

CIRCULAR DATED 22 AUGUST 2022

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

This Circular is issued by Maxi-Cash Financial Services Corporation Ltd. (the “Company”). If you are in any doubt about the contents of this Circular or the course of action you should take, you should consult your bank manager, stockbroker, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all of your shares in the capital of the Company held through The Central Depository (Pte) Limited (the “CDP”), you need not forward this Circular, the Notice of EGM (as defined herein) and the accompanying Proxy Form (as defined herein) to the purchaser or the transferee as arrangements will be made by CDP for a separate Circular, the Notice of EGM and the accompanying Proxy Form to be sent to the purchaser or the transferee. If you have sold or transferred all your ordinary shares in the capital of the Company represented by physical share certificate(s) which are not deposited with the CDP, you should immediately forward this Circular, the Notice of EGM and the accompanying Proxy Form to the purchaser or the transferee, or to the bank, the stockbroker or the agent through whom the sale or the transfer was effected for onward transmission to the purchaser or the transferee.

Kindly note that the extraordinary general meeting of the Company (the “EGM”) will be convened and held by way of electronic means on 14 September 2022 at 10.00 a.m. (Singapore time), notice of which is set out on pages N-1 to N-3 of this Circular. Alternative arrangements have been put in place to allow Shareholders to participate at the EGM by (a) observing and/or listening to the EGM proceedings via “live” audio-visual webcast or “live” audio-only stream; (b) submitting questions to the Chairman of the EGM in advance of the virtual information session (“VIS”) and the EGM; (c) having their questions addressed at the VIS to be held prior to the closing date and time for the lodgement of the proxy forms prior to the EGM; and/or (d) voting by appointing the Chairman of the EGM as proxy at the EGM.

An application will be made by the Company’s sponsor, SAC Capital Private Limited, to the Singapore Exchange Securities Trading Limited (the “SGX-ST”) for the listing of and quotation for the Consideration Shares (as defined herein) on the SGX-ST. The Company will make the necessary announcement(s) upon receipt of the listing and quotation notice from the SGX-ST to notify Shareholders of the receipt of such notice and the conditions (if any) on which the grant of such notice by the SGX-ST is subject to.

This Circular has been reviewed by the Company’s sponsor, SAC Capital Private Limited (the “Sponsor”). This Circular has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made or reports contained in this Circular. The contact person for the Sponsor is Mr David Yeong (Tel: (+65) 6232 3210) at 1 Robinson Road #21-00 AIA Tower Singapore 048542.



MAXI-CASH FINANCIAL SERVICES CORPORATION LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No.: 200806968Z)

CIRCULAR TO SHAREHOLDERS

in relation to

- (1) PROPOSED ACQUISITION OF LOCAL JEWELLERY BUSINESS FROM ASPIAL CORPORATION LIMITED (“ASPIAL”) AS A MAJOR TRANSACTION AND AN INTERESTED PERSON TRANSACTION;**
- (2) PROPOSED ALLOTMENT OF UP TO 348,466,256 MAXI-CASH SHARES (AS DEFINED HEREIN) TO ASPIAL; AND**
- (3) PROPOSED CHANGE OF NAME OF THE COMPANY**

Financial Adviser to Maxi-Cash Financial Services Corporation Ltd. in relation to the Proposed Acquisition



SAC Capital Private Limited
(Incorporated in the Republic of Singapore)
(Company Registration No. 200401542N)

Independent Financial Adviser to the Independent Directors in relation to the Proposed Acquisition (being an interested person transaction)



Xandar Capital Pte. Ltd.
(Incorporated in the Republic of Singapore)
(Company Registration No. 200002789M)

IMPORTANT DATES AND TIMES:

Date and time of VIS	:	6 September 2022 at 10.00 a.m. (Singapore time)
Last date and time for lodgement of Proxy Form	:	11 September 2022 at 10.00 a.m. (Singapore time)
Date and time of EGM	:	14 September 2022 at 10.00 a.m. (Singapore time)
Place of EGM	:	The EGM will be convened and held by way of electronic means.

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DEFINITIONS

In this Circular, the following definitions apply throughout unless the context otherwise requires or otherwise stated:

- “ACRA”** : The Accounting and Corporate Regulatory Authority of Singapore
- “Act”** : The Companies Act 1967 of Singapore, as amended, supplemented or modified from time to time
- “Adjustment Event”** : Has the meaning ascribed to it in paragraph 3.1(b) of the Letter to Shareholders in this Circular
- “approved exchange”** : A stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles to Chapter 9 of the Catalist Rules
- “Aspial”** : Aspial Corporation Limited
- “Aspial Group”** : Aspial, its subsidiaries and associated companies, collectively
- “Aspial-Lee Hwa”** : Aspial-Lee Hwa Jewellery Pte. Ltd.
- “Aspial-Lee Hwa Singapore”** : Aspial-Lee Hwa Jewellery Singapore Pte. Ltd.
- “Aspial Capital (Ubi)”** : Aspial Capital (Ubi) Pte. Ltd.
- “associate”** : (a) In relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:–
- (i) his immediate family;
 - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of thirty per cent. (30%) or more;
- (b) in relation to a Substantial Shareholder or Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of thirty per cent. (30%) or more,
- or such other definition as the Catalist Rules may from time to time prescribe
- “associated company”** : A company in which at least twenty per cent. (20%) but not more than fifty per cent. (50%) of its shares are held by the listed company or group
- “Audit Committee”** : The audit committee of the Company as at the Latest Practicable Date

“Base Consideration”	:	Has the meaning ascribed to it in paragraph 3.1(a)(i) of the Letter to Shareholders in this Circular
“Base Consideration Shares”	:	Has the meaning ascribed to it in paragraph 3.1(a)(i)(B) of the Letter to Shareholders in this Circular
“Base Consideration Cash Amount”	:	Has the meaning ascribed to it in paragraph 3.1(a)(i)(A) of the Letter to Shareholders in this Circular
“BDO”	:	BDO Advisory Pte. Ltd.
“Board”	:	The Board of Directors of the Company as at the Latest Practicable Date
“Business Day”	:	A day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore
“BU2 Services”	:	BU2 Services Pte. Ltd.
“Catalist”	:	The Catalist board of the SGX-ST
“Catalist Rules”	:	Section B: Rules of Catalist of the Listing Manual, as amended, modified or supplemented from time to time
“CDP”	:	The Central Depository (Pte) Limited
“Circular”	:	This circular to Shareholders dated 22 August 2022
“Closing”	:	The completion of the sale and purchase of the Sale Shares pursuant to the SPA
“Closing Base Consideration Cash Amount”	:	Has the meaning ascribed to it in paragraph 3.1(a)(i)(A)(iii) of the Letter to Shareholders in this Circular
“Closing Date”	:	Has the meaning ascribed to it in paragraph 3.4 of the Letter to Shareholders in this Circular
“Company”	:	Maxi-Cash Financial Services Corporation Ltd.
“Conditions”	:	Has the meaning ascribed to it in paragraph 3.3 of the Letter to Shareholders in this Circular
“Consideration”	:	Has the meaning ascribed to it in paragraph 3.1(a) of the Letter to Shareholders in this Circular
“Consideration Shares”	:	Has the meaning ascribed to it in paragraph 3.1(a)(ii)(B) of the Letter to Shareholders in this Circular
“Consideration Share Amount”	:	Has the meaning ascribed to it in paragraph 3.1(a)(i)(B) of the Letter to Shareholders in this Circular
“Constitution”	:	The constitution of the Company, as amended, modified or supplemented from time to time
“control”	:	The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of the Company

“Controlling Shareholder”	: A person who:– (a) holds directly or indirectly fifteen per cent. (15%) or more of all voting shares in the Company, unless determined by the SGX-ST that such person is not a controlling shareholder; or (b) in fact exercises control over the Company
“DCF”	: Has the meaning ascribed to it in paragraph 2.4 of the Letter to Shareholders in this Circular
“Deferred Base Consideration Cash Amount”	: Has the meaning ascribed to it in paragraph 3.1(a)(i)(A)(ii) of the Letter to Shareholders in this Circular
“Directors”	: The directors of the Company as at the Latest Practicable Date
“Earn-out Consideration”	: Has the meaning ascribed to it in paragraph 3.1(a)(ii) of the Letter to Shareholders in this Circular
“Earn-out Consideration Cash Amount”	: Has the meaning ascribed to it in paragraph 3.1(a)(ii)(A) of the Letter to Shareholders in this Circular
“Earn-out Consideration Shares”	: Has the meaning ascribed to it in paragraph 3.1(a)(ii)(B) of the Letter to Shareholders in this Circular
“EGM”	: The extraordinary general meeting of the Company to be held on 14 September 2022 (and any adjournment thereof), notice of which is set out on pages N-1 to N-3 of this Circular
“entity at risk”	: (a) The issuer; (b) a subsidiary of the issuer that is not listed on the SGX-ST or an approved exchange; or (c) an associated company of the issuer that is not listed on the SGX-ST or an approved exchange, provided that the listed group, or the listed group and its interested person(s), has control over the associated company
“EPS”	: Earnings per Maxi-Cash Share
“Financial Adviser”	: SAC Capital Private Limited
“FY2021”	: The financial year ended 31 December 2021
“FY2022”	: The financial year ending 31 December 2022
“FY2022 NPAT”	: Has the meaning ascribed to it in paragraph 3.1(c) of the Letter to Shareholders in this Circular
“Goldheart”	: Goldheart Jewelry Pte. Ltd.
“Gold Purple”	: Gold Purple Pte. Ltd.
“HY2022”	: The six-month financial period ended 30 June 2022
“IFA” or “Xandar Capital”	: Xandar Capital Pte. Ltd., being the independent financial adviser to the Independent Directors in relation to the Proposed Acquisition

