

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE THIRD QUARTER AND NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2019

PART 1 - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

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

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Group					
	Unaudited 3Q-2019 ⁽¹⁾	Unaudited 3Q-2018 ⁽²⁾	Change	Unaudited 9M-2019 ⁽³⁾	Unaudited 9M-2018 ⁽⁴⁾	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	52,856	35,520	48.8	138,512	107,239	29.2
Other Items of Income						
Other Gains	350	203	72.4	1,034	732	41.3
Other Items of Expense						
Material Costs	(37,912)	(24,080)	57.4	(97,935)	(72,152)	35.7
Employee Benefits Expense	(4,402)	(3,868)	13.8	(12,515)	(11,682)	7.1
Depreciation and Amortisation Expenses	(3,060)	(611)	NM ⁽⁶⁾	(9,105)	(1,992)	NM ⁽⁶⁾
Finance Costs	(2,021)	(1,808)	11.8	(5,984)	(4,679)	27.9
Other Losses	(26)	(320)	(91.9)	(290)	(82)	NM ⁽⁶⁾
Other Expenses	(1,525)	(3,792)	(59.8)	(4,964)	(11,273)	(56.0)
Profit Before Tax	4,260	1,244	NM⁽⁶⁾	8,753	6,111	43.2
Income Tax Expense	(866)	(435)	NM ⁽⁶⁾	(1,743)	(1,281)	36.1
Profit Net of Tax	3,394	809	NM⁽⁶⁾	7,010	4,830	45.1
Other Comprehensive Income	32	(43)	NM ⁽⁶⁾	2	18	(88.9)
Total Comprehensive Income	3,426	766	NM⁽⁶⁾	7,012	4,848	44.6
Attributable to:						
Owners of the Company	3,035	990	NM ⁽⁶⁾	6,268	4,837	29.6
Non-controlling Interests	359	(181)	NM ⁽⁶⁾	742	(7)	NM ⁽⁶⁾
Profit Net of Tax	3,394	809	NM⁽⁶⁾	7,010	4,830	45.1
Attributable to:						
Owners of the Company	3,067	947	NM ⁽⁶⁾	6,270	4,855	29.1
Non-controlling Interests	359	(181)	NM ⁽⁶⁾	742	(7)	NM ⁽⁶⁾
Total Comprehensive Income	3,426	766	NM⁽⁶⁾	7,012	4,848	44.6

Notes:-

- (1) "3Q-2019" refers to the third quarter ended 30 September 2019.
- (2) "3Q-2018" refers to the third quarter ended 30 September 2018.
- (3) "9M-2019" refers to the nine-month period ended 30 September 2019.
- (4) "9M-2018" refers to the nine-month period ended 30 September 2018.
- (5) The Group has adopted the new Singapore Financial Reporting Standards (International) ("SFRS(I)") 16 Leases with effect from 1 January 2019..
- (6) NM: Not meaningful.

1(a)(ii) Notes to consolidated statements of profit or loss and other comprehensive income

The Group's profit after tax was arrived at after charging / (crediting) the following:

	Group					
	Unaudited 3Q-2019 S\$'000	Unaudited 3Q-2018 S\$'000	Change %	Unaudited 9M-2019 S\$'000	Unaudited 9M-2018 S\$'000	Change %
Rental Income	(142)	(129)	10.1	(398)	(387)	2.8
Government Grants	(23)	(41)	(43.9)	(192)	(245)	(21.6)
Depreciation of Plant and Equipment	558	557	0.2	1,647	1,865	(11.7)
Depreciation of Right-of- use assets ⁽¹⁾	2,447	-	NM ⁽²⁾	7,250	-	NM ⁽²⁾
Amortisation of Lease Assignment Fees	30	20	50.0	90	20	NM ⁽²⁾
Amortisation of Other Intangible Assets	25	33	(24.2)	118	106	11.3
Foreign Exchange (Gain)/Loss	(130)	293	NM ⁽²⁾	31	21	47.6
Loss on Collateral Loan	14	1	NM ⁽²⁾	27	2	NM ⁽²⁾
Over adjustment to tax in respect of prior years	-	(8)	(100.0)	-	(8)	(100.0)
Loss on Disposal of Plant and Equipment	12	21	(42.9)	231	75	NM ⁽²⁾
Negative Goodwill	-	-	NM ⁽²⁾	(133)	-	NM ⁽²⁾
Dividend income	-	-	NM ⁽²⁾	(196)	-	NM ⁽²⁾

