023, the company has successfully raised \$12.54 million in gross proceeds from the issuance of the Series 001 Tokens launched on 10 January 2023. The Series 001 Tokens were listed on a recognised market operator, ADDX Exchange, on 27 January 2023.



## AS AT 14 MARCH 2023

Number of shares issued	:	442,249,999 shares
Class of shares	:	Ordinary shares
Voting rights	:	1 vote for each ordinary share
Number of treasury shares and subsidiary holdings	:	Nil

## DISTRIBUTION OF SHAREHOLDINGS

Size of shareholdings	No. of shareholders	%	No. of shares	%
1 – 99	7	0.69	350	0.00
100 – 1,000	21	2.06	9,258	0.00
1,001 – 10,000	466	45.78	1,530,100	0.35
10,001 – 1,000,000	506	49.70	37,365,176	8.44
1,000,001 and above	18	1.77	403,345,115	91.21
Total	1,018	100.00	442,249,999	100.00

## SHAREHOLDING HELD IN HANDS OF PUBLIC

As at 14 March 2023, approximately 12.09% of the issued ordinary shares of the Company is held in the hands of the public as defined in the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the “Catalist Rules”). Accordingly, Rule 723 of the Catalist Rules is complied with.

## TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of shares	%
1	Money Farm Pte. Ltd.	269,846,835	61.02
2	Lim Yong Guan	55,462,500	12.54
3	Lim Yong Sheng	47,850,000	10.82
4	Lim Liang Eng	5,437,500	1.23
5	Tan Yang Hong	3,958,335	0.90
6	DBS Nominees Pte Ltd	3,317,100	0.75
7	Lim Liang Keng	2,083,335	0.47
8	Lim Liang Soh	2,083,335	0.47
9	Lim Liang Cheng	1,964,250	0.44
10	Moh Tser Loong Alvin	1,525,200	0.34
11	Poh Boon Kher Melvin (Fu Wenke Melvin)	1,362,100	0.31
12	Lew Tuan Tat	1,361,375	0.31
13	Kok Sip Chon	1,276,250	0.29
14	Tan Yong Jin	1,276,250	0.29
15	CGS-CIMB Securities (Singapore) Pte Ltd	1,195,050	0.27
16	Lee Mee Ing	1,150,000	0.26
17	HSBC (Singapore) Nominees Pte Ltd	1,106,000	0.25
18	Sik Ley Boy	1,089,700	0.25
19	Toh Ong Tiam	983,375	0.22
20	Chua Wee Kwang	883,125	0.20
	Total	405,211,615	91.63

**SUBSTANTIAL SHAREHOLDERS**

as recorded in the Register of Substantial Shareholders

Name of shareholder	Direct interest		Deemed interest	
	No. of shares	%	No. of shares	%
Money Farm Pte. Ltd. <sup>(1)</sup>	269,846,835	61.02	-	-
Lim Yong Guan <sup>(2), (3), (4)</sup>	55,462,500	12.54	273,805,170	61.91
Lim Yong Sheng <sup>(3), (4)</sup>	47,850,000	10.82	269,846,835	61.02
Lim Liang Eng <sup>(3), (4)</sup>	5,437,500	1.23	269,846,835	61.02

**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 Lim Yong Guan, Lim Yong Sheng and Lim Liang Eng.
- (2) Lim Yong Guan is deemed interested in the 3,958,335 shares held by his spouse, Tan Yang Hong by virtue of Section 164 (15) of the Companies Act 1967.
- (3) Lim Yong Guan, Lim Yong Sheng and Lim Liang Eng are siblings.
- (4) Lim Yong Guan, Lim Yong Sheng and 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 2001, each of them is deemed to be interested in the shares which Money Farm Pte. Ltd. holds in the Company.

