
UNAUDITED FOURTH QUARTER AND FULL YEAR FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

*MoneyMax Financial Services Ltd. (the “**Company**”) was listed on Catalist of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 2 August 2013. The initial public offering (the “**IPO**”) of the Company was sponsored by United Overseas Bank Limited (the “**Sponsor**”).*

This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor, for compliance with the relevant rules of the SGX-ST. The Sponsor has not independently verified the contents of this announcement.

The announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume 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 persons for the Sponsor are Mr Khong Choun Mun, Managing Director, Corporate Finance and Mr David Tham, Senior Director, Corporate Finance, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, Telephone: +65 6533 9898.

Background

The Company was incorporated in the Republic of Singapore on 9 October 2008 under the Companies Act (Chapter 50) of Singapore as a private limited company under the name of “Soo Kee Financial Services Pte Ltd”. On 2 August 2012, the Company changed its name to “MoneyMax Financial Services Pte Ltd”. The Company subsequently changed its name to “MoneyMax Financial Services Ltd.” on 23 July 2013 in conjunction with its conversion to a public company limited by shares.

The group comprising the Company and its subsidiaries (the “**Group**”) was formed pursuant to a restructuring exercise (the “**Restructuring Exercise**”) undertaken as part of its corporate re-organisation, which involved the rationalisation of its corporate and shareholding structure for the purposes of the Company’s listing on Catalist. Please refer to the Company’s offer document dated 25 July 2013 (the “**Offer Document**”) for further details on the Restructuring Exercise.

On 20 June 2014, pursuant to a conditional share purchase agreement (the “**Agreement**”) entered into with Mr Chong Mei Sang (“**Mr Chong**”), the Company announced that the Group had agreed to acquire a 51.0% equity interest in a new holding company to be incorporated in Malaysia which would hold an initial network of 8 pawnshops in Malaysia, for an aggregate consideration of RM15.63 million (the “**Aggregate Consideration**”), with the intention to grow the Malaysian network over the next few years (the “**Malaysian Investment**”). Since the Company’s announcement on 20 June 2014, Easimine Group Sdn Bhd (“**Easimine**”) has been incorporated for the purpose of the Malaysian Investment and the initial completion of the Malaysian Investment took place on 15 August 2014 with the Group disbursing RM4.0 million in cash out of the Aggregate Consideration to Mr Chong. On 17 November 2014 and 28 January 2015, the Group had also disbursed approximately RM0.28 million in cash out of the Aggregate Consideration on each date pursuant to the Agreement to Mr Chong for an additional 2 pawnshops in Malaysia, respectively. Please refer to the Company’s announcements on the SGXNET dated 20 June 2014, 15 August 2014, 17 November 2014 and 28 January 2015 for further details on the Malaysian Investment.

For the purpose of this announcement, the results of the Group for the fourth quarter ended 31 December 2014 (“**Q4-2014**”) with the comparative results of the Group for the fourth quarter ended 31 December 2013 (“**Q4-2013**”) and the financial year ended 31 December 2014 (“**FY2014**”) with the comparative results of the Group for the financial year ended 31 December 2013 (“**FY2013**”) have

been prepared on the assumption that the group structure following the completion of the Restructuring Exercise has been in place since 1 January 2013. Further to the initial completion of the Malaysian Investment on 15 August 2014, the results of Easimine and its subsidiaries have also been incorporated into the results from the third quarter ended 30 September 2014 ("Q3-2014").

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 comprehensive statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| | Group | | | | | |
|--|--------------------|--------------------|---------------|-------------------|-------------------|---------------|
| | Q4-2014 S\$'000 | Q4-2013 S\$'000 | Change % | FY2014 S\$'000 | FY2013 S\$'000 | Change % |
| Revenue | 19,275 | 22,052 | (12.6) | 72,857 | 65,556 | 11.1 |
| Other Items of Income | | | | | | |
| Other Gains | 470 | 116 | 305.2 | 1,145 | 382 | 199.7 |
| Other Items of Expense | | | | | | |
| Material Costs | (12,763) | (15,582) | (18.1) | (48,150) | (42,594) | 13.0 |
| Employee Benefits | (2,303) | (1,794) | 28.4 | (8,720) | (6,728) | 29.6 |
| Expense | | | | | | |
| Depreciation and Amortisation | (588) | (502) | 17.1 | (2,271) | (1,667) | 36.2 |
| Expense | | | | | | |
| Finance Costs | (725) | (563) | 28.8 | (2,485) | (2,219) | 12.0 |
| Other Charges | (110) | (217) | (49.3) | (287) | (342) | (16.1) |
| Other Expenses | (2,923) | (2,552) | 14.5 | (10,667) | (9,986) | 6.8 |
| Profit Before Tax | 333 | 958 | (65.2) | 1,422 | 2,402 | (40.8) |
| Income Tax Expense | (319) | (36) | 786.1 | (607) | (630) | (3.7) |
| Profit Net of Tax | 14 | 922 | (98.5) | 815 | 1,772 | (54.0) |
| Other Comprehensive Income for the Year | 34 | - | NM | 35 | - | NM |
| Total Comprehensive Income for the Year | 48 | 922 | (94.8) | 850 | 1,772 | (52.0) |
| Attributable to: | | | | | | |
| Owners of the Company | 157 | 922 | (83.0) | 951 | 1,772 | (46.3) |
| Non-controlling Interests | (109) | - | NM | (101) | - | NM |

