OXPAY FINANCIAL LIMITED
(Company Registration Number: 200407031R)
(Incorporated in the Republic of Singapore)

RESPONSE TO QUESTIONS FROM SHAREHOLDERS IN RELATION TO THE ANNUAL GENERAL MEETING TO BE HELD ON 24 APRIL 2025

The board of directors (the "**Board**" or "**Directors**") of OxPay Financial Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the questions received from shareholders of the Company ahead of the Company's Annual General Meeting to be held on 24 April 2025 at 10.00 a.m.. The Company wishes to provide its response to the questions as set out below:

Q1. Can the Management share what plans they are working on in FY2025 to make the Company profitable? Does the Management expect the Company to turnaround in FY2025?

Company's response

The Management has successfully identified and is in the process of recruiting a team of experienced professionals with extensive expertise in the payments industry. The Board believes that these individuals will provide the necessary expertise and guidance to drive the Company forward and ensure that we remain competitive in the evolving landscape of the payments industry. The Board expects that their contributions will go towards improving the Group's business. The Company will make the relevant announcements in due course to inform shareholders of its plans.

Q2. Is there any loss incurred with the recent announcement of the termination of the non-binding term sheet with PT Diners? Can the Management share in more detail what went wrong?

Company's response

As announced by the Company on 8 April 2025, the termination of the non-binding term sheet is not expected to have any material impact on the net tangible assets per share and loss per share of the Group for the current financial year ending 31 December 2025. The termination was due to the inability of the parties to the term sheet to agree on the terms of the proposed investment in PT Diners.

Q3. With reference to page 7 of the Annual Report, did the CEO resign due to poor performance? He joined as COO in 2023 and was promoted in early 2024 and then left in less than a year as CEO. It suggests that he is not up for the job of CEO.

The Company mentioned "restructuring" in the resignation notice for the current CEO: Can the Company elaborate further on this please.

Company's response

The CEO's resignation was in view of the proposed reorganisation of the Group. The Company will make the relevant announcements in due course to inform shareholders of its plans.

In the meantime, the Company has taken proactive steps to ensure continuity of its leadership, as seen in the Company's response in Q1 above.

Q4. With reference to pages 7 and 8 of the Annual Report, after the CEO left, the Board seems to lack the expertise in digital/technology business save for Mr Chin Chen Keong. Are there are too many lawyers on the Board? To turnaround the performance in a competitive market, the Board needs more experts in the digital/technology businesses. Can the Board comment on this?

Company's response

The current Board comprise high caliber individuals with expertise, knowledge, skills and experience in areas relating to finance, accounting, legal and business strategy which provide for the effective functioning of the Board.

Nevertheless, the Management has successfully identified and is in the process of recruiting a team of experienced professionals with extensive expertise in the payments industry. The Board expects that their collective contributions will go towards improving the Group's business.

Q5. Besides relying solely on DCS, is the Board exploring other partnerships to avoid concentration of risk? Does the existing Board composition have the expertise to get these partnerships going forward?

Company's response

The Company remains committed to its expansion plans and is working diligently to grow its business with merchant acquirers, expand its merchant base and partner with established brands and underserved micro and small businesses.

For further details on the expertise of the Board, please refer to the response to Q4 above,

Q6. With reference to page 87 of the Annual Report, does the Company currently operate only in Singapore, Malaysia and Thailand? I notice that the ex-CEO sits in an Indonesian payments company - is that for our next market? Do we have the required licences in all these markets?

Company's response

The Group has the required payment licenses in Singapore, Malaysia and Thailand. The Group currently holds a 4.16% stake in PT Iforte Payment Infrastructure, which holds multiple licenses issued by the Bank of Indonesia to operate in Indonesia. The Company remains committed to expanding its market presence and service offerings in the Southeast Asian digital payment market, as and when opportunities arise.

Q7. I cannot find any segment reporting by geographical location. Can the Board/CFO advise on our segmental results? Can the Management share what was the reason behind Worldpay's sudden termination and why the Company was unable to negotiate a smoother transition to an alternative payment facilitator?

Company's response

The revenue and non-current assets information based on geographical segments can be found on page 103 of the Company's Annual Report 2024 (Note 24 in the Notes to the Financial Statements for the financial year ended 31 December 2024).

As announced by the Company on 30 May 2023, the payment facilitator agreement with Worldpay was terminated on the basis that, *inter alia*, OxPay SG Pte. Ltd. had allegedly breached a clause in the agreement. The Group regained the ability to resume international payments through VISA, Mastercard, Diners Club International and China UnionPay when it entered into a payment facilitator master agreement with DCS Card Centre Pte. Ltd. in March 2024.

Q8. Regarding the recent announcement dated 2 April 2025 concerning the resignation of Executive Director and CEO Mr. Yick, we respectfully note that this marks the fourth CEO change within a relatively short span of years. Such a high rate of leadership turnover may impact strategic continuity and could affect investor confidence in the long term.

As guardians of shareholder value, the Board holds a pivotal role in appointing, supporting, and retaining effective executive leadership. In light of the recurring changes, it may be timely to reflect on the current approach to CEO appointments, succession planning, and overall governance practices.

We believe it would be beneficial for the Board to consider conducting a governance review, including the potential for Board refreshment, to assess whether the current composition collectively possesses the expertise and long-term commitment needed to guide the company through this period.

Shareholders would also welcome a transparent and forward-looking plan to stabilize leadership, restore consistent performance, and rebuild stakeholder trust. Clear, measurable milestones along this roadmap would greatly enhance confidence in the company's direction.

We appreciate the Board's continued dedication and trust that these matters will be given thoughtful consideration in the interest of the company and its shareholders.

Company's response

The Board remains fully committed to stabilising its leadership and restoring consistent performance. We are actively developing a strategic plan and strengthening governance practices, focusing on leadership stability, operational efficiency, and long-term growth. Shareholders can expect a transparent, forward-looking roadmap, with clear, measurable milestones that will be communicated regularly. We believe this roadmap will rebuild trust with stakeholders and ensure that the Company stays on track to achieve its objectives. The Company will make the relevant announcements in due course to keep shareholders informed of its plans.

Q9. The current slate of directors is noticeably large considering the size and revenue of the Company. Can the board explain the rationale for the current size and if there are plans to streamline the board size going forward?

Company's response

The current Board comprise high caliber individuals with expertise, knowledge, skills and experience in areas relating to finance, accounting, legal and business strategy which provide for the effective functioning of the Board. We believe that their contributions and guidance will be essential in improving the Group's business. Thus, there are no current plans to streamline the Board size.

Q10. The revenue and hence profitability of the Company have drastically decreased over the past few years and there have been numerous management changes with no turnaround in sight. Can the board and management share in detail with shareholders how are you going to turn the company around operationally?

The Company remains committed to its expansion plans and is working diligently to grow its business with merchant acquirers, expand its merchant base and partner with established brands and underserved micro and small businesses. We are also actively implementing strategic initiatives to enhance operational efficiencies, strengthen our market position, and drive sustainable growth. The Company also remains committed to expanding its market presence and service offerings in the Southeast Asian digital payment market, as and when opportunities arise. The Company will make the relevant announcements in due course to keep shareholders informed of its plans

By Order of the Board

Yick Li Tsin
Executive Director and Chief Executive Officer
18 April 2025

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*This announcement has been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "**Sponsor**").*

*This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and 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 Ms. Goh Mei Xian, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.