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the annual general meeting ("**AGM**" or the "**Meeting**") of MoneyMax Financial Services Ltd. (the "**Company**") will be held at 7 Changi Business Park Vista, #01-01, SOOKEE HQ, Singapore 486042 on Thursday, 27 April 2023 at 10.00 a.m. (Singapore time) to transact the following business:

### ORDINARY BUSINESS

- |    |   |              |
|----|---|--------------|
| 1. | To receive and adopt the directors' statement and the audited financial statements of the Company for the financial year ended 31 December 2022 (" <b>FY2022</b> ") together with the independent auditor's report thereon.                   | Resolution 1 |
| 2. | To declare a final one-tier tax exempt dividend of 1.0 Singapore cent per ordinary share (" <b>Share</b> ") for FY2022.   | Resolution 2 |
| 3. | To re-elect Dato' Sri Dr. Lim Yong Guan, who is retiring pursuant to Regulation 89 of the constitution of the Company (" <b>Constitution</b> "), as a director of the Company (" <b>Director</b> ").<br><br><i>[See Explanatory Note (i)]</i> | Resolution 3 |
| 4. | To re-elect Mr. Foo Say Tun, who is retiring pursuant to Regulation 89 of the Constitution, as a Director.<br><br><i>[See Explanatory Note (ii)]</i>  | Resolution 4 |
| 5. | To approve the Directors' fees of S\$205,000 for the financial year ending 31 December 2023, payable quarterly in arrears.  | Resolution 5 |
| 6. | To re-appoint Messrs RSM Chio Lim LLP as the independent auditor of the Company and to authorise the Directors to fix their remuneration.   | Resolution 6 |

### SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without amendments:

- |    |   |              |
|----|---|--------------|
| 7. | <b>Authority to allot and issue Shares</b>  | Resolution 7 |
|    | That pursuant to Section 161 of the Companies Act 1967 and Rule 806 of the Singapore Exchange Securities Trading Limited (" <b>SGX-ST</b> ") Listing Manual Section B: Rules of Catalyst (" <b>Catalist Rules</b> "), the Directors be authorised and empowered to:                                     |              |
|    | (a) (i) allot and issue Shares whether by way of rights, bonus or otherwise; and/or   |              |
|    | (ii) make or grant offers, agreements or options (collectively, " <b>Instruments</b> ") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares, |              |
|    | at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and  |              |
|    | (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instruments made or granted by the Directors while this Resolution was in force,   |              |

provided that:

- (1) the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued other than on a pro rata basis to shareholders of the Company ("Shareholders") shall not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the percentage of the total number of issued Shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time of the passing of this Resolution, after adjusting for:
  - (a) new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which were issued and are outstanding or subsisting at the time this Resolution is passed; and
  - (b) any subsequent bonus issue, consolidation or subdivision of Shares;
 and, in sub-paragraph (1) above and this sub-paragraph (2), "subsidiary holdings" has the meaning given to it in the Catalist Rules;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution; and
- (4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

*[See Explanatory Note (iii)]*

8. **Authority to grant awards and to allot and issue Shares under the MoneyMax Performance Share Plan**

Resolution 8

That pursuant to Section 161 of the Companies Act 1967, approval be and is hereby given to the Directors to:

- (a) offer and grant awards in accordance with the provisions of the MoneyMax Performance Share Plan ("Plan"); and
- (b) allot and issue from time to time such number of fully paid-up Shares as may be required to be allotted and issued pursuant to the vesting of awards under the Plan provided that the aggregate number of Shares to be allotted and issued pursuant to the Plan shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) from time to time;

and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the expiry of the Plan, the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

*[See Explanatory Note (iv)]*

**9. Proposed Adoption of the IPT General Mandate**

Resolution 9

That:

- (a) pursuant to Chapter 9 of the Catalist Rules, approval be and is hereby given for the Company, its subsidiaries and associated companies which are considered to be "entities at risk" (as defined in the Catalist Rules) to enter into the Mandated IPTs (as defined in the Company's letter to Shareholders dated 12 April 2023 (the "**Letter**")) with any of the Mandated Interested Persons (as defined in the Letter) provided that such transactions are on normal commercial terms and in accordance with the review procedures set out in the Letter;
- (b) the audit committee of the Company be and is hereby authorised to take such action as it deems proper in respect of such procedures and/or to modify or implement such procedures as may be necessary to take into consideration any amendment to Chapter 9 of the Catalist Rules which may be prescribed by the SGX-ST from time to time;
- (c) unless revoked or varied by the Shareholders in a general meeting, the authority conferred by this Resolution shall continue to be in force until the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier; and
- (d) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution.