NM: Not meaningful

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

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

| | Group | | | | | |
|---|--------------------|--------------------|-------------|-------------------|-------------------|-------------|
| | Q4-2014 S\$'000 | Q4-2013 S\$'000 | Change % | FY2014 S\$'000 | FY2013 S\$'000 | Change % |
| Rental income | (181) | (111) | 63.1 | (556) | (319) | 74.3 |
| Government grants | (8) | (5) | 60.0 | (256) | (45) | 468.9 |
| Depreciation of plant and equipment | 553 | 468 | 18.2 | 2,065 | 1,522 | 35.7 |
| Amortisation of lease assignment fees | 35 | 34 | 2.9 | 206 | 145 | 42.1 |
| Foreign exchange loss | 154 | 17 | 805.9 | 221 | 6 | 3583.3 |
| Loss on collateral loan services | 3 | 22 | (86.4) | 3 | 22 | (86.4) |
| Inventories write down reversal | - | - | - | (285) | - | NM |
| Inventories written down | (336) | 188 | NM | 9 | 285 | (96.8) |
| Plant and equipment written off | - | 1 | (100.0) | 50 | 29 | 72.4 |
| Allowance for impairment on non-trade receivables | 13 | - | NM | 13 | - | NM |
| Under adjustments to tax in respective of prior years | 186 | 14 | 1228.6 | 186 | 14 | 1228.6 |
| IPO expenses | - | - | - | - | 1,249 | (100.0) |

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 | |
|--|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| | 31 December 2014 S\$'000 | 31 December 2013 S\$'000 | 31 December 2014 S\$'000 | 31 December 2013 S\$'000 |
| ASSETS | | | | |
| <u>Non-Current Assets</u> | | | | |
| Plant and Equipment | 3,805 | 2,379 | - | - |
| Intangible Assets | 243 | 448 | - | - |
| Investment in Subsidiaries | - | - | 50,405 | 44,405 |
| Deferred Tax Assets | 208 | 376 | - | - |
| Goodwill (Note 1) | 1,297 | - | - | - |
| Total Non-Current Assets | 5,553 | 3,203 | 50,405 | 44,405 |
| <u>Current Assets</u> | | | | |
| Inventories | 18,835 | 14,113 | - | - |
| Trade and Other Receivables | 145,011 | 133,008 | 12,298 | 12,225 |
| Other Assets | 3,392 | 3,433 | 80 | 176 |
| Cash and Cash Equivalents | 8,193 | 8,658 | 928 | 1,200 |
| Total Current Assets | 175,431 | 159,212 | 13,306 | 13,601 |
| Total Assets | 180,984 | 162,415 | 63,711 | 58,006 |
| EQUITY AND LIABILITIES | | | | |
| <u>Equity Attributable to Owners of the Company</u> | | | | |
| Share Capital | 56,144 | 56,144 | 56,144 | 56,144 |
| Retained Earnings | 1,622 | 1,767 | 1,607 | 1,305 |
| Reserves | 35 | - | - | - |
| | 57,801 | 57,911 | 57,751 | 57,449 |
| Non-controlling Interests | 239 | - | - | - |
| Total Equity | 58,040 | 57,911 | 57,751 | 57,449 |
| <u>Non-Current Liabilities</u> | | | | |
| Other Financial Liabilities | 3,410 | 25 | - | - |
| Deferred Tax Liabilities | 49 | - | - | - |
| Total Non-Current Liabilities | 3,459 | 25 | - | - |
| <u>Current Liabilities</u> | | | | |
| Income Tax Payable | 534 | 941 | - | - |
| Trade and Other Payables | 11,119 | 9,723 | 2,960 | 557 |
| Other Financial Liabilities | 107,122 | 93,447 | 3,000 | - |
| Other Liabilities | 710 | 368 | - | - |
| Total Current Liabilities | 119,485 | 104,479 | 5,960 | 557 |
| Total Liabilities | 122,944 | 104,504 | 5,960 | 557 |
| Total Equity and Liabilities | 180,984 | 162,415 | 63,711 | 58,006 |

Note 1

The Malaysian Investment was accounted for using the acquisition method. The fair value of the identifiable assets and liabilities of Easimine and its subsidiaries at their respective dates of investment were provisionally determined as follows:

| Fair Value of Identifiable Assets and Liabilities | As at Dates of Investment RM'000 | As at Dates of Investment S\$'000 |
|--|---|--|
| Plant and Equipment | 1,618 | 629 |
| Inventories | 369 | 143 |
| Trade and Other Receivables | 14,487 | 5,634 |
| Other Assets | 285 | 111 |
| Cash and Cash Equivalents | 2,437 | 947 |
| Other Financial Liabilities | (2,034) | (791) |
| Income Tax Payable | (101) | (39) |
| Trade and Other Payables | (14,893) | (5,792) |
| Other Liabilities | (320) | (124) |
| Deferred Tax Liabilities | (8) | (3) |
| | 1,840 | 715 |
| <u>Goodwill Recognised</u> | | |
| Total Consideration | 4,281 | 1,662 |
| Non-controlling Interest at Fair Value | 901 | 350 |
| Total Identifiable Assets and Liabilities at Fair Value | (1,840) | (715) |
| | 3,342 | 1,297 |
| <u>Acquisition of Subsidiaries, Net of Cash</u> | | |
| Total Purchase Consideration Fully Paid in Cash | 4,281 | 1,662 |
| Less: Cash and Cash Equivalents Acquired | (456) | (176) |
| Acquisition of Subsidiaries, Net of Cash | 3,825 | 1,486 |