Notes:

- (1) The Group has adopted the new SFRS(I)16 Leases with effect from 1 January 2019.
(2) NM: Not meaningful.

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

STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	Unaudited 30 September 2019 S\$'000	Audited 31 December 2018 S\$'000	Unaudited 30 September 2019 S\$'000	Audited 31 December 2018 S\$'000
ASSETS				
<u>Non-Current Assets</u>				
Plant and Equipment	3,066	4,467	-	-
Right-of-use Assets ⁽¹⁾	8,854	-	-	-
Intangible Assets	4,393	4,464	-	-
Investment in Subsidiaries	-	-	57,930	57,930
Other Financial Assets	5,471	5,471	5,471	5,471
Trade and Other Receivables, Non-Current	9,068	48	-	-
Deferred Tax Assets	201	163	-	-
Total Non-Current Assets	31,053	14,613	63,401	63,401
<u>Current Assets</u>				
Inventories	33,316	34,808	-	-
Trade and Other Receivables, Current	211,369	205,588	22,272	20,877
Other Assets	4,092	4,355	97	66
Cash and Cash Equivalents	10,867	11,153	211	48
Total Current Assets	259,644	255,904	22,580	20,991
Total Assets	290,697	270,517	85,981	84,392
EQUITY AND LIABILITIES				
<u>Equity Attributable to Owners of the Company</u>				
Share Capital	56,144	56,144	56,144	56,144
Retained Earnings	20,863	16,364	2,807	4,183
Reserves	(444)	(446)	-	-
	76,563	72,062	58,951	60,327
Non-controlling Interests	4,351	3,609	-	-
Total Equity	80,914	75,671	58,951	60,327
<u>Non-Current Liabilities</u>				
Other Financial Liabilities, Non-Current	8,136	800	-	-
Lease Liabilities, Non-Current ⁽¹⁾	2,021	-	-	-
Deferred Tax Liabilities	19	30	-	-
Total Non-Current Liabilities	10,176	830	-	-
<u>Current Liabilities</u>				
Income Tax Payable	1,459	1,506	52	52
Trade and Other Payables	23,463	21,868	23,978	21,013
Other Financial Liabilities, Current	165,934	169,025	3,000	3,000
Lease Liabilities, Current ⁽¹⁾	6,915	-	-	-
Other Liabilities	1,836	1,617	-	-
Total Current Liabilities	199,607	194,016	27,030	24,065
Total Liabilities	209,783	194,846	27,030	24,065
Total Equity and Liabilities	290,697	270,517	85,981	84,392

Note:

- (1) The Group has adopted the new SFRS(I)16 Leases with effect from 1 January 2019.

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

Amount repayable by the Group in one year or less, or on demand

As at 30 September 2019		As at 31 December 2018	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
165,328	-	168,419	-

Amount repayable by the Group after one year

As at 30 September 2019		As at 31 December 2018	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
8,136	-	800	-

Details of collaterals

The Group's borrowings and debt securities are secured by the following:

- i) Deeds of debentures, a charge on all sums in the current account of certain subsidiaries and a fixed and floating charge over all present and future assets of certain subsidiaries;
- ii) Corporate guarantee by MoneyMax Financial Services Ltd. and certain subsidiaries;
- iii) Deeds of assignment of all rights, interests and benefits from insurance policies for pledged articles;
- iv) All monies charge on the facility agreement of a subsidiary;
- v) Subordination of advances from a subsidiary and a director of certain subsidiaries; and
- vi) Personal guarantee by a director of certain subsidiaries.