“IFA Letter”	:	The letter dated 22 August 2022 from the IFA to the Independent Directors in relation to the Proposed Acquisition, as set out in Appendix B to this Circular
“Issue Price”	:	Has the meaning ascribed to it in paragraph 3.1(a)(i)(B) of the Letter to Shareholders in this Circular
“Independent Directors”	:	Has the meaning ascribed to it in paragraph 15.1 of the Letter to Shareholders in this Circular
“Independent Valuer”	:	RSM Corporate Advisory Pte Ltd
“Interested Person(s)” or “interested person(s)”	:	(a) A Director, chief executive officer of the Company, or Controlling Shareholder; or (b) an associate of any such Director, chief executive officer, or Controlling Shareholder
“Interested Person Transaction(s)” or “IPT(s)”	:	A transaction between an entity at risk and an interested person
“Koh Siblings”	:	Mr Koh Wee Seng, Ms Ko Lee Meng and Ms Koh Lee Hwee
“Latest Practicable Date”	:	The latest practicable date prior to the printing of this Circular, being 8 August 2022
“Listing Manual”	:	The listing manual of the SGX-ST, as may be amended, modified or supplemented from time to time
“Maxi-Cash Bonds”	:	The 3-years 6.05% bonds due 2025 issued by the Company
“MCFS Group”	:	The Company, its subsidiaries and associated companies, collectively
“MCFS Group NTA”	:	The audited NTA of the MCFS Group
“Maxi-Cash Shares”	:	Ordinary shares in the capital of the Company
“MLHS”	:	MLHS Holdings Pte. Ltd.
“Notice of EGM”	:	The notice of EGM dated 22 August 2022 set out on pages N-1 to N-3 of this Circular
“NTA”	:	Net tangible assets
“Ordinary Resolution 1”	:	Has the meaning ascribed to it in paragraph 1.5(a) of the Letter to Shareholders in this Circular
“Ordinary Resolution 2”	:	Has the meaning ascribed to it in paragraph 1.5(b) of the Letter to Shareholders in this Circular
“Outstanding Debt”	:	Has the meaning ascribed to it in paragraph 3.1(a)(i)(A)(i) of the Letter to Shareholders in this Circular
“Proposed Acquisition”	:	Has the meaning ascribed to it in paragraph 1.1(a) of the Letter to Shareholders in this Circular
“Proposed Allotment”	:	Has the meaning ascribed to it in paragraph 3.1(a) of the Letter to Shareholders in this Circular

“Proposed Change of Name”	: Has the meaning ascribed to it in paragraph 1.1(b) of the Letter to Shareholders in this Circular
“Proposed Resolutions”	: Has the meaning ascribed to it in paragraph 1.5 of the Letter to Shareholders in this Circular
“Proxy Form”	: The proxy form attached to the Notice of EGM
“Register”	: The register of holders of Maxi-Cash Shares, as maintained by the Registrar
“Registrar”	: B.A.C.S. Private Limited
“Relevant Date”	: Has the meaning ascribed to it in paragraph 3.1(d)(i) of the Letter to Shareholders in this Circular
“Sale Shares”	: Has the meaning ascribed to it in paragraph 1.1(a) of the Letter to Shareholders in this Circular
“SFA”	: The Securities and Futures Act 2001 of Singapore, as may be amended, modified, or supplemented from time to time
“SGX-ST”	: Singapore Exchange Securities Trading Limited
“Shareholders”	: The registered holders of Maxi-Cash Shares as indicated on the Register and Depositors who have Maxi-Cash Shares entered against their names in the Depository Register
“SPA”	: Has the meaning ascribed to it in paragraph 1.1(a) of the Letter to Shareholders in this Circular
“Special Audit”	: Has the meaning ascribed to it in paragraph 3.1(c) of the Letter to Shareholders in this Circular
“Special Resolution”	: Has the meaning ascribed to it in paragraph 1.5(c) of the Letter to Shareholders in this Circular
“Sponsor”	: SAC Capital Private Limited
“Substantial Shareholder”	: A person who, in accordance with the Act, has an interest (directly or indirectly) in not less than five per cent. (5%) of the total issued Maxi-Cash Shares (excluding treasury shares and subsidiary holdings)
“Valuation Summary Letter”	: Has the meaning ascribed to it in paragraph 2.4 of the Letter to Shareholders in this Circular
“Target Companies”	: Has the meaning ascribed to it in paragraph 1.1(a) of the Letter to Shareholders in this Circular
“Target Group”	: The Target Companies, and their subsidiaries, collectively
“Target Group Company”	: Any member of the Target Group
“treasury shares”	: Treasury shares shall have the meaning ascribed to it under Section 4 of the Act
“Valuation Report”	: The valuation report in respect of the independent valuation of the Target Group (including the market valuation of the Sale Shares) prepared by the Independent Valuer

“VIS” : Has the meaning ascribed to it in paragraph 18.2 of the Letter to Shareholders in this Circular

Currencies, Units and Others

“S\$” and “cents” : Singapore dollars and cents, respectively, being the lawful currency for the time being of the Republic of Singapore

“%” or “per cent.” : Per centum or percentage

Depositor and Depository Register. The terms **“Depositor”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

Genders. Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons, where applicable, shall include corporations.

Headings. The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Issued Maxi-Cash Shares. In this Circular, unless otherwise stated, the total number of issued Maxi-Cash Shares in the capital of the Company is 1,066,927,234 Maxi-Cash Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date. All percentages calculated with reference to the issued Maxi-Cash Shares are rounded to the nearest two decimal places.

Rounding. Any discrepancies in this Circular between the listed amounts and the totals thereof are due to rounding. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures that precede them.

Shareholders. References to **“you”**, **“your”** and **“yours”** in this Circular are, as the context so determines, to Shareholders.

Statutes. Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act, the SFA, the Catalist Rules or any modification thereof and used in this Circular shall, where applicable, have the meaning assigned to that word under the Act, the SFA, the Catalist Rules or that modification, as the case may be.

Subsidiary. The term **“subsidiaries”** shall have the meaning ascribed to it in Section 5 of the Act.

Time and Date. Any reference to a time of day and date in this Circular is made by reference to Singapore time and date, unless otherwise specified.

MAXI-CASH FINANCIAL SERVICES CORPORATION LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No.: 200806968Z)

LETTER TO SHAREHOLDERS

Directors:

Koh Wee Seng (*Chairman and Non-Executive Director*)
Ng Kean Seen (*Executive Director and Chief Executive Officer*)
Koh Lee Hwee (*Non-Executive and Non-Independent Director*)
Ko Lee Meng (*Non-Executive and Non-Independent Director*)
Tan Keh Yan, Peter (*Non-Executive and Lead Independent Director*)
Lee Sai Sing (*Non-Executive and Independent Director*)
Goh Bee Leong (*Non-Executive and Independent Director*)
Tan Soo Kiang (*Non-Executive and Independent Director*)

Registered Office:

80 Raffles Place
#32-01 UOB Plaza
Singapore 048624

22 August 2022

To: The Shareholders of Maxi-Cash Financial Services Corporation Ltd.

Dear Sir/Madam,

1. INTRODUCTION

1.1 Proposed Acquisition and Proposed Change of Name

The Company had on 7 July 2022 announced that:

- (a) it had, on 7 July 2022, entered into a sale and purchase agreement (the “**SPA**”) with Aspial, pursuant to which Aspial has agreed to sell, and the Company has agreed to acquire, all the issued ordinary shares (the “**Sale Shares**”) in the capital of Aspial-Lee Hwa Singapore, Gold Purple and BU2 Services (collectively, the “**Target Companies**”), for an aggregate consideration of up to S\$99.8 million (the “**Proposed Acquisition**”); and
- (b) in connection with the Proposed Acquisition, the Company is proposing to change its name from “Maxi-Cash Financial Services Corporation Ltd.” to “Aspial Lifestyle Limited” (the “**Proposed Change of Name**”). The Company had, on 27 June 2022, submitted an application to ACRA to reserve the name “Aspial Lifestyle Limited”.

1.2 Major Transaction and Interested Person Transaction

The Proposal Acquisition constitutes:

- (a) a “major transaction” as defined under Chapter 10 of the Catalist Rules; and
- (b) an “interested person transaction” as defined under Chapter 9 of the Catalist Rules.

1.3 Change of Name

Section 28 of the Act provides that a company may by a special resolution resolve to change its name.

1.4 EGM

Accordingly, the Proposed Acquisition, the Proposed Allotment and the Proposed Change of Name, are subject to the approval of the Shareholders, and the Directors are convening the EGM to seek the approval of the Shareholders for the Proposed Acquisition, the Proposed Allotment and the Proposed Change of Name. The Proposed Change of Name will be subject to the completion of the Proposed Acquisition.

1.5 Circular

The purpose of this Circular is to provide Shareholders with information relating to, and to seek Shareholders' approval for, the following resolutions to be tabled at the EGM as ordinary resolutions and a special resolution respectively, notice of which is set out on pages N-1 to N-3 of this Circular:

- (a) the Proposed Acquisition ("**Ordinary Resolution 1**");
 - (b) the Proposed Allotment ("**Ordinary Resolution 2**"); and
 - (c) the Proposed Change of Name ("**Special Resolution**"),
- (collectively, the "**Proposed Resolutions**").

This Circular has been prepared solely for the purpose set out herein and may not be relied upon by any persons (other than Shareholders) or for any other purpose. Shareholders are advised that the SGX-ST and the Sponsor assume no responsibility for the contents of this Circular, including the correctness of any statements made or opinions expressed or reports contained in this Circular.

1.6 Inter-conditionality

Shareholders' approval for the Proposed Acquisition is sought in a separate resolution (namely, Ordinary Resolution 1) from the resolution to approve the Proposed Allotment (namely, Ordinary Resolution 2) at the EGM. In voting for the resolutions set out in the Notice of EGM, Shareholders should note that Ordinary Resolution 1 and Ordinary Resolution 2 are inter-conditional. This means that if Ordinary Resolution 2 is not passed, Ordinary Resolution 1 will be deemed not to have been passed, and if Ordinary Resolution 1 is not passed, Ordinary Resolution 2 will be deemed not to have been passed.

In addition, the passing of the Special Resolution is conditional upon the passing of both Ordinary Resolution 1 and Ordinary Resolution 2, but not *vice versa*. This means that if Ordinary Resolution 1 and Ordinary Resolution 2 are not passed, the Special Resolution will be deemed not to have been passed.