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 31 December 2014 | | As at 31 December 2013 | |
|------------------------|----------------------|------------------------|----------------------|
| Secured S\$'000 | Unsecured S\$'000 | Secured S\$'000 | Unsecured S\$'000 |
| 107,122 | - | 93,447 | - |

Amount repayable by the Group after one year

| As at 31 December 2014 | | As at 31 December 2013 | |
|------------------------|----------------------|------------------------|----------------------|
| Secured S\$'000 | Unsecured S\$'000 | Secured S\$'000 | Unsecured S\$'000 |
| 3,410 | - | 25 | - |

Details of collaterals

The Group's borrowings and debt securities are secured as follows:

- 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) Personal guarantee by an Executive Director for finance leases;
- iii) Corporate guarantee by MoneyMax Financial Services Ltd. and certain subsidiaries; and
- iv) Deeds of assignment of all rights, interests and benefits from insurance policies for pledged articles.

- 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 STATEMENTS OF CASH FLOWS

| | Q4-2014 S\$'000 | Q4-2013 S\$'000 | FY2014 S\$'000 | FY2013 S\$'000 |
|--|----------------------------|----------------------------|---------------------------|---------------------------|
| <u>Cash Flows From Operating Activities</u> | | | | |
| Profit Before Tax | 333 | 958 | 1,422 | 2,402 |
| Adjustments for: | | | | |
| Interest Income | (3) | - | (13) | - |
| Interest Expense | 725 | 563 | 2,485 | 2,219 |
| Depreciation of Plant and Equipment | 553 | 468 | 2,065 | 1,522 |
| Amortisation of Intangible Assets | 35 | 34 | 206 | 145 |
| Inventories Write Down Reversal | (285) | - | (285) | - |
| Inventories Written Down | 9 | - | 9 | - |
| Allowance for impairment on non-trade receivables | 13 | - | 13 | - |
| Plant and Equipment Written Off | - | 1 | 50 | 29 |
| Foreign Currency Translation | 60 | - | 61 | - |
| Operating Cash Flows before Changes in Working Capital | 1,440 | 2,024 | 6,013 | 6,317 |
| Inventories | (671) | 576 | (4,303) | (7,604) |
| Trade and Other Receivables | 572 | (24) | (6,452) | (7,687) |
| Other Assets, Current | (335) | (687) | 152 | (1,559) |
| Trade and Other Payables | (1,288) | (669) | (4,397) | (4,758) |
| Other Liabilities | (81) | 31 | 30 | 99 |
| Net Cash Flows (Used In)/ From Operations | (363) | 1,251 | (8,957) | (15,192) |
| Income Taxes Paid | (96) | (2) | (759) | (1,143) |
| Net Cash Flows (Used In)/ From Operating Activities | (459) | 1,249 | (9,716) | (16,335) |
| <u>Cash Flows From Investing Activities</u> | | | | |
| Purchase of Plant and Equipment | (425) | (331) | (2,744) | (2,170) |
| Purchase of Intangible Assets | - | (43) | - | (360) |
| Proceeds from Disposal of Plant and Equipment | (3) | - | - | - |
| Payment to Ex-shareholders of Subsidiaries Due to the Restructuring Exercise | - | - | - | (1,754) |
| Interest Received | 3 | - | 13 | - |
| Acquisition of Subsidiaries (Net of Cash Acquired)(Note 1) | (106) | - | (1,486) | - |
| Net Cash Flows Used In Investing Activities | (531) | (374) | (4,217) | (4,284) |
| <u>Cash Flows From Financing Activities</u> | | | | |
| Issue of Shares | - | - | - | 18,493 |
| Increase from New Borrowings | 4,333 | 502 | 16,625 | 6,314 |
| Finance Lease Repayments | (5) | (12) | (19) | (79) |
| Interest Paid | (725) | (563) | (2,485) | (2,219) |
| Dividend Paid | - | - | (1,061) | - |
| Net Cash Flows From /(Used In) Financing Activities | 3,603 | (73) | 13,060 | 22,509 |

| | | | | |
|---|--------------|--------------|--------------|--------------|
| Net Increase/ (Decrease) in Cash and Cash Equivalents | 2,613 | 802 | (873) | 1,890 |
| Cash and Cash Equivalents, Statement of Cash Flows, Beginning Balance | 181 | 2,865 | 3,667 | 1,777 |
| Effects of Exchange Rate Changes on Cash and Cash Equivalents | (27) | - | (27) | - |
| Cash and Cash Equivalents, Statement of Cash Flows, Ending Balance | 2,767 | 3,667 | 2,767 | 3,667 |
| | | | | |

Cash and cash equivalents

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

| | As at 31 December 2014 S\$'000 | As at 31 December 2013 S\$'000 |
|---|---|---|
| Cash at bank and in hand | 8,193 | 8,658 |
| Bank overdrafts | (5,426) | (4,991) |
| Cash and cash equivalents for statement of cash flows purposes | 2,767 | 3,667 |
| | | |