*[See Explanatory Note (v)]*

10. To transact any other business which may be properly transacted at an AGM.

**Explanatory Notes:**

- (i) Dato' Sri Dr. Lim Yong Guan will, upon re-election as a Director, remain as the Executive Chairman and CEO of the Company. Information on Dato' Sri Dr. Lim Yong Guan as required under Rule 720(5) of the Catalist Rules can be found under the section entitled "Corporate Governance Report" in the Company's annual report for FY2022.
- (ii) Mr. Foo Say Tun will, upon re-election as a Director, remain as the Chairman of the Remuneration Committee of the Company and a member of the Nominating Committee and the Audit Committee of the Company. Mr. Foo Say Tun will be considered independent for the purpose of Rule 704(7) of the Catalist Rules. Information on Mr. Foo Say Tun as required under Rule 720(5) of the Catalist Rules can be found under the section entitled "Corporate Governance Report" in the Company's annual report for FY2022.
- (iii) The proposed Resolution 7, if passed, will empower the Directors, from the date of the AGM of the Company until the date the next AGM of the Company is held or is required by law to be held, whichever is the earlier, to allot and issue Shares and convertible securities in the Company. The number of Shares and convertible securities, which the Directors may allot and issue under this Resolution, shall not exceed 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time of passing of this Resolution. For the allotment and issue of Shares and convertible securities other than on a pro-rata basis to all Shareholders, the aggregate number of Shares and convertible securities to be allotted and issued shall not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings). This authority will, unless previously revoked or varied at a general meeting, expire at the next AGM of the Company.
- (iv) The proposed Resolution 8, if passed, will empower the Directors to offer and grant awards and to issue and allot Shares pursuant to the Plan. The grant of awards under the Plan will be made in accordance with the provisions of the Plan. The aggregate number of Shares which may be issued pursuant to the Plan is limited to 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) from time to time.
- (v) The proposed Resolution 9 relates to the proposed adoption of a mandate allowing the Company, its subsidiaries and its associated companies to enter into certain interested person transactions with certain interested persons, each as defined in the Catalist Rules. Please refer to the Letter for further details.

**NOTICE OF RECORD DATE AND DIVIDEND PAYMENT DATE**

**NOTICE IS HEREBY GIVEN** that, subject to Shareholders' approval for the proposed final one-tier tax exempt dividend of 1.0 Singapore cent per Share for FY2022 ("**Final Dividend**") at the forthcoming AGM of the Company to be held on 27 April 2023, the Share Transfer Books and Register of Members of the Company will be closed on 18 May 2023 for the purpose of determining members' entitlements to the Final Dividend.

Duly completed registrable transfers in respect of the Shares received up to the close of business at 5.00 p.m. on 17 May 2023 by the Company's Share Registrar, B.A.C.S Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, will be registered to determine members' entitlements to the Final Dividend. Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with Shares as at 5.00 p.m. on 17 May 2023 will be entitled to the Final Dividend.

The Final Dividend, if approved by Shareholders at the forthcoming AGM of the Company, will be paid on 25 May 2023.

**By Order of the Board**

GOH HOI LAI  
Company Secretary

Date: 12 April 2023

**Notes:**

1. The AGM will be held, in a **wholly physical format**, at 7 Changi Business Park Vista, #01-01, SOOKEE HQ, Singapore 486042 on Thursday, 27 April 2023 at 10.00 a.m. There will be no option for Shareholders to participate virtually.
2. This Notice of AGM and accompanying proxy form, the Company's annual report for FY2022 and the Letter have been published and may be accessed at the Company's website at <https://moneymax.com.sg/annual-general-meeting-fy2022/> and the SGX-ST's website at <http://www.sgx.com/securities/company-announcements>. Printed copies of this Notice of AGM and the accompanying proxy form, the Company's annual report for FY2022 and the Letter will not be sent to members.
3. Arrangements relating to attendance at the AGM by Shareholders, including CPF and SRS investors, submission of questions to the Chairman of the Meeting by Shareholders, including CPF and SRS investors, in advance of, or at, the AGM, addressing of substantial and relevant questions in advance of, or at, the AGM, and voting at the AGM by Shareholders, including CPF and SRS investors, or (where applicable) duly appointed proxy(ies), are set out in the **Appendix** to this Notice of AGM.
4. (a) A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies. Where such member's instrument appointing a proxy(ies) appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument.  
  