1.7 Listing and Quotation Notice

The Company will be making an application to the SGX-ST via the Sponsor as soon as reasonably practicable for the listing of and quotation for the Consideration Shares on the SGX-ST and will make the necessary announcement(s) upon receipt of the listing and quotation notice from the SGX-ST.

1.8 Legal Adviser

Drew & Napier LLC is the legal adviser to the Company in relation to the Proposed Acquisition, the Proposed Allotment and the Proposed Change of Name and this Circular.

1.9 Financial Adviser

SAC Capital Private Limited is the financial adviser to the Company in respect of the Proposed Acquisition.

2. INFORMATION ON THE COMPANY, TARGET GROUP AND ASPIAL

2.1 Information relating to the Company

The Company is a public company incorporated in Singapore on 10 April 2008 and has been listed on the Catalist Board of the SGX-ST since 22 June 2012. The Company and the MCFS Group are engaged in the following business segments:

- (a) financial services in the form of pawnbroking;

- (b) the retail and trading of jewellery and branded merchandise through its pawnshops and retail outlets. As at the Latest Practicable Date, the MCFS Group has pawnshops and retail outlets across Singapore, Malaysia, Hong Kong, and Australia; and
- (c) secured lending.

2.2 Information relating to the Target Group

The information relating to the Target Group is as follow:

- (a) **Aspial-Lee Hwa Jewellery Singapore Pte. Ltd.**. Aspial-Lee Hwa Singapore was incorporated in Singapore on 25 March 2000. As at the Latest Practicable Date, it has an issued and paid-up share capital of S\$45,000,000 comprising 45,000,000 ordinary shares and its sole shareholder is Aspial;
- (b) **Aspial-Lee Hwa Jewellery Pte. Ltd.**. Aspial-Lee Hwa was incorporated in Singapore on 8 November 1997. As at the Latest Practicable Date, it has an issued and paid-up share capital of S\$1,000,000 comprising 1,000,000 ordinary shares, and its sole shareholder is Aspial-Lee Hwa Singapore;
- (c) **Goldheart Jewelry Pte. Ltd.**. Goldheart was incorporated in Singapore on 29 October 1977. As at the Latest Practicable Date, it has an issued and paid-up share capital of S\$8,150,000 comprising 8,150,000 ordinary shares, and its sole shareholder is Aspial-Lee Hwa Singapore;
- (d) **Aspial Capital (Ubi) Pte. Ltd.**. Aspial Capital (Ubi) was incorporated in Singapore on 31 October 2016. As at the Latest Practicable Date, it has an issued and paid-up share capital of S\$4,000,000 comprising 4,000,000 ordinary shares. Each of Aspial-Lee Hwa Singapore and the Company holds 2,000,000 ordinary shares in the capital of Aspial Capital (Ubi);
- (e) **Gold Purple Pte. Ltd.**. Gold Purple was incorporated in Singapore on 18 March 1999. As at the Latest Practicable Date, it has an issued and paid-up share capital of S\$1,000 comprising 1,000 ordinary shares, and its sole shareholder is Aspial; and
- (f) **BU2 Services Pte. Ltd.**. BU2 Services was incorporated in Singapore on 28 March 2006. As at the Latest Practicable Date, it has an issued and paid-up share capital of S\$2 comprising 2 ordinary shares, and its sole shareholder is Aspial International Pte. Ltd., which is a direct wholly owned subsidiary of Aspial.

2.3 Business of the Target Group

The Target Group is in the business of the manufacture and sale of jewellery in Singapore under the “**Lee Hwa**” and “**Goldheart**” brands. BU2 Services provides internal procurement services.

2.4 Financial Information of the Target Group

Based on the combined unaudited management accounts of the Target Group for FY2021:

- (a) the book value and NTA value of the Target Group were approximately S\$65.6 million and S\$61.8 million respectively, as at 31 December 2021; and
- (b) the net profits after tax of the Target Group for FY2021 were approximately S\$12.5 million.

Based on the latest announced combined unaudited management accounts of the Target Group for HY2022:

- (i) the book value and NTA value of the Target Group were approximately S\$48.4 million and S\$44.7 million respectively, as at 30 June 2022; and
- (ii) the net profits after tax of the Target Group for HY2022 were approximately S\$6.5 million.

As at the Latest Practicable Date, there is no available open market valuation of the Sale Shares. As such, in connection with the Proposed Acquisition, Aspial and the Company have appointed independent valuers to prepare independent valuation reports on the Target Group, including the market valuation of the Sale Shares, as at 31 March 2022.

In particular, in connection with the Proposed Acquisition, the Company has commissioned RSM Corporate Advisory Pte. Ltd. (the “**Independent Valuer**”), as a competent and independent valuer to perform a valuation of the Target Group. A summary of the Valuation Report dated 22 August 2022 prepared by the Independent Valuer (“**Valuation Summary Letter**”) is set out in Appendix A to this Circular.

Based on the Valuation Summary Letter, which should be read in conjunction with the Valuation Report, the market value of the Target Group as at 31 March 2022 is in the range of S\$98.4 million to S\$115.6 million. The Consideration (as defined below) therefore represents a premium of approximately 1.4% to the lower range of the market value of the Target Group as opined by the Independent Valuer and a discount of approximately 13.7% to the higher range of the market value of the Target Group as opined by the Independent Valuer. As disclosed in Section 2 of the Valuation Summary Letter, the valuation of the Target Group was arrived at based on: (a) an estimate of the Market Value range of Gold Purple, BU2 Services, Aspial-Lee Hwa Singapore, Aspial-Lee Hwa and Goldheart using the Income Approach, where the Market Approach was also applied as a cross-check to the value derived under the Income Approach; and (b) the Net Asset Value Approach to estimate the Market Value of 50% of Aspial Capital (Ubi). The valuation was conducted in accordance with the International Valuation Standards published by the International Valuation Standards Council, and for the purposes of this paragraph, “Market Value” is defined as “*the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion*”, as set out in International Valuation Standards.

In connection with the Proposed Acquisition, Aspial has appointed BDO to perform a valuation of the Target Group. Based on the valuation performed by BDO, the market value of the Sale Shares as at 31 March 2022 ranges from S\$87.0 million to S\$99.5 million. The Consideration therefore represents approximately 0.3% to 14.7% premium to the lower and upper valuation ranges of the Target Group performed by BDO.

The basis of the valuation is market value which is defined in the International Valuation Standards as “*the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the Parties had each acted knowledgeably, prudently and without compulsion*”. The valuation of the Target Group was arrived at primarily based on the income approach using the discounted cash flow (“**DCF**”) method. The valuation was conducted in accordance with the International Valuation Standards published by the International Valuation Standards Council. The market approach using the enterprise value to earnings before interest, taxes, depreciation and amortisation multiples of comparable companies was applied as a secondary approach to cross-check the value range derived by the DCF method.

Shareholders are advised to read and consider the Valuation Summary Letter issued by the Independent Valuer in respect of the valuation of the Target Group carefully, in particular the terms of reference, key assumptions, valuation approach, methodology and conclusion of value.

2.5 Information relating to Aspial

Aspial is a company incorporated in Singapore on 12 November 1970 and was listed on the Mainboard of the SGX-ST on 21 June 1999. Aspial is an investment holding company that is principally engaged in a diversified portfolio of businesses including real estate, financial service, jewellery retailing and other investments (including the hospitality business through its associate AF Global Limited).

Aspial is a controlling shareholder of the Company. As at the Latest Practicable Date, Aspial has a direct interest in 667,446,769 of Maxi-Cash Shares, representing approximately 62.56% of the total issued Maxi-Cash Shares.

3. PRINCIPAL TERMS OF THE PROPOSED ACQUISITION

3.1 Consideration for the Proposed Acquisition

(a) Consideration

The aggregate consideration (the “**Consideration**”) for the Proposed Acquisition is up to S\$99.8 million, which comprises:

(i) S\$87.8 million (the “**Base Consideration**”) payable on Closing, which shall be satisfied by:

(A) the payment of an amount of S\$37.0 million (the “**Base Consideration Cash Amount**”) comprising:

(i) the settlement by the Company on Closing of the debt of an amount not exceeding S\$22.0 million owing from Aspial to the Target Group (the “**Outstanding Debt**”) which shall be offset against an equivalent portion of the Base Consideration Cash Amount;

(ii) S\$7.5 million in cash (the “**Deferred Base Consideration Cash Amount**”) to be paid by the Company to Aspial on the date falling three months after the Closing Date, in accordance with paragraph 3.1(d) below; and

(iii) a remaining amount in cash (the “**Closing Base Consideration Cash Amount**”) equivalent to the Base Consideration Cash Amount LESS the aggregate of (i) the Outstanding Debt; and (ii) the Deferred Base Consideration Cash Amount, to be paid by the Company to Aspial on Closing. For illustrative purposes, the Closing Base Consideration Cash Amount will amount to S\$7.5 million¹ if the Outstanding Debt amounts to S\$22.0 million at Closing; and

(B) an amount of S\$50.8 million (the “**Consideration Share Amount**”), which shall be satisfied by the allotment and issuance of 311,656,441 new Maxi-Cash Shares (the “**Base Consideration Shares**”) to Aspial at an issue price of S\$0.163 (which is based on the volume weighted average price of the Maxi-Cash Shares for a period of five trading days prior to the date of the SPA on which transactions in the Maxi-Cash Shares were recorded (the “**Issue Price**”)) for each Base Consideration Share; and

(ii) up to S\$12.0 million (the “**Earn-out Consideration**”), which shall be satisfied by:

(A) S\$6.0 million in cash (the “**Earn-out Consideration Cash Amount**”); and

¹ Being S\$37.0 million LESS (i) S\$22.0 million (being the Outstanding Debt); and (ii) S\$7.5 million (being the Deferred Base Consideration Cash Amount).

- (B) an amount of S\$6.0 million which shall be satisfied by the allotment and issuance of 36,809,815 new ordinary shares in the capital of the Company (the “**Earn-out Consideration Shares**”, and together with the Base Consideration Shares, the “**Consideration Shares**”) to be issued to Aspial at the Issue Price for each Earn-out Consideration Share,

and which shall be payable in accordance with paragraph 3.1(c) below.