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

CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited 3Q-2019 S\$'000	Unaudited 3Q-2018 S\$'000	Unaudited 9M-2019 S\$'000	Unaudited 9M-2018 S\$'000
<u>Cash Flows From Operating Activities</u>				
Profit Before Tax	4,260	1,244	8,753	6,111
Adjustments for:				
Finance Costs	2,021	1,808	5,984	4,679
Negative Goodwill	-	-	(110)	-
Depreciation Expenses	3,005	557	8,897	1,865
Amortisation Expenses	55	53	208	126
Loss on Disposal of Plant and Equipment	12	21	231	75
Foreign Currency Translation	70	(109)	(46)	259
Operating Cash Flows before Changes in Working Capital	9,423	3,574	23,917	13,115
Inventories	2,545	(1,346)	1,492	(3,321)
Trade and Other Receivables	(7,486)	(5,590)	(14,801)	(14,925)
Other Assets	(598)	196	263	612
Trade and Other Payables	280	3,493	1,569	5,353
Other Liabilities	13	58	168	170
Net Cash Flows From Operations	4,177	385	12,608	1,004
Income Taxes Paid	(733)	(560)	(1,784)	(1,579)
Net Cash Flows From/(Used in) Operating Activities	3,444	(175)	10,824	(575)
<u>Cash Flows From Investing Activities</u>				
Purchase of Plant and Equipment	(50)	(798)	(558)	(1,218)
Purchase of Intangible Assets	-	(360)	-	(360)
Government Grant Received	133	-	133	-
Acquisition of Subsidiaries (Net of Cash Acquired)	-	(2,656)	-	(2,881)
Net Cash Flows From/(Used in) Investing Activities	83	(3,814)	(425)	(4,459)
<u>Cash Flows From Financing Activities</u>				
Issue of Shares to Non-Controlling Interest	-	-	-	257
Increase in New Borrowings	5,044	5,702	17,847	12,431
Decrease in Other Financial Liabilities	(3,189)	(953)	(10,731)	(6,207)
Finance Lease Repayments	(2)	(3)	(7)	(7)
Repayments of lease liabilities	(2,577)	-	(7,581)	-
Interest Paid	(1,897)	(1,808)	(5,571)	(4,679)
Dividends Paid	(1,769)	-	(1,769)	(1,769)
Net Cash Flows (Used In)/From Financing Activities	(4,390)	2,938	(7,812)	26
Net (Decrease)/Increase in Cash and Cash Equivalents				
Cash and Cash Equivalents, Statement of Cash Flows, Beginning Balance	8,671	577	5,223	4,526
Effects of Exchange Rate Changes on Cash and Cash Equivalents	2	(7)	-	1
Cash and Cash Equivalents, Statement of Cash Flows, Ending Balance	7,810	(481)	7,810	(481)

Cash and cash equivalents

Cash and cash equivalents included in the Group's consolidated cash flow statements comprise the following amounts:

	As at 30 September 2019 S\$'000	As at 30 September 2018 S\$'000
Cash at bank and in hand	10,867	7,737
Bank overdrafts	(3,057)	(8,218)
Cash and cash equivalents for statements of cash flows purposes	7,810	(481)

Acquisition of subsidiaries, net of cash acquired

Acquisition of subsidiaries, net of cash acquired, included in the Group's consolidated cash flow statements comprises the following amounts:

	As at 30 September 2019 S\$'000	As at 30 September 2018 S\$'000
Total purchase consideration fully paid in cash	-	3,705
Less: Cash and cash equivalents	-	(824)
Acquisition of subsidiaries, net of cash acquired	-	2,881