(b) A member who is a relevant intermediary is entitled to appoint more than two (2) proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's instrument appointing a proxy(ies) appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

A member can appoint the Chairman of the Meeting as his/ her/ its proxy, but this is not mandatory. CPF and SRS investors who wish to appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM, should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 10.00 a.m. on 24 April 2023.

5. A proxy need not be a member of the Company.



## NOTICE OF ANNUAL GENERAL MEETING

6. The instrument appointing a proxy(ies), duly executed in accordance with the instructions on the proxy form, must be submitted to the Company in the following manner:

- (a) via email to [main@zicoholdings.com](mailto:main@zicoholdings.com); or
- (b) by post to the Company's Share Registrar, B.A.C.S Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896,

in either case, by 10.00 a.m. on 24 April 2023, being no later than 72 hours before the time set for the AGM.

Members are strongly encouraged to submit completed proxy forms electronically via email to [main@zicoholdings.com](mailto:main@zicoholdings.com) to ensure that they are received by the Company by the stipulated deadline.

### **Personal Data Privacy:**

By submitting an instrument appointing a proxy(ies) and/or representatives to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

**APPENDIX**

**Steps for registration, submission of questions and voting at the AGM**

No.	Steps	Details
1.	<b>Register in person to attend the AGM</b>	<p><b>Shareholders, including CPF and SRS investors, and (where applicable) duly appointed proxies can attend the AGM in person.</b></p> <p>To do so, they will need to register in person at the registration counter(s) outside the AGM venue on the day of the event. Registration will commence at 9.00 a.m. on that day. Please bring along your NRIC/ passport to enable the Company to verify your identity.</p> <p>Shareholders are advised not to attend the AGM if they are feeling unwell.</p>
2.	<b>Submit questions in advance of, or at, the AGM</b>	<p><b>Shareholders, including CPF and SRS investors, can submit questions in advance of, or at, the AGM.</b></p> <p><b>Submission of substantial and relevant questions in advance of the AGM.</b> Shareholders can submit substantial and relevant questions related to the resolutions to be tabled for approval at the AGM to the Chairman of the Meeting, in advance of the AGM, in the following manner:</p> <p>(a) via email to the Company at <a href="mailto:ir@moneymax.com.sg">ir@moneymax.com.sg</a>; or</p> <p>(b) by post to the Company's Share Registrar, B.A.C.S Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896.</p> <p>To ensure that questions are received by the Company by the stipulated deadline, Shareholders are strongly encouraged to submit questions by email.</p> <p>When submitting questions by email or by post, Shareholders should also provide the Company with the following details:</p> <ul style="list-style-type: none"> <li>• Shareholders' full name;</li> <li>• Shareholders' address; and</li> <li>• the manner in which Shareholders hold Shares (e.g. via CDP, CPF or SRS).</li> </ul> <p><b>Deadline to submit questions in advance of the AGM.</b> All questions submitted in advance of the AGM via any of the above channels must be received by 10.00 a.m. on 20 April 2023.</p> <p><b>Asking substantial and relevant questions at the AGM.</b> Shareholders, including CPF and SRS investors and (where applicable) duly appointed proxies can also ask the Chairman of the Meeting substantial and relevant questions related to the resolutions to be tabled for approval at the AGM, at the AGM itself.</p> <p><b>Addressing questions.</b> The Company will endeavour to address substantial and relevant questions received from Shareholders by the 20 April 2023 submission deadline by publishing the responses to such questions on the Company's website at <a href="https://moneymax.com.sg/annual-general-meeting-fy2022/">https://moneymax.com.sg/annual-general-meeting-fy2022/</a> and on the SGX-ST's website at <a href="http://www.sgx.com/securities/company-announcements">http://www.sgx.com/securities/company-announcements</a> prior to the AGM. The Company will address any subsequent clarifications sought, or substantial and relevant follow up questions received after the 20 April 2023 submission deadline which have not been addressed prior to the AGM, as well as substantial and relevant questions received at the AGM, at the AGM itself.</p> <p><b>Minutes of AGM.</b> The Company will publish the minutes of the AGM on the Company's website and the SGX-ST's website within one month from the conclusion of the AGM.</p>