- 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-Controlling Interests S\$'000 | Total Equity S\$'000 |
|--|---------------------------------------|---|---------------------|----------------------|--------------------------------------|-------------------------|
| | Share Capital S\$'000 | Retained Earnings/ (Accumulated Losses) S\$'000 | Reserves S\$'000 | Sub-Total S\$'000 | | |
| Balance as at 1 January 2014 | 56,144 | 1,767 | - | 57,911 | - | 57,911 |
| Acquisition of interest in subsidiaries | - | - | - | - | 340 | 340 |
| Total comprehensive income for the period | - | 916 | 35 | 951 | (101) | 850 |
| Dividends paid | - | (1,061) | - | (1,061) | - | (1,061) |
| Balance as at 31 December 2014 | 56,144 | 1,622 | 35 | 57,801 | 239 | 58,040 |
| Balance as at 1 January 2013 | 31,001 | 8,399 | - | 39,400 | - | 39,400 |
| Issue of share capital | 3,000 | - | - | 3,000 | - | 3,000 |
| Share swap pursuant to the Restructuring Exercise | (31,001) | (8,404) | - | (39,405) | - | (39,405) |
| Issuance of shares pursuant to the acquisition of subsidiaries as part of the Restructuring Exercise | 37,651 | - | - | 37,651 | - | 37,651 |
| New ordinary shares issued pursuant to the IPO | 16,140 | - | - | 16,140 | - | 16,140 |
| Listing expenses taken to equity | (647) | - | - | (647) | - | (647) |
| Total comprehensive income for the period | - | 1,772 | - | 1,772 | - | 1,772 |
| Balance as at 31 December 2013 | 56,144 | 1,767 | - | 57,911 | - | 57,911 |

| Company | Share Capital S\$'000 | Retained Earnings/ (Accumulated Losses) S\$'000 | Total Equity S\$'000 |
|--|----------------------------------|--|---------------------------------|
| Balance as at 1 January 2014 | 56,144 | 1,305 | 57,449 |
| Total comprehensive loss for the period | - | 1,363 | 1,363 |
| Dividends paid | - | (1,061) | (1,061) |
| Balance as at 31 December 2014 | 56,144 | 1,607 | 57,751 |
| Balance as at 1 January 2013 | + | (2) | (2) |
| Issue of share capital | 3,000 | - | 3,000 |
| | 3,000 | (2) | 2,998 |
| Issuance of shares pursuant to the acquisition of subsidiaries as part of the Restructuring Exercise | 37,651 | - | 37,651 |
| New ordinary shares issued pursuant to the IPO | 16,140 | - | 16,140 |
| Listing expenses taken to equity | (647) | - | (647) |
| | 56,144 | (2) | 56,142 |
| Total comprehensive income for the period | - | 1,307 | 1,307 |
| Balance as at 31 December 2013 | 56,144 | 1,305 | 57,449 |
| | | | |

+ Amount less than S\$1,000

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 also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares 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.

CHANGES IN ISSUED AND PAID-UP SHARE CAPITAL

| | Company | | | |
|---|-------------------------------------|---------------------------------------|-------------------------------------|---------------------------------------|
| | Number of Shares 2014 '000 | Paid-up Capital 2014 S\$'000 | Number of Shares 2013 '000 | Paid-up Capital 2013 S\$'000 |
| Issued and fully paid-up share capital | | | | |
| Balance as at 1 January | 353,800 | 56,144 | + | + |
| Issue of ordinary shares | - | - | 3,372 | 3,000 |
| Issue of shares pursuant to the Restructuring Exercise | - | - | 46,628 | 37,651 |
| Balance as at 30 June | 353,800 | 56,144 | 50,000⁽¹⁾ | 40,651 |
| Sub-division of shares | 353,800 | 56,144 | 300,000 | 40,651 |
| New ordinary shares issued pursuant to the IPO | - | - | 53,800 | 16,140 |
| Listing expenses taken to equity | - | - | - | (647) |
| Balance as at 31 December | 353,800 | 56,144 | 353,800 | 56,144 |
| | | | | |

+ Amount less than S\$1,000

Note:

(1) Pursuant to the sub-division of each share into 6 shares in July 2013 prior to the IPO, 250,000,000 new shares were issued with the resultant number of shares and paid-up capital being 300,000,000 shares and S\$40,650,976, respectively.

There were no outstanding convertibles or shares held as treasury shares as at 31 December 2014 and 31 December 2013.

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 31 December 2014 '000 | As at 31 December 2013 '000 |
|--|-----------------------------------|-----------------------------------|
| Total number of issued shares (excluding treasury shares) | 353,800 | 353,800 |

The Company has no treasury shares or securities convertible into shares that are outstanding as at 31 December 2014 and 31 December 2013.

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

Not applicable.

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.**

The Group has applied the same accounting policies and methods of computation in the financial statements for the financial year ended 31 December 2014 as its most recently audited combined financial statements for the financial year ended 31 December 2013.

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.**

There are no changes in the Group's accounting policies and methods of computation including any required by an accounting standard. The adoption of the new and revised Singapore Financial Reporting Standards (SFRSs) (including their consequential amendments) and interpretations is assessed to have no material impact on the results of the Group and of the Company for the year ended 31 December 2014.

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 | | | |
|---|---------|---------|--------|--------|
| | Q4-2014 | Q4-2013 | FY2014 | FY2013 |
| Profit Net of Tax attributable to owners of the Company (S\$'000) | 157 | 922 | 951 | 1,772 |
| EPS (cents):- | | | | |
| (a) Based on the weighted average number of ordinary shares ⁽¹⁾⁽²⁾ | 0.04 | 0.26 | 0.27 | 0.55 |
| (b) On a fully diluted basis ⁽³⁾ | 0.04 | 0.26 | 0.27 | 0.55 |

Notes:

- (1) EPS of the Group for Q4-2013 and FY2013 has been computed based on the weighted average post-IPO share capital of 353,800,000 and 322,416,667 shares respectively.
- (2) EPS of the Group for Q4-2014 and FY2014 has been computed based on a share capital of 353,800,000 shares.
- (3) The EPS based on the weighted average number of ordinary shares and the EPS on a fully diluted basis were the same as there were no potentially dilutive instruments as at 31 December 2014 and 31 December 2013.