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

STATEMENTS OF CHANGES IN EQUITY

Group	Attributable to Owners of the Company				Non-	Total Equity S\$'000
	Share Capital S\$'000	Retained Earnings S\$'000	Reserves S\$'000	Sub-total S\$'000	controlling Interests S\$'000	
Current Year:						
Opening balance at 1 January 2019	56,144	16,364	(446)	72,062	3,609	75,671
Movements in equity:						
Total comprehensive income for the period	-	6,268	2	6,270	742	7,012
Dividends paid	-	(1,769)	-	(1,769)	-	(1,769)
Closing balance at 30 September 2019	56,144	20,863	(444)	76,563	4,351	80,914
Previous Year:						
Opening balance at 1 January 2018	56,144	13,153	39	69,336	2,668	72,004
Movements in equity:						
Total comprehensive income for the period	-	4,837	18	4,855	(7)	4,848
Dividends paid	-	(1,769)	-	(1,769)	-	(1,769)
Issue of share capital	-	-	-	-	257	257
Acquisition of interest in subsidiaries	-	-	-	-	(471)	(471)
Closing balance at 30 September 2018	56,144	16,221	57	72,422	2,447	74,869

Company	Share Capital S\$'000	Retained Earnings S\$'000	Total Equity S\$'000
Current Year:			
Opening balance at 1 January 2019	56,144	4,183	60,327
Movements in Equity:			
Total comprehensive income for the period	-	393	393
Dividends paid	-	(1,769)	(1,769)
Closing Balance at 30 September 2019	56,144	2,807	58,951
Previous Year:			
Opening balance at 1 January 2018	56,144	5,020	61,164
Movements in Equity:			
Total comprehensive income for the period	-	95	95
Dividends paid	-	(1,769)	(1,769)
Closing Balance at 30 September 2018	56,144	3,346	59,490

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

Issued and fully paid-up share capital	Number of shares '000	Company Issued and paid-up capital S\$'000
Balance as at 30 September 2019 and 30 June 2019	353,800	56,144

During 3Q-2019, there was no change in the Company's issued and paid-up share capital. There were no outstanding convertibles or treasury shares held by the Company or subsidiary holdings as at 30 September 2019 and 30 September 2018.

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

	As at 30 September 2019 '000	As at 31 December 2018 '000
Total number of issued shares (excluding treasury shares)	353,800	353,800

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

Not applicable. The Company did not have any treasury shares during and as at the end of the current financial period reported on.

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

Not applicable. The Company did not have any subsidiary holdings during and as at the end of the current financial period reported on.

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

The figures have not been audited or reviewed by the auditors of the Company.

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

Not applicable.

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

Other than the adoption of SFRS(I)16 Leases as mentioned in paragraph 5 below, there were no changes in the accounting policies and methods of computation adopted in the financial statements of the Group for the current reporting period as compared to the most recently audited financial statements for the reporting year ended 31 December 2018.

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

The Group has adopted the new and revised SFRS(I) which are effective for its financial year beginning 1 January 2019. This includes the adoption of SFRS(I)16 Leases which recognises a right-of-use assets and lease liability representing the underlying asset and obligation to make lease payments. The Group has elected to apply the simplified approach of the standard with the cumulative effect of balance lease payments as at 1 January 2019.

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

EARNINGS PER SHARE (“EPS”)

	Group			
	3Q-2019	3Q-2018	9M-2019	9M-2018
Profit net of tax attributable to owners of the Company (S\$'000)	3,035	990	6,268	4,837
Basic and diluted EPS based on the weighted average number of shares (cents)	0.86	0.28	1.77	1.37

EPS of the Group for 9M-2019 and 9M-2018 have been computed based on the weighted average number of shares of 353,800,000 shares. The basic and diluted EPS are the same for 9M-2019 and 9M-2018 as the Company had no dilutive equity instruments.

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the**

- (a) **Current financial period reported on; and**
(b) **Immediately preceding financial year.**

NET ASSET VALUE (“NAV”)

	Group		Company	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
NAV per share (cents)	21.64	20.37	16.66	17.05

NAV per share as at 30 September 2019 and as at 31 December 2018 have been computed based on the issued share capital of 353,800,000 shares.