## NOTICE OF ANNUAL GENERAL MEETING

No.	Steps	Details
3.	Vote, or submit proxy forms appointing a proxy(ies), to vote at the AGM	<p><b>Shareholders can vote at the AGM themselves or through duly appointed proxy(ies). Shareholders who wish to appoint a proxy(ies) <u>must</u> submit an instrument appointing a proxy(ies) in accordance with the instructions on the proxy form.</b></p> <p><b>Submission of instruments appointing a proxy(ies).</b> Shareholders who wish to submit instruments appointing a proxy(ies) must do so in the following manner:</p> <p>(a) if submitted by post, the instrument must be lodged with the Company's Share Registrar, B.A.C.S Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896.; or</p> <p>(b) if submitted electronically, the instrument must be submitted via email to <a href="mailto:main@zicoholdings.com">main@zicoholdings.com</a>,</p> <p>in each case, by 10.00 a.m. on 24 April 2023.</p> <p>A Shareholder who wishes to submit an instrument appointing a proxy(ies) can download a copy of the proxy form from the Company's website or the SGX-ST's website, and complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and submitting it via email to the email address provided above.</p> <p><b>Deemed revocation of proxy appointment if shareholder attends the AGM in person.</b> Completion and submission of the instrument appointing a proxy(ies) by a Shareholder will not prevent him/her from attending, speaking and voting at the AGM if he/she so wishes. The appointment of the proxy(ies) for the AGM will be deemed to be revoked if the Shareholder attends the AGM in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument appointing a proxy(ies) to the AGM.</p> <p><b>CPF and SRS investors:</b></p> <p>(a) may vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or</p> <p>(b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 10.00 a.m. on 18 April 2023.</p>

**MONEYMAX FINANCIAL SERVICES LTD.**

Company Registration No.: 200819689Z  
(Incorporated in the Republic of Singapore)

**PROXY FORM****Important:**

1. The annual general meeting of the Company ("AGM" or the "Meeting") will be held, in a wholly physical format, at 7 Changi Business Park Vista, #01-01, SOOKEE HQ, Singapore 486042 on Thursday, 27 April 2023 at 10.00 a.m. (Singapore time). There will be no option for shareholders of the Company ("Shareholders") to participate virtually. The notice of AGM and this proxy form will be sent to members by electronic means via publication on the Company's website at <https://moneymax.com.sg/investors-home/> and the SGX-ST's website at <http://www.sgx.com/securities/company-announcements>.
2. Arrangements relating to attendance at the AGM by Shareholders, including CPF and SRS investors, in advance of, or at, the AGM, addressing of substantial and relevant questions in advance of, or at, the AGM, and voting at the AGM by Shareholders, including CPF and SRS investors, or (where applicable) duly appointed proxy(ies), are set out in the **Appendix to the Notice of AGM** dated 12 April 2023.
3. This proxy form is not valid for use by CPF and SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF and SRS investors should contact their respective CPF Agent Banks or SRS Operators to submit their votes by 10.00 a.m. on 18 April 2023.
4. By submitting an instrument appointing a proxy(ies), a member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 12 April 2023.
5. Please read the notes overleaf which contains instructions on the appointment of proxy(ies).

\*I/We \_\_\_\_\_ (Name), \*NRIC/Passport No. \_\_\_\_\_

of \_\_\_\_\_ (Address)

being a \*member/members of MoneyMax Financial Services Ltd. (the "Company") hereby appoint:

Name	NRIC/Passport number	Proportion of shareholdings	
		No. of Shares	%
Address			

\*and/or (delete as appropriate)

Name	NRIC/Passport number	Proportion of shareholdings	
		No. of Shares	%
Address			

or failing whom the Chairman of the Meeting as \*my/our proxy, to attend, speak and vote for \*me/us on \*my/our behalf at the AGM to be held at 7 Changi Business Park Vista, #01-01, SOOKEE HQ, Singapore 486042 on Thursday, 27 April 2023 at 10.00 a.m. and at any adjournment thereof.

\*I/We direct \*my/our proxy/proxies to vote for or against the Resolutions proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the \*proxy/proxies will vote or abstain from voting at \*his/her/their discretion.