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 | |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
| | 31 December 2014 | 31 December 2013 | 31 December 2014 | 31 December 2013 |
| NAV per ordinary share ⁽¹⁾ (cents) | 16.34 | 16.37 | 16.32 | 16.24 |

Note:

- (1) NAV per ordinary share as at 31 December 2014 and as at 31 December 2013 has been computed based on the share capital of 353,800,000.

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 approximately S\$7.3 million or 11.1% from approximately S\$65.6 million in FY2013 to approximately S\$72.9 million in FY2014. The increase was mainly due to higher revenue from the retail and trading of pre-owned jewellery and watches segment as a result of higher sales of pre-owned jewellery and watches deemed to be unsuitable for retail sales in the first quarter ended 31 March 2014 (“Q1-2014”) and Q3-2014. The Malaysian Investment also contributed approximately S\$1.0 million in revenue to the pawnbroking segment.

Revenue decreased by approximately S\$2.8 million or 12.6% from approximately S\$22.1 million in Q4-2013 to approximately S\$19.3 million in Q4-2014 mainly due to lower revenue from the retail and trading of pre-owned jewellery and watches segment as a result of lower sales of pre-owned jewellery and watches deemed unsuitable for retail sales.

Although revenue in FY2014 had increased by 11.1%, gross profit⁽¹⁾ had increased by only 7.6% as yields from the trading of pre-owned jewellery and watches are generally lower than those from retail. Correspondingly, although revenue in Q4-2014 had decreased by 12.6%, gross profit⁽¹⁾ had increased by 0.6% over the same period as there was a higher proportion of retail sales of pre-owned jewellery and watches vis-à-vis the trading of pre-owned jewellery and watches in Q4-2014 as compared to Q4-2013.

⁽¹⁾ “Gross profit” is defined as the difference between “Revenue” and “Material costs”.

Other Gains

Other gains increased by approximately S\$0.8 million or 199.7% to approximately S\$1.1 million in FY2014 from approximately S\$0.4 million in FY2013, mainly due to a rise in rental income and government grants in aggregate of S\$0.4 million, as well as the reversal in the inventories provision of S\$0.3 million in the first quarter ended 31 March 2014 ("Q1-2014") pursuant to a provision made in the preceding quarter.

Other gains increased by approximately S\$0.4 million or 305.2% to approximately S\$0.5 million in Q4-2014 from approximately S\$0.1 million in Q4-2013, mainly due to the reversal in the inventories provision of S\$0.3 million made in Q3-2014.

Material Costs

Material costs increased by approximately S\$5.6 million or 13.0% to approximately S\$48.2 million in FY2014 from approximately S\$42.6 million in FY2013 and decreased by approximately S\$2.8 million or 18.1% to approximately S\$12.8 million in Q4-2014 from approximately S\$15.6 million in Q4-2013. The increase in FY2014 and decrease in Q4-2014 were mainly attributable to the increase and decrease in trading activities from the retail and trading of pre-owned jewellery and watches segment in FY2014 and Q4-2014, respectively.

Employee Benefits Expense

Employee benefits expense increased by approximately S\$2.0 million or 29.6% to approximately S\$8.7 million in FY2014 from approximately S\$6.7 million in FY2013 and increased by approximately S\$0.5 million or 28.4% to approximately S\$2.3 million in Q4-2014 from approximately S\$1.8 million in Q4-2013.

This was mainly due to the increase in number of employees attributable to the addition of new retail outlets, the increase in corporate headquarter activities in conjunction with the listing of the Company and the Malaysian Investment.

Depreciation and Amortisation Expense

Depreciation and amortisation expense increased by approximately S\$0.6 million or 36.2% to approximately S\$2.3 million in FY2014 from approximately S\$1.7 million in FY2013 and increased by approximately S\$0.1 million or 17.1% to approximately S\$0.6 million in Q4-2014 from approximately S\$0.5 million in Q4-2013. This was mainly due to the higher depreciation in renovation and plant and equipment in line with the launch of new retail outlets and the refurbishment of existing outlets over FY2014 and Q4-2014 as compared to their respective previous corresponding periods.

Finance Costs

Finance costs increased by approximately S\$0.3 million or 12.0% to approximately S\$2.5 million in FY2014 from approximately S\$2.2 million in FY2013 and increased by approximately S\$0.2 million or 28.8% to approximately S\$0.7 million in Q4-2014 from approximately S\$0.6 million in Q4-2013. This was mainly due to the increase in interest expense in line with the higher usage of bank facilities to fund the acquisition of inventories, pledged loans extended to customers and the Malaysian Investment.

Other Charges

Other charges remained stable at approximately S\$0.3 million in FY2014 and FY2013. It comprised of foreign exchange loss of approximately S\$0.2 million and plant and equipment written off of approximately S\$0.1 million in FY2014 and inventories written down of approximately S\$0.3 million in FY2013.