The allotment and issuance of all Consideration Shares pursuant to the Proposed Acquisition (the “**Proposed Allotment**”) is subject to the approval of the Shareholders at the EGM.

The Consideration Shares will be credited as fully-paid and shall rank *pari passu* in all respects with the existing Maxi-Cash Shares at the time of the allotment and issuance of such Consideration Shares, save for rights to any dividends, rights, allotments or distributions, the record date of which falls prior to the Closing Date.

Based on the Issue Price, the aggregate of the total number of Base Consideration Shares and the maximum number of Earn-out Consideration Shares to be issued is 348,466,256 Maxi-Cash Shares, which represents approximately 24.62%² of the issued share capital of the Company (on an enlarged basis immediately after the allotment and issuance of the Base Consideration Shares and the maximum number of Earn-out Consideration Shares).

(b) Adjustments to the Base Consideration Shares and Earn-out Consideration Shares

If a variation in the ordinary share capital of the Company shall take place (including by way of, *inter alia*, consolidation, subdivision or reclassification of shares, capitalisation issues, rights, warrants or other convertibles issues and certain capital distributions (each, an “**Adjustment Event**”)) between the date of the SPA and the date the Earn-out Consideration Shares (if any) are issued pursuant to the terms of the SPA, the Company and Aspial agree that there shall be an adjustment to the number of Base Consideration Shares and/or Earn-out Consideration Shares, as the case may be, to be issued to Aspial as described in paragraph 3.1(a) above, so as to prevent a dilution of the percentage shareholding held by Aspial in the Company. Notwithstanding the above, where an Adjustment Event occurs which does not result in a pro rata dilution of the percentage shareholding held by Aspial in the Company, the Company and Aspial may (acting reasonably) mutually agree to an adjustment to the number of Base Consideration Shares and/or Earn-out Consideration Shares, as the case may be, that the Company and Aspial determine to be fair and reasonable to take into account such Adjustment Event had it occurred prior to the date of the SPA, in particular, if the Adjustment Event would have resulted in a reduction in the Issue Price. For the avoidance of doubt, any such adjustment to the number of Base Consideration Shares and/or Earn-out Consideration Shares, as the case may be, shall be made in such a way that Aspial will not receive a benefit that a Shareholder does not receive.

(c) Earn-out Consideration

In the event the audited combined total profit after tax of the Target Group for FY2022, excluding any (i) extraordinary/exceptional items, including but not limited to one-off income, expenses or write offs not in the ordinary course of the Target Group’s business; (ii) profit or loss attributable to non-controlling interest; (iii) other comprehensive income or loss (if any); and (iv) fair value gain or loss to the Target Group’s properties and securities (“**FY2022 NPAT**”) is:

- (A) at least S\$10.0 million, the Company shall make payment of the entire Earn-out Consideration to Aspial; or

² Calculated on the basis of 1,066,927,234 Maxi-Cash Shares (excluding Maxi-Cash Shares held as treasury shares and subsidiary holdings) as at the Latest Practicable Date and the enlarged share capital of 1,415,393,490 Maxi-Cash Shares (excluding treasury shares and subsidiary holdings).

- (B) less than S\$10.0 million, the Company shall make a pro rata payment of the Earn-out Consideration to Aspial in accordance with the following formulae:

Pro-rated cash portion of the : $\frac{\text{FY2022 NPAT (in millions)}}{10 \text{ (in millions)}}$ * the Earn-out
 Earn-out Consideration Cash :
 Amount to be paid by the :
 Company to Aspial :
 Consideration Cash Amount

Pro-rated Earn-out : $\frac{\text{FY2022 NPAT (in millions)}}{10 \text{ (in millions)}}$ * the Earn-out
 Consideration Shares to be :
 issued by the Company to :
 Aspial :
 Consideration Shares

The Earn-out Consideration (or such proportion thereof) shall be paid by the Company to Aspial within 30 days of the completion of a special purpose audit of the Target Group to be undertaken for the purposes of determining the FY2022 NPAT (the “**Special Audit**”) of, or such longer period, up to a maximum of six (6) months after such Special Audit is completed.

(d) Deferred Base Consideration Cash Amount

- (i) The Company shall pay to Aspial (or its nominee) an amount of S\$7.5 million, being the Deferred Base Consideration Cash Amount, on the date falling three (3) months after the Closing Date (the “**Relevant Date**”).
- (ii) The Company and Aspial may mutually agree to a deferral in the payment of the Deferred Base Consideration Cash Amount, provided that the entire Deferred Base Consideration Cash Amount is paid in full no later than the date falling six (6) months from the Relevant Date.

(e) Basis of Consideration

The Consideration was arrived at on a “willing-buyer willing-seller” basis, taking into account, *inter alia*, (i) the historical financial performance of the Target Group; (ii) the Target Group’s business prospects; (iii) the average of the indicative market values of the Sale Shares based on the preliminary valuation conducted by the independent valuers appointed by the Company and Aspial; and (iv) the proposed terms and formulae of the Consideration.

3.2 Source of Funds

The Base Consideration Cash Amount (excluding the Outstanding Debt) and the Earn-out Consideration Cash Amount will be funded using a combination of internal funds and/or bank borrowings.

3.3 Conditions Precedent

The Proposed Acquisition is subject to and conditional upon satisfaction or waiver (as the case may be) of, *inter alia*, the following conditions:

- (a) all consents, approvals and authorisations of governmental authorities and any counterparties to the contracts entered into by the Aspial Group, Target Group or the MCFS Group which are necessary in connection with the transfer of the Sale Shares as contemplated under the SPA having been obtained, and if such consents, approvals and authorisations are subject to conditions, such conditions being acceptable to both Aspial and the Company (acting reasonably and in good faith);
- (b) approval by the shareholders of Aspial of the sale of the Sale Shares on the terms and conditions set out in the SPA, in accordance with applicable laws and regulations (including the Listing Manual);
- (c) no event having occurred which has a material adverse effect on the turnover, profitability, financial or trading position or prospects of the Target Group as a whole, not being an event affecting or likely to affect generally all companies carrying on similar businesses;

- (d) no notice of termination having been received by any Target Group Company in connection with any material contract, lease, licence or other similar commercial arrangement to which the Target Group Company is a party, as identified by the Target Group and agreed in writing by the Company, and none of such material contracts, leases, licences or commercial arrangements being adversely affected to a material extent, as a result of the entry by Aspial into the SPA and/or the transactions contemplated under the SPA;
- (e) the net asset value of the Target Group as derived from the combined unaudited management accounts of the Target Group for the most recent completed quarter prior to Closing not being less than S\$40.0 million;
- (f) Aspial's warranties provided pursuant to the SPA being and remaining true, accurate and not misleading in all material respects as at the date of the SPA and as at the Closing Date;
- (g) no injunction, interim or otherwise, having been granted in respect of Aspial, any Target Group Company or the Company, and no laws having been enacted or proposed, which would prohibit, restrict or delay (i) Aspial or the Company from entering into or performing their obligations under the SPA; and/or (ii) the implementation of the transactions contemplated by the SPA;
- (h) approval by the Shareholders of the acquisition of the Sale Shares and the allotment and issuance of the Consideration Shares to Aspial on the terms and conditions set out in the SPA, in accordance with applicable laws and regulations (including the Listing Manual); and
- (i) receipt of the listing and quotation notice from the SGX-ST for the listing of and quotation for all the Consideration Shares on the SGX-ST on conditions (if any) reasonably acceptable to both Aspial and the Company and such notice not being revoked or amended, and any such conditions which are required to be fulfilled on or before the Closing Date being fulfilled on or before that date to the satisfaction of the SGX-ST or waived by the SGX-ST,

(the conditions precedent above, collectively the "**Conditions**").

3.4 Closing

Closing shall take place on the date falling five (5) business days after the date of satisfaction or waiver of the last of the Conditions, or such other date as may be agreed by the Company and Aspial in writing (the "**Closing Date**").

3.5 Cut-off Date

If the Conditions are not satisfied or waived on or before 31 December 2022, or such other date as may be agreed in writing between the Company and Aspial, save as expressly provided, the Company or Aspial may, in its absolute discretion, terminate the SPA (other than the surviving provisions of the SPA) and neither Aspial nor the Company shall have any claim against the other under it, save for any claim arising from antecedent breaches of the SPA.

4. RATIONALE FOR AND BENEFIT TO THE COMPANY ARISING FROM THE PROPOSED ACQUISITION

The Board is of the view that the Proposed Acquisition will be in the best interests of the Company and the Shareholders, having taken into consideration the following:

- (a) The Proposed Acquisition is in line with Aspial's overarching re-organisation efforts, which will enable Aspial to focus and consolidate its local retail business segment under the management of the Company. Upon the completion of the Proposed Acquisition, the Company will change its name to "Aspial Lifestyle Limited" as its consumer lifestyle related business would be significantly expanded. In addition to its existing pawnbroking, money lending, and retail and trading of pre-owned jewellery and branded merchandise businesses, the Company will also own and operate two (2) of the largest jewellery retail chains in Singapore under the well-known "Lee Hwa" and "Goldheart" brands, which have strong brand equity, established track record, innovative concepts, competent management team, established customer base and prime store network.

As such, the Board is of the view that the Proposed Acquisition will transform the MCFS Group into a consumer lifestyle powerhouse in Singapore, and unlock a new stage of growth for the MCFS Group.