No.	ORDINARY RESOLUTIONS	Number of Votes For <sup>(1)</sup>	Number of Votes Against <sup>(1)</sup>	Number of Votes to Abstain <sup>(1)</sup>
	<b>ORDINARY BUSINESS</b>			
1.	To receive and adopt the directors' statement and audited financial statements of the Company for the financial year ended 31 December 2022 ("FY2022") together with the independent auditor's report thereon.			
2.	To declare a final one-tier tax exempt dividend of 1.0 Singapore cent per ordinary share ("Share") for FY2022.			
3.	To re-elect Dato' Sri Dr. Lim Yong Guan as a director of the Company ("Director").			
4.	To re-elect Mr. Foo Say Tun as a Director.			
5.	To approve Directors' fees of S\$205,000 for the financial year ending 31 December 2023, payable quarterly in arrears.			
6.	To re-appoint Messrs RSM Chio Lim LLP as the independent auditor of the Company.			
	<b>SPECIAL BUSINESS</b>			
7.	To authorise the Directors to allot and issue Shares.			
8.	To authorise the Directors to grant awards and to allot and issue Shares in accordance with the provisions of the MoneyMax Performance Share Plan.			
9.	To approve the adoption of the IPT general mandate.			

\* delete where inapplicable

<sup>(1)</sup> Voting will be conducted by poll. If you wish to exercise all your votes "For" or "Against" or to abstain from voting on the resolution in respect of all your votes, please tick "✓" in the relevant box provided. Alternatively, please indicate the number of votes "For", "Against" or "Abstain" in the relevant boxes provided. If no specific direction as to voting is given or in the event of any other matter arising at the AGM and at any adjournment thereof, the \*proxy/proxies will vote or abstain from voting at \*his/her/their discretion.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2023

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

Signature (s) of Member(s)  
or, Common Seal of Corporate Member(s)

Contact Number/ Email Address of Member(s)

## NOTES :

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (maintained by The Central Depository (Pte) Limited), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
2. A member who is not a Relevant Intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote on his/her/its behalf at the AGM. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. Where such member appoints two (2) proxies, the proportion of his shareholding to be represented by each proxy shall be specified. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as an alternate to the first named.
3. A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy. The proxy need not be a member of the Company. Please note that if any of your shareholdings are not specified in the list provided by the intermediary to the Company, the Company may have the sole discretion to disallow the said participation of the said proxy at the forthcoming AGM. A member can appoint the Chairman of the Meeting as his/her/its proxy but this is not mandatory.

\*Relevant Intermediary has the meaning ascribed to it in Section 181 of the Companies Act 1967.

CPF/SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes not less than seven (7) working days before the AGM (i.e. by 10.00 a.m. on 18 April 2023).

4. A proxy need not be a member of the Company.
5. The instrument appointing a proxy(ies), duly executed in accordance with the instructions on the proxy form, must be submitted to the Company in the following manner:
  - (a) via email to [main@zicoholdings.com](mailto:main@zicoholdings.com); or
  - (b) by post to the Company's Share Registrar, B.A.C.S Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896,

in either case, by 10.00 a.m. on 24 April 2023, being no later than 72 hours before the time set for the AGM.

Members are strongly encouraged to submit completed proxy forms electronically via email to [main@zicoholdings.com](mailto:main@zicoholdings.com) to ensure that they are received by the Company by the stipulated deadline.

6. The instrument appointing a proxy(ies) must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy(ies) is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy(ies) is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.
7. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act 1967.
8. Completion and return of the Proxy Form by a member will not prevent him/her from attending, speaking and voting at the AGM if he/she so wishes. The appointment of the proxy(ies) for the AGM will be deemed to be revoked if the member attends the AGM in person and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument appointing a proxy(ies) to the AGM.

## General:

The Company shall be entitled to reject an instrument appointing a proxy(ies) which is incomplete, improperly completed, illegible or where the true intentions of the appointer are not ascertainable from the instructions of the appointer specified in the instrument (including any related attachment). In addition, in the case of a member whose shares are entered in the Depository Register, the Company may reject an instrument appointing a proxy(ies) if the member, being the appointer, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

## Personal Data Privacy:

By submitting an instrument appointing a proxy, the members accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 12 April 2023.





**MONEYMAX FINANCIAL SERVICES LTD.**

*(Incorporated in the Republic of Singapore on 9 October 2008)  
Company Registration No. 200819689Z*

7 Changi Business Park Vista

#01-01 SOOKEE HQ

Singapore 486042

**T.** 65-6812 2777

**F.** 65-6812 2700

**[www.moneymax.com.sg](http://www.moneymax.com.sg)**