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

- (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
(b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

REVIEW OF THE GROUP'S PERFORMANCE

Revenue

Revenue increased by S\$31.3 million or 29.2% from S\$107.2 million in 9M-2018 to S\$138.5 million in 9M-2019, and increased by S\$17.4 million or 48.8% from S\$35.5 million in 3Q-2018 to S\$52.9 million in 3Q-2019, due mainly to increase in revenue in the retail and trading of luxury items segment, and pawnbroking segment.

Other Gains

Other gains increased by S\$0.3 million or 41.3% from S\$0.7 million in 9M-2018 to S\$1.0 million in 9M-2019, due mainly to dividend income of S\$0.2 million and negative goodwill resulting from the acquisition¹ of Ban Joo Pawnshop Pte. Ltd. of S\$0.1 million. Other gains increased by S\$0.1 million or 72.4% from S\$0.2 million in 3Q-2018 to S\$0.3 million in 3Q-2019, due mainly to the foreign exchange adjustment gain recorded in 3Q-2019.

Material Costs

Material costs increased by S\$25.7 million or 35.7% from S\$72.2 million in 9M-2018 to S\$97.9 million in 9M-2019, and increased by S\$13.8 million or 57.4% from S\$24.1 million in 3Q-2018 to S\$37.9 million in 3Q-2019. The increase in material costs was due to the increase in revenue from retail and trading of luxury items segment.

Employee Benefits Expense

Employee benefits expense increased by S\$0.8 million or 7.1% from S\$11.7 million in 9M-2018 to S\$12.5 million in 9M-2019 and increased by S\$0.5 million or 13.8% from S\$3.9 million in 3Q-2018 to S\$4.4 million in 3Q-2019. The increase in employee benefits expense was due to annual salary increment and salary adjustments.

Depreciation and Amortisation Expenses

Depreciation and amortisation expenses increased by S\$7.1 million from S\$2.0 million in 9M-2018 to S\$9.1 million in 9M-2019 and increased by S\$2.5 million from S\$0.6 million in 3Q-2018 to S\$3.1 million in 3Q-2019. The increase was mainly due to the depreciation of right-of-use assets arising from the adoption of SFRS(I)16 Leases.

Finance Costs

Finance costs increased by S\$1.3 million or 27.9% from S\$4.7 million in 9M-2018 to S\$6.0 million in 9M-2019 and increased by S\$0.2 million or 11.8% from S\$1.8 million in 3Q-2018 to S\$2.0 million in 3Q-2019. The increase was due to the accounting for interest of S\$0.4 million on lease liabilities arising from the adoption of SFRS(I)16 Leases and increased utilisation of bank facilities for the Group's operational cash requirements as well as expansion into vehicle financing.

Other Losses

Other losses increased by S\$0.2 million or 253.7%, from S\$0.1 million in 9M-2018 to S\$0.3 million in 9M-2019, and decreased by S\$0.3 million or 91.9% from S\$0.3 million in 3Q-2018 to approximately S\$26,000 in 3Q-2019. This was due mainly to losses on disposal of fixed assets resulting from rationalisation of outlet locations and closures for 9M-2019 and the absence of foreign exchange losses in 3Q-2018.

Other Expenses

Other expenses decreased by S\$6.3 million or 56.0% from S\$11.3 million in 9M-2018 to S\$5.0 million in 9M-2019, and decreased by S\$2.3 million or 59.8% from S\$3.8 million in 3Q-2018 to S\$1.5 million in 3Q-2019. This was due mainly to the reclassification of rental expenses to depreciation of rights-of-use

¹ On 26 July 2018, the Group had completed acquisition of shares in Ban Joo Pawnshop Pte. Ltd. ("Ban Joo"). Subsequent to the completion of the purchase price allocation exercise undertaken in relation to Ban Joo, the value of the intangible assets was recognised in the Group's consolidated statements of financial position as at 30 September 2019. Please refer to the Company's announcement on the SGXNET dated 18 June 2018 and 26 July 2018 for further details.

assets and interest adjustment arising from the adoption of SFRS(I)16 Leases, partially offset by an increase in other expenses.