- (b) The Target Group is profitable and the Proposed Acquisition would be earnings accretive for the MCFS Group upon the completion of the Proposed Acquisition, with opportunities for further growth. As such, the Company believes that the Proposed Acquisition is in the interest of the MCFS Group and will enhance shareholders' value in the long term.
- (c) With the Proposed Acquisition, the enlarged MCFS Group will be able to significantly increase its retail presence in Singapore, with the addition of the Target Group's 25 retail outlets³ islandwide in Singapore. With the enlarged scale, the combined businesses will allow the MCFS Group to benefit from an improved relative bargaining position when dealing with business partners, suppliers, vendors and lenders.
- (d) The enlarged scale of the business and operations will enable the MCFS Group to better manage its talent across all business functions by providing a larger platform and more diverse career opportunities. This will allow the enlarged MCFS Group to attract, train and retain talent, which in turn will drive long-term growth of the MCFS Group.
- (e) The Proposed Acquisition will also allow the enlarged MCFS Group to create and benefit from group-wide synergies and cost savings in areas of organisational structure, systems, processes and knowledge transfer across various business and support functions in the MCFS Group, including, but not limited to, marketing, merchandising, operations, information technology, finance and human resources.
- (f) The Consideration for the Proposed Acquisition will be fulfilled partially by way of Maxi-Cash Shares (being the Base Consideration Shares and the Earn-out Consideration Shares), which will allow the Company to conserve its cash outlay.

5. RATIONALE FOR THE PROPOSED CHANGE OF NAME

Upon the completion of the Proposed Acquisition, the Board believes that the Proposed Change of Name will better represent the enlarged MCFS Group as its consumer lifestyle related business would be significantly expanded. In addition to its existing pawnbroking, money lending, and retail and trading of pre-owned jewellery and branded merchandise businesses, the renamed Aspial Lifestyle Limited will also own and operate two of the largest jewellery retail chains in Singapore under the well-known "Lee Hwa" and "Goldheart" brands. The Proposed Change of Name will also allow the public and the Company's business partners to better identify with the Company going forward based on its business plans and strategic direction post completion of the Proposed Acquisition.

6. PRO FORMA FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION

The pro forma financial effects of the Proposed Acquisition on the MCFS Group NTA per Maxi-Cash Share and EPS of the MCFS Group are set out below.

(a) Bases and Assumptions

The unaudited pro forma financial effects for the Proposed Acquisition have been prepared based on the audited consolidated financial statements of the MCFS Group for FY2021, being the most recently completed financial year for which financial statements are publicly available as at the Latest Practicable Date, and on the assumption that the expenses incurred for the Proposed Acquisition are insignificant and as such, have been ignored for the purposes of computing the financial effects.

The financial effects set out below are purely for illustrative purposes only and do not necessarily reflect the actual results and financial performance and position of the MCFS Group after the Proposed Acquisition. No representation is made as to the financial position and/or results of the Company after the completion of the Proposed Acquisition.

3 As at the Latest Practicable Date.

(b) NTA per Maxi-Cash Share

For illustrative purposes only and assuming that the Proposed Acquisition had been effected on 31 December 2021, being the end of FY2021, the pro forma financial effects on the consolidated MCFS Group NTA per Maxi-Cash Share as at 31 December 2021 are as follows:

	Before the Proposed Acquisition	After the Proposed Acquisition⁽¹⁾
Net Assets attributable to owners of the Company (S\$)	149,426,000	172,015,000
Less: Intangibles and Net Deferred Tax Assets ⁽²⁾ (S\$)	2,678,000	5,595,000
MCFS Group NTA attributable to owners of the Company (S\$)	146,748,000	166,420,000
Number of Maxi-Cash Shares	1,066,927,234 ⁽³⁾	1,415,393,490
NTA per Maxi-Cash Share (cents)	13.75	11.76

Notes:

(1) Based on the total Consideration (assuming the Earn-out Consideration is paid in full).

(2) Computed based on deferred tax assets, net of deferred tax liabilities.

(3) Being the number of Maxi-Cash Shares in issue (excluding treasury shares and subsidiary holdings) as at 31 December 2021.

(c) EPS

For illustrative purposes only and assuming that the Proposed Acquisition had been completed on 1 January 2021, being the beginning of FY2021, the pro forma financial effects on the consolidated EPS for FY2021 are as follows:

	Before the Proposed Acquisition	After the Proposed Acquisition⁽¹⁾
Net profit after tax attributable to owners of Company (before fair value adjustments and exceptional items) (S\$)	14,446,000	26,993,000
Weighted average number of Maxi-Cash shares	1,036,666,820	1,385,133,076
EPS (in cents)	1.39	1.95

Note:

(1) Based on the total Consideration (assuming the Earn-out Consideration is paid in full).

7. THE PROPOSED ACQUISITION AS AN INTERESTED PERSON TRANSACTION

7.1 Entity at Risk and Interested Persons

Aspial is a Controlling Shareholder of the Company, holding a direct and deemed interest in 667,446,769 Maxi-Cash Shares, representing approximately 62.56% of the total issued Maxi-Cash Shares as at the Latest Practicable Date. Furthermore, as at the Latest Practicable Date, each of Koh Wee Seng, Koh Lee Hwee and Ko Lee Meng (collectively, the “**Koh Siblings**”), together with his/her immediate family, has an interest of 30% or more in Aspial and Aspial is hence regarded as an associate of a Director (being each of the Koh Siblings). Pursuant to Chapter 9 of the Catalist Rules, Aspial is considered as an “interested person” of the Company.

Accordingly, the Proposed Acquisition (including the Proposed Allotment), which is a transaction entered into between the Company (being an “entity at risk” under Chapter 9 of the Catalyst Rules) and Aspial, would constitute an “interested person transaction” for the purposes of Chapter 9 of the Catalyst Rules, and the Proposed Acquisition is therefore subject to, *inter alia*, Rules 905, 906 and 907 of the Catalyst Rules.

7.2 Shareholders’ Approval pursuant to Chapter 9 of the Catalyst Rules

Pursuant to Rule 906 of the Catalyst Rules, an issuer must obtain shareholders’ approval for an interested person transaction of a value equal to, or more than, 5% of the group’s latest audited NTA. The MCFS Group NTA is S\$147.9 million as at 31 December 2021 and the Consideration represents approximately 67.49% of the MCFS Group NTA. As such, the Company is required to seek Shareholders’ approval for the Proposed Acquisition at the EGM.

7.3 Current and On-going Interested Person Transactions

- (a) **Same Interested Person Transactions.** For the current financial year commencing on 1 January 2022 up to the Latest Practicable Date, the aggregate value of all transactions between the MCFS Group, and Aspial and its associates (excluding transactions which are less than S\$100,000 and the Proposed Acquisition) is approximately S\$10,536,000.

Information on the interested person transactions entered into between the MCFS Group and the same interested persons for the current financial year commencing on 1 January 2022 are set out below:

Name of interested person(s)	Details of Transaction	Aggregate value of all interested person transactions in the financial year commencing on 1 January 2022 (excluding transactions less than S\$100,000) (S\$’000)
AF Global Limited and its subsidiaries	Lease of premises	116
	Exchange/subscription of Maxi-Cash Bonds	460 ⁽¹⁾
Aspial and its subsidiaries	Corporate charges	2,277
	Lease of premises	1,863
	Provisions of management services	293
Aspial Capital (Ubi)	Lease of premises	1,530
Ko Lee Meng and her child	Exchange/subscription of Maxi-Cash Bonds	414 ⁽¹⁾
Lim Kwee Hua		274 ⁽¹⁾
DN Global Pte Ltd		506 ⁽¹⁾
Koh Wee Meng		1,815 ⁽¹⁾
Tan Su Lan		817 ⁽¹⁾
Aspial-Lee Hwa Singapore		Acquisition of finished goods

Note:

- (1) The exchange/subscription of Maxi-Cash Bonds were exchanged or subscribed in the first quarter of the current financial year commencing on 1 January 2022. Interest computed is based on the total interest (6.05% per annum) to be received over the tenure of 3 years and inclusive of exchange fee for the relevant exchange offered bonds where applicable.

- (b) **Aggregated Interested Person Transactions.** The aggregate value of all interested person transactions entered into by the MCFS Group for the current financial year commencing on 1 January 2022 up to the Latest Practicable Date (excluding transactions which are less than S\$100,000 and the Proposed Acquisition) is approximately S\$10,536,000.

8. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

8.1 Interests of Directors and Substantial Shareholders

The interests of the Directors and Substantial Shareholders (other than Directors) are set out in paragraphs 8.2 and 8.3 below, respectively. As at the Latest Practicable Date, save as disclosed below, none of the Directors or the Substantial Shareholders has any interest, direct or indirect, in the Proposed Acquisition or the Proposed Change of Name.

8.2 Interests of Directors

The interests of the Directors in the Company as recorded in the register of Directors' shareholdings of the Company as at the Latest Practicable Date are set out below:

Name of Directors	Direct Interest		Deemed Interest	
	Number of Maxi-Cash Shares	% ⁽¹⁾	Number of Maxi-Cash Shares	% ⁽¹⁾
Mr Koh Wee Seng	111,434,121	10.44	667,724,757 ⁽²⁾	62.58
Mr Ng Kean Seen	—	—	—	—
Ms Koh Lee Hwee	28,196,664	2.64	674,828,251 ⁽³⁾	63.25
Ms Ko Lee Meng	17,581,376	1.65	668,906,251 ⁽⁴⁾	62.69
Mr Tan Keh Yan, Peter	—	—	—	—
Mr Lee Sai Sing	1,200,550	0.11	—	—
Ms Goh Bee Leong	—	—	—	—
Mr Tan Soo Kiang	—	—	—	—

Notes:

- (1) The figures are computed based on the issued and paid-up share capital of the Company, comprising 1,066,927,234 Maxi-Cash Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date.
- (2) Mr Koh Wee Seng is deemed interested in the Maxi-Cash Shares held by (a) his spouse, Ms Lim Kwee Hua and (b) Aspial. Ms Lim Kwee Hua has an interest in 277,988 Maxi-Cash Shares, representing approximately 0.03% of the total issued Maxi-Cash Shares. Mr Koh Wee Seng is the brother of Ms Koh Lee Hwee and Ms Ko Lee Meng. Mr Koh Wee Seng is also the Chief Executive Officer of Aspial.
- (3) Ms Koh Lee Hwee is deemed interested in the Maxi-Cash Shares held by (a) Aspial and (b) her spouse, Mr Ng Sheng Tiong. Mr Ng Sheng Tiong has an interest in 7,381,482 Maxi-Cash Shares, representing approximately 0.69% of the total issued Maxi-Cash Shares. Ms Koh Lee Hwee is the sister of Mr Koh Wee Seng and Ms Ko Lee Meng. Ms Koh Lee Hwee is also an Executive Director of Aspial.
- (4) Ms Ko Lee Meng is deemed interested in the Maxi-Cash Shares held by (a) Aspial and (b) her spouse, Mr Koh Kian Soo. Mr Koh Kian Soo has an interest in 1,459,482 Maxi-Cash Shares, representing approximately 0.14% of the total issued Maxi-Cash Shares. Ms Ko Lee Meng is the sister of Mr Koh Wee Seng and Ms Koh Lee Hwee. Ms Ko Lee Meng is also a Non-Executive and Non-Independent Director of Aspial.