Other charges decreased by approximately S\$0.1 million or 49.3% to approximately S\$0.1 million in Q4-2014 from approximately S\$0.2 million in Q4-2013. This was mainly due to

exchange loss in Q4-2014 as compared to Q4-2013 of approximately S\$0.2 million on inventories written down.

Other Expenses

Other expenses increased by approximately S\$0.7 million or 6.8% to approximately S\$10.7 million in FY2014 from approximately S\$10.0 million in FY2013 and by approximately S\$0.4 million or 14.5% to S\$2.9 million in Q4-2014 from approximately S\$2.6 million in Q4-2013. Excluding a one-time non-recurring IPO expense of approximately S\$1.2 million charged in Q3-2013, there was an increase of approximately S\$1.9 million in FY2014 over FY2013. The increase in other expenses in FY2014 and Q4-2014 was attributed to the increase in rental and other operating expenses relating to the new retail outlets opened in Singapore and the Malaysian Investment and partially offset by the decrease in advertising and promotion expenses.

Profit Before Tax

As a result of the above, profit before income tax decreased by approximately S\$1.0 million or 40.8% to approximately S\$1.4 million in FY2014 from approximately S\$2.4 million in FY2013 and by approximately S\$0.6 million or 65.2% to approximately S\$0.3 million in Q4-2014 from approximately S\$1.0 million in Q4-2013.

Income Tax Expense

Income tax expense remained stable at approximately S\$0.6 million in FY2014 and FY2013 and increased by approximately S\$0.3 million or 786.1% to S\$0.3 million in Q4-2014 from approximately S\$36,000 in Q4-2013, mainly due to under adjustments to tax in respective of prior years for certain subsidiaries.

REVIEW OF THE GROUP'S FINANCIAL POSITION

Non-Current Assets

Non-current assets increased by approximately S\$2.3 million or 73.4% to S\$5.5 million as at 31 December 2014 from S\$3.2 million as at 31 December 2013.

This was mainly due to an increase in plant and equipment of approximately S\$1.4 million pursuant to capital expenditure incurred for the launch of new retail outlets in Singapore and the acquired plant and equipment of approximately S\$0.6 million which were acquired pursuant to the Malaysian Investment as well as the capitalisation of a S\$1.3 million in goodwill arising from the Malaysian Investment. The increase was partially offset by the decrease in intangible assets of S\$0.2 million due to the amortisation of lease assignment fees and the decrease in deferred tax assets of S\$0.2 million due to utilisation of losses via group relief in FY2014.

Current Assets

Current assets increased by approximately S\$16.2 million or 10.2% to S\$175.4 million as at 31 December 2014 from S\$159.2 million as at 31 December 2013. Of the S\$16.2 million, approximately S\$6.8 million was due to the current assets acquired pursuant to the Malaysian Investment.

The increase in current assets of approximately S\$16.2 million was a result of an increase in inventories and trade and other receivables of S\$4.7 million and S\$12.0 million, respectively. This was partially offset by a decrease in cash and cash equivalents of S\$0.5 million. The increase in inventories was due to the opening of new retail outlets in FY2014 while the increase in trade and other receivables was mainly due to the increase in pledged loans extended to customers and pursuant to the Malaysian Investment.

Non-Current Liabilities

Non-current liabilities increased by approximately S\$3.4 million mainly due to the drawdown of bank facilities to finance the acquisition of inventories, pledged loans extended to customers and the Malaysian Investment.

Current Liabilities

Current liabilities increased by approximately S\$15.0 million or 14.4% to S\$119.5 million as at 31 December 2014 from S\$104.5 million as at 31 December 2013. Of the S\$15.0 million, approximately S\$6.7 million was due to the current liabilities acquired pursuant to the Malaysian Investment.

The increase in current liabilities of approximately S\$15.0 million was a result of an increase in other financial liabilities, trade and other payables and other liabilities of S\$13.7 million, S\$1.4 million and S\$0.3 million, respectively, partially offset by a decrease in income tax payable of S\$0.4 million. The increase in other financial liabilities was due to the higher usage of bank facilities to finance the pawnshop business and the Malaysian Investment while the increase in trade and other payables was mainly due to the liabilities which were acquired pursuant to the Malaysian Investment.

Equity Attributable to Owners of the Company

Equity attributable to owners of the Company decreased by approximately S\$0.1 million or 0.2% to S\$57.8 million as at 31 December 2014 from S\$57.9 million as at 31 December 2013.

REVIEW OF THE GROUP'S CASHFLOW STATEMENT

In FY2014, the net cash generated from operating activities before changes in working capital was approximately S\$6.0 million. Net cash used in working capital amounted to approximately S\$15.0 million. This was due to an increase in inventories and trade and other receivables as well as a decrease in trade and other payables of approximately S\$4.3 million, S\$6.5 million and S\$4.4 million, respectively. This was partially offset by a decrease in other assets of approximately S\$0.2 million. The net cash used in operating activities amounted to approximately S\$9.7 million.

Net cash used in investing activities of approximately S\$4.2 million was mainly due to the renovation costs related to the opening of new retail outlets and net cash consideration paid for the Malaysian Investment of approximately S\$2.7 million and S\$1.5 million, respectively.

Net cash generated from financing activities was approximately S\$13.0 million mainly due to proceeds from bank borrowings of approximately S\$16.6 million and this was partially offset by interest paid and dividends paid of approximately S\$2.5 million and S\$1.1 million, respectively.

As a result of the above, there was a net decrease of S\$0.9 million in cash and cash equivalents, from a net cash surplus of approximately S\$3.7 million as at 31 December 2013 to a net cash surplus of approximately S\$2.8 million as at 31 December 2014.