Profit Before Tax

As a result of the above, profit before tax increased by S\$2.7 million or 43.2% from S\$6.1 million in 9M-2018 to S\$8.8 million in 9M-2019 and increased by S\$3.1 million or 242.4% from S\$1.2 million in 3Q-2018 to S\$4.3 million in 3Q-2019.

Income Tax Expense

Income tax expense increased by S\$0.4 million or 36.1% from S\$1.3 million in 9M-2018 to S\$1.7 million in 9M-2019, due to the increase in overall taxable profits for 9M-2019. The increase in taxable profits was mainly due to the increase in revenue for 9M-2019.

Income tax expense increased by S\$0.5 million or 99.1% from S\$0.4 million in 3Q-2018 to S\$0.9 million in 3Q-2019. This is in line with the increase in overall taxable profits for 3Q-2019.

REVIEW OF THE GROUP'S FINANCIAL POSITION

Non-Current Assets

Non-current assets increased by S\$16.5 million or 112.5% from S\$14.6 million as at 31 December 2018 to S\$31.1 million as at 30 September 2019. The increase was mainly attributable to an increase in right-of-use assets of S\$8.9 million pertaining to the Group's leases arising from the adoption of SFRS(I)16 Leases and an increase in trade and other receivables, non-current of S\$9.0 million for the vehicle financing business, offset by the decrease in book value of fixed assets of S\$1.4 million and amortisation of intangible assets of S\$0.1 million.

Current Assets

Current assets increased by S\$3.7 million or 1.5% from S\$255.9 million as at 31 December 2018 to S\$259.6 million as at 30 September 2019. This was mainly due to an increase in trade and other receivables of S\$5.8 million mainly due to an increase in loans extended to customers for pawnbroking and vehicle financing, offset by a decrease in inventories of S\$1.5 million, a decrease in other assets of S\$0.3 million and a decrease in cash and cash equivalents of S\$0.3 million.

Non-Current Liabilities

Non-current liabilities increased by S\$9.3 million or 1126.0% from S\$0.8 million as at 31 December 2018 to S\$10.2 million as at 30 September 2019. This was due to increased drawdown of bank facilities and the recognition of non-current portion of lease liabilities arising from the adoption of SFRS(I)16 Leases of S\$2.0 million.

Current Liabilities

Current liabilities increased by S\$5.6 million or 2.9% from S\$194.0 million as at 31 December 2018 to S\$199.6 million as at 30 September 2019. This was mainly due to an increase in lease liabilities of S\$6.9 million as a result of the adoption of SFRS(I)16 Leases, an increase in trade and other payables of S\$1.6 million as well as an increase in other liabilities of S\$0.2 million, partially offset by a decrease in other financial liabilities, current of S\$3.1 million resulting from repayment of short term loans.

Equity Attributable to Owners of the Company

Equity attributable to owners of the Company increased by S\$4.5 million or 6.2% from S\$72.1 million as at 31 December 2018 to S\$76.6 million as at 30 September 2019. The increase was mainly due to profit attributable to owners of the Company of S\$6.3 million for 9M-2019 less dividends paid in 3Q-2019 of S\$1.8 million.

REVIEW OF THE GROUP'S STATEMENT OF CASH FLOWS

Net cash generated from operating activities before changes in working capital in 9M-2019 was S\$23.9 million. Net cash used in working capital amounted to S\$11.3 million. This was mainly due to, (i) an increase in trade and other receivables of S\$14.8 million, partially offset by (ii) an increase in trade and other payables of S\$1.6 million, (iii) an increase in other liabilities of S\$0.2 million, (iv) a decrease in

inventories of S\$1.5 million relating to the retail and trading of pre-owned items segment, and (v) a decrease in other assets of S\$0.3 million. Net cash generated from operating activities amounted to S\$10.8 million after deducting income tax paid of S\$1.8 million.