8.3 Interests of Substantial Shareholders (other than Directors)

The interests of the Substantial Shareholders in the Company (other than the Directors) as recorded in the register of Substantial Shareholders of the Company as at the Latest Practicable Date are set out below:

Name of Substantial Shareholders	Direct Interest		Deemed Interest	
	Number of Maxi-Cash Shares	% ⁽¹⁾	Number of Maxi-Cash Shares	% ⁽¹⁾
Aspial ⁽²⁾	667,446,769	62.56	—	—
MLHS ⁽²⁾	—	—	667,446,769	62.56

Notes:

- (1) The figures are computed based on the issued and paid-up share capital of the Company, comprising 1,066,927,234 Maxi-Cash Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date.
- (2) MLHS is the immediate and ultimate holding company of Aspial. (a) Mr Koh Wee Seng holds approximately 47.00 per cent. of the issued and paid-up ordinary shares of MLHS, (b) Ms Ko Lee Meng holds approximately 25.75 per cent. of the issued and paid-up ordinary shares of MLHS and (c) Ms Koh Lee Hwee holds approximately 24.25 per cent. of the issued and paid-up ordinary shares of MLHS.

8.4 Abstention from Voting

In accordance with Rule 919 of the Catalist Rules and Rule 812(2) of the Catalist Rules, Aspial, MLHS, the Koh Siblings and their respective associates, will abstain from voting on Ordinary Resolution 1 (which relates to the Proposed Acquisition) and Ordinary Resolution 2 (which relates to the Proposed Allotment).

Pursuant to Rule 1203(5) of the Catalist Rules, the Company will disregard any votes cast on Ordinary Resolution 1 and Ordinary Resolution 2 by any of Aspial, MLHS, the Koh Siblings and their respective associates.

Further, each of Aspial, MLHS, the Koh Siblings and their respective associates undertakes to decline, and shall ensure that its associates decline, to accept appointment as proxies to vote at and attend the forthcoming EGM in respect of the Proposed Acquisition and the Proposed Allotment for other Shareholders, unless the Shareholder concerned has given specific instructions as to the manner in which his votes are to be cast at the EGM.

9. OPINION AND ADVICE OF THE IFA TO THE INDEPENDENT DIRECTORS

9.1 IFA

Pursuant to Rule 921(4)(a) of the Catalist Rules, the Company has appointed Xandar Capital as the independent financial adviser (“**IFA**”) to advise the Independent Directors on whether the terms of the Proposed Acquisition are on normal commercial terms and prejudicial to the interests of the Company and its minority Shareholders. A copy of its letter dated 22 August 2022 to the Independent Directors (the “**IFA Letter**”) is set out as Appendix B to this Circular and Shareholders are advised to read the IFA Letter carefully.

9.2 IFA’s Opinion and Advice

Having considered the factors and subject to the assumptions and qualifications set out in the IFA Letter, the IFA is of the view that the terms of the Proposed Acquisition (including the Proposed Allotment) are on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

9.3 Extracts from the IFA Letter

The following are extracts from Section 5 of the IFA Letter and Shareholders should read such extracts in conjunction with, and in full context of, the full text of the IFA Letter. All terms and expressions used in the extracts below shall have the same meanings as those defined in the IFA Letter unless otherwise stated:

“5. OUR OPINION

Having regard to our terms of reference, in arriving at our opinion, we have taken into account a range of factors which we consider to be pertinent and have a significant bearing on our assessment of the Proposed Acquisition. We have carefully considered as many factors as we deem essential and balanced them before reaching our opinion. Accordingly, it is important that our IFA Letter, in particular, all the considerations and information we have taken into account, be read in its entirety.

We set out below a summary of the key factors we have taken into our consideration of the Proposed Acquisition:

- (a) *the Base Consideration of S\$87.8 million is at discounts to the range of market value of the Target Group as opined by the Independent Valuer while the Total Consideration of S\$99.8 million represents a premium of 1.4% to the lower range of the market value of the Target Group as opined by the Independent Valuer and a discount of 13.7% to the higher range of the market value of the Target Group as opined by the Independent Valuer;*
- (b) *both the Base Consideration and the Total Consideration represent discounts to the average of the market values of the Target Group as opined by the Independent Valuer;*
- (c) *the P/E ratios of the Target Group (whether as implied by the Base Consideration or the Total Consideration) are within the range and below the mean and median P/E ratios of the Comparable Companies while the EV/EBITDA ratios of the Target Group (whether as implied by the Base Consideration or the Total Consideration) are within the range and below the mean EV/EBITDA ratio of the Comparable Companies;*
- (d) *the earnings-related ratios of the Target Group (whether implied by the Base Consideration or the Total Consideration) are below the corresponding ratios of the Company;*
- (e) *the valuation statistics of the Company implied by the Issue Price is higher than the corresponding ratios of the Maxi-Cash Comparable Companies;*
- (f) *the Issue Price (i) is generally in line with the closing price of the Maxi-Cash Shares for the period between mid-March 2022 and the Latest Practicable Date, (ii) represents discounts of less than 6% to the VWAPs of the Maxi-Cash Shares for the periods prior to and including the Announcement Date, (iii) represents a slight premium (of 0.6%) to the VWAP on the Announcement Date and the VWAP for the period after the Announcement Date up to the Latest Practicable Date, and (iv) is at a premium (of 14.8%) to the latest adjusted revalued NAV per Maxi-Cash Share; and*
- (g) *other consideration as set out in paragraph 4.5 of this IFA Letter.*

Accordingly, after taking into account the above factors and the information made available to us as at the Latest Practicable Date, we are of the opinion that, the Proposed Acquisition is on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders.”

In arriving at its opinion, Xandar Capital did not consider the specific investment objectives, financial situation, tax consequences, risk profile or unique needs and constraints of any individual Shareholder or any specific group of Shareholders. As each Shareholder would have different investment objectives and profiles, any individual Shareholder or group of Shareholders who may require specific advice in relation to his or their investment objectives or portfolio(s) should consult his/her or their legal, financial, tax or other professional advisers immediately.

10. CHAPTER 10 OF THE CATALIST RULES

The relative figures of the Proposed Acquisition computed on the bases set out in Rule 1006 of the Catalist Rules based on the latest announced (a) audited consolidated financial statements of the MCFS Group for FY2021; and (b) unaudited consolidated financial statements of the MCFS Group for HY2022 are as follows:

Rule 1006	Bases	Relative Figures (FY2021) (%)	Relative Figures (HY2022) ⁽¹⁾ (%)
(a)	Net asset value of the assets to be disposed of, compared with the MCFS Group's net asset value	Not applicable ⁽²⁾	Not applicable ⁽²⁾
(b)	Net profits attributable to the assets to be acquired, compared with the MCFS Group's net profits	81.44 ⁽³⁾	67.82 ⁽⁴⁾
(c)	Aggregate value of the consideration given, compared with the Company's market capitalisation based on the total number of issued shares, excluding treasury shares and subsidiary holdings	57.24 ⁽⁵⁾	57.24 ⁽⁵⁾
(d)	Number of equity securities issued by the Company as consideration for the Proposed Acquisition, compared with the number of equity securities previously in issue	32.66 ⁽⁶⁾	32.66 ⁽⁶⁾
(e)	Aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of MCFS Group's proved and probable reserves	Not applicable ⁽⁷⁾	Not applicable ⁽⁷⁾

Notes:

- (1) The unaudited consolidated financial statements of the MCFS Group for HY2022 were announced by the Company on 8 August 2022, and accordingly, the relative figures of the Proposed Acquisition computed on the bases set out in Rule 1006 of the Catalist Rules based on the latest unaudited consolidated financial statements of the MCFS Group for HY2022 have been included in this Circular.
- (2) Not applicable, as there are no assets to be disposed of.
- (3) Based on the net profits attributable to the Target Group of S\$14,320,000, compared with the MCFS Group's net profits of S\$17,583,000, for FY2021.
- (4) Based on the net profits attributable to the Target Group of S\$7,810,000, compared with the MCFS Group's net profits of S\$11,515,000, for HY2022.
- (5) Based on the aggregate value of the consideration given of S\$99,800,000, compared with the Company's market capitalisation of S\$174,976,066, against 1,066,927,234 Maxi-Cash Shares in issue (excluding treasury shares and subsidiary holdings), at a weighted average price of S\$0.164 per Maxi-Cash Share on 6 July 2022, being the last market day on which the Maxi-Cash Shares were traded preceding the date of the SPA ("VWAP"), the relative figure for Rule 1006(c) of the Catalist Rules would have been 57.04%.

Rule 1003(3) of the Catalist Rules provides that, where the consideration is in the form of shares, the value of the consideration shall be determined by reference either to the market value of such shares or the net asset value represented by such shares, whichever is higher. In this instance,

- (I) the aggregate value of the Consideration is S\$99,800,000;
- (II) the aggregate of (a) the net asset value represented by the Maxi-Cash Shares Consideration based on the latest audited consolidated financial statements of the MCFS Group for FY2021 is S\$0.1401 whilst based on the latest unaudited consolidated financial statements of the MCFS Group for HY2022 is S\$0.1424, and (b) the cash component of the Consideration payable, as well as the settlement of the Outstanding Debt, being an aggregate sum of S\$43,000,000, would be approximately S\$91,820,122 and S\$92,621,595 respectively; and

- (III) the aggregate of (a) the market value of up to 348,466,256 Maxi-Cash Shares Consideration based on the VWAP and (b) the cash component of the Consideration payable, as well as the settlement of the Outstanding Debt, being an aggregate sum of S\$43,000,000, would be approximately S\$100,148,466 (being the highest of (I) to (III) above).

