



(Company Registration No: 200819689Z)
(Incorporated in the Republic of Singapore)

**ANNUAL GENERAL MEETING (“AGM” OR “MEETING”) FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2022 (“FY2022”) TO BE HELD ON 27 APRIL 2023**

Responses to Questions from Shareholders

The Board of Directors (the “**Board**” or “**Directors**”) of MoneyMax Financial Services Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) would like to thank the shareholders of the Company (“**Shareholders**”) for the questions received in advance of 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. (Singapore time).

The Company’s responses to the questions received are set out as below:

[Q1] Why is there no share buyback scheme incorporated in the company's resolution?

Response:

The Company will consider and seek Shareholders’ approval for the proposed adoption of a share buy-back mandate should it be in the best interests of the Company to do so after taking into consideration, *inter alia*, the trading price and liquidity of the issued shares in the Company (the “**Shares**”) and the proportion of the Shares which are held in the hands of the public (as defined in the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalyst). This is to ensure that there is a sufficient number of Shares held in the hands of the public to permit the Company to undertake share buy-backs without affecting the listing status of the Company, causing market illiquidity or affecting the orderly trading of the Shares.

[Q2] How badly is the company impacted by the recent rise in interest rates?

Response:

As rising interest rates could potentially increase the Group’s finance costs, the Group has entered into interest rate swap contracts with financial institutions to convert certain of its floating rate borrowings to fixed rate borrowings which helps to hedge a portion of its borrowing costs. Additionally, the interest rates of the Group’s automotive financing loans are fixed in tandem with the customers’ loan tenure.

As a reference for Shareholders, please refer to Note 31F to the financial statements on page 111 of the Company’s 2022 annual report (“**AR**”) for further details on the interest rate sensitivity analysis.

[Q3] Under Note 4 to the financial statements, page 86 of the AR: Information about major customers - Is there any concentration risk here? Are we dependent on any of these major customers?

Response:

The major customers listed under Note 4 to the financial statements on page 86 of the AR are from the wholesale trading of gold and luxury items segment. Notwithstanding that revenue from the top customer accounted for approximately 19.7% of the Group’s revenue in FY2022, the Group is of the

view that it is not dependent on this customer as there are other readily available customers in this business segment which the Group can transact with.

[Q4] Under Note 9 to the financial statements, page 88 of the AR: Other expenses - What are the audit fees to other independent auditors for?

Response:

Such audit fees are in relation to the other independent auditors engaged by the Group to audit the Group's subsidiaries in Malaysia and certain dormant subsidiaries in Singapore, further details of which can be found under Note 34 to the financial statements "Listing of and information on subsidiaries" on pages 113 to 121 of the AR.

[Q5] Under Note 9 to the financial statements, page 88 of the AR: Other expenses - What are the non-audit fees to the company auditor for? It is almost 40% of the audit fees paid. Did the Audit Committee review the impact on the independence of the company auditor?

Response:

The non-audit fees to the independent auditor of the Company relate to corporate secretarial, tax compliance and tax advisory fees. The Audit Committee of the Company assesses the independence of the Company's independent auditor on annual basis and is satisfied that based on the nature and extent of non-audit services provided to the Group by the independent auditor in FY2022, it would not prejudice the independence and objectivity of the independent auditor.

[Q6] Under Note 25 to the financial statements, page 102 and 103 of the AR: Other financial liabilities - What is the effective interest rate of these liabilities (bank borrowings) after the hedge?

Response:

The Company believes that it may be disadvantageous to the Group's interest to disclose the effective interest rate of the Group's bank borrowings after the hedge, given that this is commercially sensitive information.

As a reference for Shareholders, please refer to Note 25 to the financial statements on page 103 of the AR for further details on the range of floating interest rates paid on the Group's bank borrowings.

[Q7] Under Page 6 of the AR: Commercial Paper & Digital tokens, S\$100 million Commercial Paper - what is the rate fixed?

Response:

Under the Company's S\$100 million unsecured commercial paper programme ("**Programme**"), the Company may from time to time offer and issue unsecured commercial papers in the form of digital security tokens ("**Tokens**") in series or tranches which will have tenors of not more than 364 days on the security token trading platform named "ADDX".

The Company has since launched the following series of Tokens under the Programme:

- a. on 10 January 2023, the Company launched its inaugural Series 001 Tokens, at a fixed interest rate of 5.40% per annum and will mature on a date falling on the expiry of three (3) months from the date of issuance of the Series 001 Tokens (3-month tenure);
- b. on 11 April 2023, the Company launched its Series 002 Tokens, at a fixed interest rate of 5.20% per annum and will mature on a date falling on the expiry of three (3) months from the date of issuance of the Series 002 Tokens (3-month tenure); and
- c. on 11 April 2023, the Company launched its Series 003 Tokens, at a fixed interest rate of 5.50% per annum and will mature on a date falling 364 days from the date of issuance of the Series 003 Tokens (364-day tenure).

Please refer to the Company's announcements dated 10 January 2023 and 11 April 2023 in relation to the launch of the Company's 1st, 2nd and 3rd series of Tokens for further information.

[Q8] Under Page 6 of the AR: Commercial Paper & Digital tokens - Digital token in ADDX - are these crypto currencies? Can you elaborate? on how these tokens work? where is it safekept? how is it secured?

Response:

The Company wishes to clarify that the Tokens are not crypto currencies and are created when the accredited investors registered with the security token trading platform named "ADDX" and operated by ADDX Pte. Ltd. subscribe for them. Tokens are issued using blockchain technology and safekept by ADDX, which is regulated by the Monetary Authority of Singapore to provide such custodial services. Similar to electronic records, the Tokens are a means of registering and recording interests in the Programme digitally on the "ADDX" platform.

Please refer to the Company's announcement dated 9 January 2023 in relation to the establishment of the Programme for further information.

[Q9] Under Page 5 of the AR: Is Moneymax top in pawnbroking in Singapore and Malaysia by market share i.e Pledged Book?

Response:

As at the date of this announcement, the Group has a network of more than 90 outlets across Singapore and Malaysia, making the Group one of the largest pawnbroking and retail chains in the region. To the best of the Company's knowledge and belief, there is no published information in relation to market share by pledged value.

[Q10] Under Page 3 of the AR: since expansion into PRC in 2016, what is the situation in Chongqing now? With the re-opening of China, any further expansion plan there?

Response:

The Company is satisfied with the financial performance of Chongqing Zongshen Financial Leasing Company Limited, which the Company holds a 12.5% equity interest in, since the Group's investment in it in 2016. As at the date of this announcement, the Group has no definite plans to further expand in China but will consider such expansion should suitable opportunities arise in the future.

By Order Of the Board

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

Date: 21 April 2023

This announcement has been prepared by 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 ("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 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.