Net cash used in investing activities amounted to S\$0.4 million, mainly due to purchase of plant and equipment in relation to our expansion in existing and new businesses, partially offset by amount received for government grant related to fixed asset purchase.

Net cash used in financing activities of S\$7.8 million was mainly due to dividends paid, interest paid, repayment of lease liabilities and repayment of bank borrowings of S\$1.8 million, S\$5.6 million, S\$7.6 million and S\$10.7 million respectively, partially offset by an increase in new bank borrowings of S\$17.8 million.

As a result of the above, there was a net increase of S\$2.6 million in cash and cash equivalents from a net cash balance of S\$5.2 million as at 31 December 2018 to a net cash balance of S\$7.8 million as at 30 September 2019.

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

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

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

The industry continues to face challenges arising from uncertainties in the global environment, resulting in volatile gold prices and interest rates. As a result, we expect a lower consumer demand, and the following 12 months are expected to be challenging for the Group.

Our Group will continue to focus on launching new product and service offerings to engage a wider group of customers. We will also look at enhancing our service quality through training, to build our staff's knowledge and skill capabilities to stay competitive. We would also continue to strengthen our brand building efforts and innovating through new business ventures and opportunities both locally and overseas. Furthermore, we will also leverage on our business partnerships and network to drive our business goals.

The Group expects to remain profitable for FY2019.

11. Dividend

(a) Any dividend declared for the current financial period reported on?

No dividend has been declared or recommended for 3Q-2019.

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

No dividend was declared or recommended for 3Q-2018.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (if the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) Date payable

Not applicable.

- (e) **Date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividends are determined.**

Not applicable.

- 12. If no dividend has been declared/ recommended, a statement to the effect and the reason(s) for the decision.**

No interim dividend has been declared in 3Q-2019 as the Group intends to use the existing funds to finance new and existing businesses.

- 13. Interested person transactions**

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920(1)(a)(ii) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (“**Catalist Rules**”). However, pursuant to Rule 905 of the Catalist Rules, the following is disclosed:

Name of Interested Person	Aggregate value of all Interested Person Transactions during the year under review (excluding transactions less than S\$100,000 and transactions conducted under Shareholders' Mandate pursuant to Rule 920 of the Catalist Rules)	
	9M-2019 S\$'000	9M-2018 S\$'000
Purchases of products		
SK Jewellery Group Ltd. and its subsidiaries (the “ SK Group of Companies ”)	65	7
Sin Lian Pawnshop Pte. Ltd.	106	51
Sales of products		
SK Group of Companies	178	52
Central support services		
SK Group of Companies	234	177
Rental expenses		
SK Group of Companies	233	233
SK Properties Pte Ltd	654	457
Soo Kee Investment Pte Ltd	416	416
Sin Lian Pawnshop Pte. Ltd.	9	-
Interest payable/paid		
Soo Kee Capital Pte Ltd	37	37
Money Farm Pte Ltd	30	39
Lim Yong Guan	227	100
Lim Yong Sheng	180	54
	2,369	1,623

- 14. Confirmation by the issuer pursuant to Rule 720(1)**

The Company confirms that it has procured undertakings from all of its directors and executive officers as required under Rule 720(1) of the Catalist Rules.

- 15. Negative confirmation by the Board pursuant to Rule 705(5)**

The board of directors of the Company (the “**Board**”) confirms that, to the best of its knowledge, nothing has come to the attention of the Board which may render the unaudited financial statements for 3Q-2019 and 9M-2019 of the Group and the Company to be false or misleading in any material aspect.

ON BEHALF OF THE BOARD OF DIRECTORS

Lim Yong Guan
Executive Chairman and CEO

Lim Yong Sheng
Non-Executive Director

7 November 2019

*This announcement 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 Catalist. This announcement has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement. The contact person for the Sponsor is Mr Chia Beng Kwan, Senior Director, Equity Capital Markets, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, telephone: +65 6533 9898.*