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

No forecast for the financial period ended 31 December 2014 was provided.

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.

FY2014 proved to be a challenging year for the Group as it stepped up its expansion efforts. As at the date of the announcement, the Group has 38 retail outlets in Singapore and 9 pawnshops in Malaysia, bringing a total of 47 outlets in Singapore and Malaysia. The expansion efforts had impacted the Group's results for FY2014 but the management believes that the expansion efforts were necessary for the long-term prospects of the Group.

With its entry into the Malaysia market in FY2014, the Group will continue to be subjected to currency fluctuations that will result in a foreign exchange gain or loss. In FY2014, the depreciation of the Malaysian Ringgit against the Singapore Dollar resulted in a foreign exchange loss of approximately S\$0.2 million.

On 10 February 2015, the Company launched a new online platform – MoneyMax Online, which allows customers to shop, sell and appraise their valuables. Being the first pawnbroking chain in Singapore to offer this online platform, which includes a mobile app, customers can now appraise their valuables in the comfort of their own homes or on-the-go via their mobile devices. This added convenience is complementary to the Group's existing retail operations in Singapore and the Group believes that the strategic launch of MoneyMax Online will help widen its customer base and strengthen its ability in delivering a more satisfying customer experience. Please refer to the SGXNET announcement dated 10 February 2015 and www.moneymax.com.sg for further details on MoneyMax Online.

Gold prices were volatile throughout FY2014. The management believes that the volatility in gold prices is expected to continue in FY2015 and coupled with the rising staff costs, rental and other operational costs, the Group expects the business condition to remain challenging in FY2015. Nevertheless, the Group will continue to execute its strategies as outlined in the Offer Document to focus on long-term growth and will leverage on branding, training and operational efficiencies.

11. Proposed Dividend

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

| | |
|------------------------------------|---------------------|
| Name of Dividend | Final (proposed) |
| Dividend Type | Cash |
| Dividend Amount per Ordinary Share | 0.3 cent |
| Tax Rate | Tax exempt one-tier |

(b)(i) Amount per share (cents)

0.3 cent per share.

(b)(ii) Dividend declared (recommended) for the corresponding period of the immediately preceding financial year?

Yes.

| | |
|------------------------------------|-----------------------|
| Name of dividend | : Final |
| Dividend type | : Cash |
| Dividend amount per ordinary share | : 0.3 cent |
| Tax rate | : Tax exempt one-tier |

- (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).**

The dividend is tax exempt.

- (d) **The date the dividend is payable.**

The date of payment of the dividend will be announced later, subject to shareholders' approval at the Annual General Meeting to be convened.

- (e) **Book closure date.**

Notice will be given at a later date on the closure of the Share Transfer Book and Register of Members of the Company to determine members' entitlement to the dividend.

12. 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 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 \$100,000 and transactions conducted under Shareholders' Mandate pursuant to Rule 902 of the Catalist Rules) | |
|---|---|-------------------|
| | FY2014 S\$'000 | FY2013 S\$'000 |
| Purchases of pre-owned jewellery for melting | | |
| Soo Kee Jewellery | 9 | 231 |
| SK Jewellery Pte Ltd | - | 345 |
| Love & Co Pte Ltd | - | 2 |
| Sales of gold | | |
| Soo Kee Jewellery | - | 97 |
| SK Jewellery Pte Ltd | - | 22 |
| Central support services | | |
| Soo Kee Jewellery | 180 | 135 |
| Lease of premises | | |
| Soo Kee Jewellery | 347 | 350 |
| SK Jewellery Pte Ltd | 37 | 90 |
| SK Properties Pte Ltd | 238 | 39 |
| Soo Kee Investment Pte Ltd | 542 | 539 |
| SKC Pte Ltd | - | 36 |
| Heng Seng Pte Ltd | 96 | 40 |
| Lim Yong Guan | 106 | - |
| | 1,555 | 1,926 |

13. **Segmented revenue and results for the business or geographical segments (of the group) in the form presented in the Issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Business Segment Information

| FY2014 | Pawnbroking S\$'000 | Retail and Trading of Pre-owned Jewellery and Watches S\$'000 | Others S\$'000 | Elimination S\$'000 | Total S\$'000 |
|----------------------------------|--------------------------------|--|---------------------------|--------------------------------|--------------------------|
| Revenue by segment | | | | | |
| Total revenue by segment | 19,611 | 53,246 | - | - | 72,857 |
| Inter-segment sales | 25,727 | - | - | (25,727) | - |
| Results | | | | | |
| Segment results | 5,192 | (20) | 1,205 | (2,470) | 3,907 |
| Finance costs | (2,484) | - | (1) | - | (2,485) |
| Profit before tax | 2,708 | (20) | 1,204 | (2,470) | 1,422 |
| Income Tax Expense | (219) | (388) | - | - | (607) |
| Profit net of tax | 2,489 | (408) | 1,204 | (2,470) | 815 |
| Segment assets | 180,565 | 21,671 | 16,725 | (38,185) | 180,776 |
| Unallocated assets | | | | | 208 |
| Total group assets | | | | | 180,984 |
| Segment liabilities | 127,965 | 20,604 | 11,764 | (37,972) | 122,361 |
| Unallocated liabilities | | | | | 583 |
| Total group liabilities | | | | | 122,944 |
| Capital expenditure | 1,964 | 780 | - | - | 2,744 |
| Depreciation and amortisation | 2,015 | 256 | - | - | 2,271 |
| Inventories written down | - | 9 | - | - | 9 |
| Plant and equipment written off | 50 | - | - | - | 50 |
| Loss on collateral loan services | 3 | - | - | - | 3 |