Accordingly, the relative figure for Rule 1006(c) of the Catalist Rules of 57.24% was based on the aggregate value of the consideration of S\$100,148,466 divided by the Company's market capitalisation of S\$174,976,066.

- (6) Based on the aggregate of up to 348,466,256 new Maxi-Cash Shares to be issued (comprising 311,656,441 Base Consideration Shares and up to 36,809,815 Earn-out Consideration Shares).
- (7) Not applicable, as the Company is not a mineral, oil and gas company.

As at least one of the relative figures computed on the applicable bases set out in Rule 1006 of the Catalist Rules for the Proposed Acquisition exceeds 75% but is less than 100%, the Proposed Acquisition constitutes a "major transaction" under Rule 1014 of the Catalist Rules and shall be subject to the approval of the Shareholders.

11. SHAREHOLDERS' APPROVAL FOR THE PROPOSED ALLOTMENT

11.1 Rule 805(1) of the Catalist Rules

Section 161 of the Act and Rule 805(1) of the Catalist Rules provide, among others, that an issuer must obtain the prior approval of shareholders in general meeting for the issue of shares or convertible securities or the grant of options carrying rights to subscribe for shares of the issuer unless the issue of shares or convertible securities or the grant of options carrying rights to subscribe for shares of the issuer is made pursuant to a general mandate previously obtained from shareholders of the issuer at a general meeting as provided in Rule 806 of the Catalist Rules.

The Proposed Allotment will be made pursuant to a specific mandate and the Company is seeking specific Shareholder's approval for the Proposed Allotment at the EGM in accordance with Rule 805(1) of the Catalist Rules.

11.2 Rule 804 and Rule 812 of the Catalist Rules

Rule 804 of the Catalist Rules further provides, among others, that except in the case of an issue made on a pro rata basis to shareholders or a scheme referred to in Part VIII of Chapter 8 of the Catalist Rules, no director of an issuer, or associate of the director, may participate directly or indirectly in an issue of equity securities or convertible securities unless shareholders in general meeting have approved the specific allotment. Such directors and their associates must abstain from exercising any voting rights on the matter.

In addition, Rule 812(1) and Rule 812(2) of the Catalist Rules provide that an issue of shares must not be placed to an issuer's directors and substantial shareholders and their immediate family members unless specific shareholders' approval has been obtained for such placement, and the person, and its associates, must abstain from voting on the resolution approving the placement.

As the Consideration Shares will be allotted and issued to Aspial, which is an associate of the Koh Siblings as well as a substantial shareholder of the Company, Shareholders' approval is required for the allotment of and issue of the Consideration Shares to Aspial pursuant to Rule 804 and Rule 812 of the Catalist Rules.

12. OPINION OF THE AUDIT COMMITTEE

The Audit Committee comprises Mr Tan Keh Yan, Peter, Mr Lee Sai Sing, Ms Goh Bee Leong, Mr Tan Soo Kiang and Ms Ko Lee Meng. The Chairman of the Audit Committee is Mr Tan Keh Yan, Peter.

As Ms Ko Lee Meng is a director and controlling shareholder of Aspial, she is considered interested in the Proposed Acquisition and has recused herself from the Audit Committee's deliberations on the Proposed Acquisition.

In relation to the Proposed Acquisition, the Audit Committee (other than Ms Ko Lee Meng) having considered and reviewed, *inter alia*, the terms, the rationale and the benefits of the Proposed Acquisition (including the Consideration and the basis for the Consideration (as set out in paragraph 3.1(e) of this Circular), as well as the opinion and advice of the IFA as set out in the IFA Letter, and after discussions with the management of the Company, concurs with the opinion of the IFA and is satisfied that, the terms of the Proposed Acquisition are on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

Accordingly, the Audit Committee (other than Ms Ko Lee Meng) recommends that the Shareholders vote in favour of Ordinary Resolution 1 to be proposed at the EGM, notice of which is set out on pages N-1 to N-3 of this Circular, specifically to approve the Proposed Acquisition.

13. EFFECTING THE PROPOSED CHANGE OF NAME

- 13.1 Upon receipt of the approval of the Shareholders for the Proposed Change of Name, and subject to the completion of the Proposed Acquisition, the Company will lodge with ACRA a Notice of Change of Name from “Maxi-Cash Financial Services Corporation Ltd.” to “Aspial Lifestyle Limited” to effect such change. Upon the receipt of the relevant approval(s) from ACRA, the name “Aspial Lifestyle Limited” shall be substituted for “Maxi-Cash Financial Services Corporation Ltd.”, wherever the latter name appears in the constitution of the Company. Apart from the substitution of the Company’s name, no amendments will be made to the Constitution. The Company will make an announcement when the Proposed Change of Name takes effect.
- 13.2 Shareholders should note that notwithstanding the Proposed Change of Name, the Company will not recall existing share certificates in respect of the Maxi-Cash Shares, which will continue to be *prima facie* evidence of legal title. No further action is required on the part of the Shareholders in respect of existing share certificates.
- 13.3 The Proposed Change of Name will not affect (a) the identity and legal status of the Company; (b) any of the rights or obligations of the Company; (c) any of the rights of Shareholders; or (d) the MCFs Group’s daily business operations and financial position. The existing Maxi-Cash Shares will continue to be traded on the Catalist.

14. DIRECTORS’ SERVICE CONTRACTS

No person is proposed to be appointed as a director of the Company in connection with the Proposed Acquisition. Accordingly, no service contract is proposed to be entered into between the Company and any such person in connection with the Proposed Acquisition.

15. DIRECTORS’ RECOMMENDATIONS

15.1 Ordinary Resolutions

The Directors who are considered independent for the purposes of making a recommendation to the Shareholders in respect of the Proposed Acquisition are Mr Tan Keh Yan, Peter, Mr Lee Sai Sing, Ms Goh Bee Leong and Mr Tan Soo Kiang (the “**Independent Directors**”).

Mr Koh Wee Seng, Ms Ko Lee Meng and Ms Koh Lee Hwee, each of them being a director and controlling shareholder of Aspial, are accordingly considered to be interested in the Proposed Acquisition and the Proposed Allotment, and shall abstain from making recommendations to Shareholders in respect of the Proposed Acquisition and the Proposed Allotment. Additionally, as Mr Ng Kean Seen is part of the management team of the Company which provides management services to the Target Group, to avoid any potential conflicts of interests and in the spirit of good corporate governance, Mr Ng Kean Seen shall on a voluntary basis, abstain from making recommendations to Shareholders in respect of the Proposed Acquisition and the Proposed Allotment.

Having considered, *inter alia*, the terms, the rationale for and benefits of the Proposed Acquisition (including the Proposed Allotment), as well as the opinion and advice of the IFA, the Independent Directors are of the view that Ordinary Resolution 1 and Ordinary Resolution 2 are in the best interests of the Company. Accordingly, the Independent Directors recommend that the Shareholders vote in favour of Ordinary Resolution 1 and Ordinary Resolution 2 to be proposed at the EGM, notice of which is set out on pages N-1 to N-3 of this Circular, specifically to approve the Proposed Acquisition and Proposed Allotment.

15.2 Special Resolution

Having considered, *inter alia*, the rationale for and benefits of the Proposed Change of Name, the Directors are of the view that the Special Resolution is in the best interests of the Company. Accordingly, the Directors recommend that the Shareholders vote in favour of the Special Resolution to be proposed at the EGM, notice of which is set out on pages N-1 to N-3 of this Circular, specifically to approve the Proposed Change of Name.

16. CONSENTS

16.1 Consent by the Financial Adviser

The Financial Adviser has given and has not withdrawn its written consent to the issue of this Circular with the inclusion herein of its name and all references to its name, in the form and context in which they appear in this Circular.

16.2 Consent by the Independent Valuer

The Independent Valuer has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name, the Valuation Summary Letter (as set out in Appendix A to this Circular), and all references to its name, the Valuation Summary Letter and the Valuation Report in the form and context in which they appear in this Circular.

16.3 Consent by the IFA

The IFA has given and has not withdrawn its written consent to the issue of this Circular with the inclusion herein of its name, the IFA Letter (as set out in Appendix B to this Circular) and all references to its name and the IFA Letter, in the form and context in which they appear in this Circular.

17. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages N-1 to N-3 of this Circular, will be convened and held by way of electronic means on 14 September 2022 at 10.00 a.m. (Singapore time) for the purpose of considering and, if thought fit, passing with or without modifications, the Proposed Resolutions as set out in the Notice of EGM.

18. ACTION TO BE TAKEN BY THE SHAREHOLDERS

18.1 EGM to be Convened by Way of Electronic Means

The EGM is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of the Notice of EGM and Proxy Form will not be sent to Shareholders. This Circular (together with the Notice of EGM and the Proxy Form) may be accessed at the Company's website at the URL <https://maxi-cash.com/about-us> and is also available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.

18.2 Alternative Arrangements Relating to Attendance at the EGM

Alternative arrangements relating to attendance at the EGM via electronic means (including arrangements by which the meeting can be electronically accessed via “live” audio-visual webcast or “live” audio-only stream), submission of questions to the Chairman of the EGM in advance of the EGM, addressing of substantial and relevant questions at a virtual information session (“VIS”) to be held on 6 September 2022 at 10.00 a.m., before the EGM and voting by appointing the Chairman of the EGM as proxy at the EGM, are set out in the accompanying Company’s announcement dated 22 August 2022. This announcement may be accessed at the Company’s website at the URL <https://maxi-cash.com/about-us> and is also available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.

18.3 Appointment of the Chairman of the EGM as proxy

A member (whether individual or corporate) must appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such member wishes to exercise his/her/its voting rights at the EGM. Printed copies of the Notice of EGM and the Proxy Form will not be sent to Shareholders. The Proxy Form may be accessed at the Company’s website at the URL <https://maxi-cash.com/about-us> and is also available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.