| FY2013 | Pawnbroking S\$'000 | Retail and Trading of Pre-owned Jewellery and Watches S\$'000 | Others S\$'000 | Elimination S\$'000 | Total S\$'000 |
|----------------------------------|--------------------------------|--|---------------------------|--------------------------------|--------------------------|
| Revenue by segment | | | | | |
| Total revenue by segment | 17,422 | 48,134 | - | - | 65,556 |
| Inter-segment sales | 23,712 | - | - | (23,712) | - |
| Results | | | | | |
| Segment results | 8,344 | (1,559) | 1,301 | (3,465) | 4,621 |
| Finance costs | (2,219) | - | - | - | (2,219) |
| Profit before tax | 6,125 | (1,559) | 1,301 | (3,465) | 2,402 |
| Income Tax (Expense)/Income | (956) | 326 | - | - | (630) |
| Profit net of tax | 5,169 | (1,233) | 1,301 | (3,465) | 1,772 |
| Segment assets | 157,066 | 19,202 | 13,239 | (27,467) | 162,040 |
| Unallocated assets | | | | | 375 |
| Total group assets | | | | | 162,415 |
| Segment liabilities | 112,384 | 17,993 | 211 | (27,025) | 103,563 |
| Unallocated liabilities | | | | | 941 |
| Total group liabilities | | | | | 104,504 |
| Capital expenditure | 2,006 | 164 | - | - | 2,170 |
| Depreciation and amortisation | 1,605 | 62 | - | - | 1,667 |
| Inventories written down | - | 285 | - | - | 285 |
| Plant and equipment written off | - | 29 | - | - | 29 |
| Loss on collateral loan services | 22 | - | - | - | 22 |
| | | | | | |

Geographical Segment Information

The Group's revenue, based on geographical segmentation is as follows:

| | GROUP | |
|---------------|-------------------|-------------------|
| | FY2014 S\$'000 | FY2013 S\$'000 |
| Singapore | 71,866 | 65,556 |
| Malaysia | 991 | - |
| Total Revenue | 72,857 | 65,556 |

The Group's total assets based on geographical segmentation are as follows:

| | GROUP | |
|--------------|--------------------------------------|--------------------------------------|
| | As at 31 December 2014 S\$'000 | As at 31 December 2013 S\$'000 |
| Singapore | 170,332 | 162,415 |
| Malaysia | 10,652 | - |
| Total Assets | 180,984 | 162,415 |

14. BREAKDOWN OF REVENUE AND RESULTS

| | GROUP | | |
|--|-------------------|-------------------|-------------|
| | FY2014 S\$'000 | FY2013 S\$'000 | Change % |
| Sales reported for first half | 34,422 | 27,343 | 25.9 |
| Operating profit after tax before deducting non-controlling interest for first half of the year | 721 | 1,755 | (58.9) |
| Sales reported for second half | 38,435 | 38,213 | 0.6 |
| Operating profit after tax before deducting non-controlling interest for second half of the year | 94 | 17 | 452.9 |

15. A BREAKDOWN OF THE TOTAL ANNUAL DIVIDEND (IN DOLLAR VALUE) FOR THE ISSUER'S LATEST FULL YEAR AND ITS PREVIOUS FULL YEAR AS FOLLOWS:

| | COMPANY | |
|---------------------|---------------------------|---------------------------|
| | FY2014 S\$'000 | FY2013 S\$'000 |
| Ordinary Preference | 1,061 ⁽²⁾ - | 1,061 ⁽¹⁾ - |
| Total | 1,061 | 1,061 |

Notes:

- (1) The final tax exempt one-tier dividend of 0.3 cent per share for FY2013 was paid on 19 May 2014.
- (2) The proposed final tax exempt one-tier dividend in respect of FY2014 was calculated based on the number of ordinary shares as at 31 December 2014, and is subject to approval of the shareholders at the forthcoming Annual General Meeting to be convened.

16. DISCLOSURE OF PERSON OCCUPYING MANAGERIAL POSITION WHO IS A RELATIVE OF A DIRECTOR OR CHIEF EXECUTIVE OFFICER OR SUBSTANTIAL SHAREHOLDER

| Name | Age | Family relationship with any director and/or substantial shareholder | Current position and duties, and the year the position was first held | Details of changes in duties and position held, if any, during the year |
|---------------|------------|---|--|--|
| Tan Yang Hong | 49 | Spouse of Lim Yong Guan | Chief Operating Officer for the Group with effect from 1 October 2010. Oversees the Group's operations, including dealings with financial institutions, relevant government authorities, Management Integrated Systems (MIS), human resources, management and general administration. | N.A. |
| Lim Liang Soh | 48 | Sister of Lim Yong Guan, Lim Yong Sheng and Lim Liang Eng | Head of Retail Operations with effect from 1 October 2010. Manages the overall brand strategy and activities for the Group's financial services. She is also responsible for, <i>inter alia</i> , overseeing the Group's operations, day-to-day business processes, controls, talent management and recruitment. | N.A. |

ON BEHALF OF THE BOARD OF DIRECTORS

Lim Yong Guan
Executive Chairman and Chief Executive Director

Lim Yong Sheng
Executive Director

24 February 2015