18.4 Submission of Proxy Forms

The instrument appointing the Chairman of the EGM as proxy must be submitted to the Company in the following manner:

- (a) if submitted by post, be lodged at the office of the Company’s Share Registrar, B.A.C.S. Private Limited at 77 Robinson Road #06-03 Robinson 77, Singapore 068896; or
- (b) if submitted electronically, be submitted via email to the Company at maxi-cashegm@maxi-cash.com,

in either case, by 10.00 a.m. (Singapore time) on 11 September 2022 (being not less than 72 hours before the time appointed for the EGM).

A Shareholder who wishes to submit a Proxy Form must first download (where necessary), complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above. In the alternative, a Shareholder may download, complete and authorise the Proxy Form by way of the affixation of an electronic signature, before sending it by email to the email address provided above.

In appointing the Chairman of the EGM as proxy, a Shareholder must give specific instructions as to voting, or abstentions from voting, in the Proxy Form, failing which the appointment of the Chairman of the EGM as proxy will be treated as invalid.

19. RESPONSIBILITY STATEMENTS

19.1 Directors

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Acquisition, the Proposed Allotment and the Proposed Change of Name, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

19.2 Financial Adviser

To the best of the Financial Adviser's knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Acquisition, the Company and its subsidiaries, and SAC Capital Private Limited, the Financial Adviser is not aware of any facts the omission of which would make any statement in this Circular misleading.

20. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection at the registered office of the Company at 80 Raffles Place, #32-01 UOB Plaza 1, Singapore 048624, during normal business hours from the date of this Circular up to and including the date of the EGM:

- (a) the Constitution of the Company;
- (b) the annual report of the Company for FY2021;
- (c) the IFA Letter;
- (d) the SPA;
- (e) the Valuation Summary Letter;
- (f) the Valuation Report; and
- (g) the letters of consent from the Financial Adviser, the Independent Valuer and the IFA.

Shareholders who wish to inspect these documents at the registered office of the Company are required to send a written request via email to the Company at maxi-cashegm@maxi-cash.com to make an appointment in advance. The Company will allocate the date and the time when each Shareholder may come to the registered office of the Company to inspect the documents to limit the number of people who are present at the registered office of the Company at any one point in time. Such arrangements are subject to the prevailing regulations, orders advisories and guidelines relating to safe distancing, vaccination status and testing requirements which may be implemented by the relevant authorities from time to time.

Yours faithfully

For and on behalf of the Board of Directors of
MAXI-CASH FINANCIAL SERVICES CORPORATION LTD.

Mr Ng Kean Seen
Chief Executive Officer

APPENDIX A – VALUATION SUMMARY LETTER

INDEPENDENT VALUATION SUMMARY LETTER

22 August 2022

The Board of Directors
Maxi-Cash Financial Services Corporation Ltd.
80 Raffles Place
#32-01 UOB Plaza 1
Singapore 048624

Dear Sirs

1. INTRODUCTION

RSM Corporate Advisory Pte Ltd (“**RSMCA**”) has been engaged by Maxi-Cash Financial Services Corporation Ltd. (“**Maxi-Cash**” or the “**Company**”) to provide assistance in estimating the Market Value (“**Market Value**” or “**MV**”) range of the local jewellery business of Aspial Corporation Limited (“**ACL**”) (the “**Jewellery Business**”) as at 31 March 2022 (the “**Valuation Date**”). The Jewellery Business comprises the entities below:

- i. Gold Purple Pte. Ltd. (“**GPPL**”)
- ii. BU2 Services Pte. Ltd. (“**BU2**”)
- iii. Aspial-Lee Hwa Jewellery Singapore Pte. Ltd. (“**ALHJS**”)
- iv. Aspial-Lee Hwa Jewellery Pte. Ltd. (“**ALHJ**”)
- v. Goldheart Jewelry Pte. Ltd. (“**GHJ**”); and
- vi. Aspial Capital (Ubi) Pte. Ltd. (“**ACU**”)

This letter has been prepared for the purpose of inclusion in a circular (“**Circular**”) to be issued in relation to the proposed acquisition by Maxi-Cash to acquire the Jewellery Business (the “**Proposed Acquisition**”), which will be subject to the approval of the Company’s shareholders being obtained at an extraordinary general meeting.

This letter sets out a summary of the information contained in our valuation report (the “**Valuation Report**”) dated 22 August 2022. Accordingly, this letter should be read in conjunction with the full text of the Valuation Report.

Unless otherwise stated, words and expressions defined in the Circular for the purpose of obtaining shareholders’ approval for the Proposed Acquisition have the same meaning in this letter.

2. TERMS OF REFERENCE

Scope of Work and Basis of Value

RSMCA has been appointed by Maxi-Cash to conduct a valuation to estimate the Market Value range of the Jewellery Business as at the Valuation Date.

For the purpose of this valuation, Market Value is defined as “*the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion*”, as set out in International Valuation Standards.

The Market Value range of the Jewellery Business is derived from the sum of the following parts:

- 1) GPPL, BU2, ALHJS, ALHJ and GHJ (the “**Jewellery Entities**”)

We adopted the Income Approach to estimate the Market Value range of 100% of the Jewellery Entities as the principal activity of the Jewellery Entities relates to retail of jewelleries. Under the Income Approach, the Market Value has been estimated as the sum of the future free operating cash flows expected to be generated by the Jewellery Entities discounted to its present value as at the Valuation Date, using the Weighted Average Cost of Capital ("**WACC**").

We also applied the Market Approach as a cross-check to the value derived under the Income Approach. We compared the implied multiples with the EV/EBITDA multiple of listed comparable companies.

In view of the minimal earnings contribution from GPPL and BU2, their financial projections are excluded for the valuation. Instead, the net assets of GPPL and BU2 are considered in the sum of the parts.

2) ACU

We applied the Net Asset Value ("**NAV**") Approach to estimate the Market Value of 50% of ACU as at the Valuation Date as ACU is a property holding company where its value lies in the underlying asset, a property located at 55 Ubi Avenue 3, Aspial One, Singapore 408864 (the "**Building**").

Management engaged Savills Valuation and Professional Services (S) Pte Ltd ("**Savills**") to estimate the market value of the Building as at 31 March 2022.

We have no present or prospective interest in the Jewellery Business and are not a related corporation of nor do we have a relationship with the owners or other party/parties whom the Company is contracting with.

RSMCA's compensation is not contingent upon the reporting of a pre-determined value or direction in value that favours anyone, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

Limitations of our Valuation Report and this Letter

This letter and the Valuation Report are addressed strictly to the Board of Directors (the "**Board**") and for the intended purpose as set out above and accordingly neither the Valuation Report nor this letter may be used or relied upon in any other connection by, and are not intended to confer any benefit on, any person (including without limitation the shareholders of Maxi-Cash).

Our terms of reference do not require us to evaluate or comment on the rationale, or the strategic or long term perspective of the Proposed Acquisition or future financial performance of the Jewellery Business. We are not required to express any view on the growth prospects or potential of the Jewellery Business.

The Valuation Report is also not intended to be and is not included in the Circular, and does not purport to contain all the information that may be necessary or desirable to fully evaluate the Proposed Acquisition.

We are not required and have not conducted a comprehensive review of the business, technical, operational, strategic or other commercial risks and merits of the Jewellery Business and accordingly make no representation or warranty, expressed or implied, in this regard. We do not express any opinion on the commercial merits and structure of the Proposed Acquisition, nor are we providing any opinion, expressed or implied, as to the price of the shares or the financial condition or performance of Maxi-Cash upon the completion of the Proposed Acquisition.

We do not provide assurance on the achievability of the future free cash flows results because events and circumstances may differ from the assumptions and expectations of the management of Maxi-Cash ("**Management**"); and achievement of the forecast results is dependent on the subsequent actions, plans and execution, as well as other external factors.

Our estimates of the Market Value range of the Jewellery Business are based upon prevailing market, economic, industry, monetary and other conditions and on the information available as at the Valuation Date. Such conditions may change significantly over a relative short period of time and we assume no responsibility and are not required to update, revise or reaffirm our valuation conclusion to reflect events or developments subsequent to the Valuation Date.

Reliance on Information

In conducting our review and for the purpose of preparing our valuation range and the Valuation Report, we have held discussions with Management and we have read the information provided by them and other publicly available information, upon which our valuation analysis is based. Management have confirmed to us, that all material information available to them with respect to the Jewellery Business that is relevant for the purpose of our terms of reference, has been disclosed to us and that such information is fair and accurate in all material respects and that there is no other information or fact, the omission of which would cause any information disclosed to us to be inaccurate or misleading in any material respect on the Jewellery Business.

We have assumed and relied upon, and have not independently verified the accuracy, completeness and adequacy of all such information provided or otherwise made available to us or relied upon by us as described above, whether written or verbal, and no representation or warranty, expressed or implied, is made and no responsibility is accepted by us concerning the accuracy, completeness or adequacy of all such information.

Management is solely responsible for the accuracy and fair statement of the information provided to us for use in performing the valuation exercise. The basis and assumptions of the accuracy and completeness of the financial information of the Jewellery Business are solely the responsibility of Management and the Board of Directors.

For the avoidance of doubt, our scope did not include the valuation of property, plant and equipment ("**PP&E**") which has to be conducted by an independent PP&E valuer. Management engaged Savills to estimate the market value of the Building as at 31 March 2022. As such, we will not make any independent evaluation or appraisal of the PP&E, but will be relying on the market value as estimated by Savills.

3. KEY ASSUMPTIONS

The Market Value range of the Jewellery Business is based on the information provided by and representations made by Management. The assumptions used reflect the expectations and views regarding future events as at the Valuation Date and therefore, necessarily involve known and unknown risks and uncertainties affecting the Jewellery Business.

We relied on the following general assumptions in arriving at the Market Value range of the Jewellery Business as at the Valuation Date:

- 1) Information up to the Valuation Date provided by Management fairly reflects the Jewellery Business' financial and operating position as at the Valuation Date;
- 2) The Jewellery Business is operating on a going concern basis as at the Valuation Date and will continue to have sufficient liquidity and capability to achieve its forecasted projections;
- 3) The reliability and achievability of the forecast assumptions;
- 4) The accuracy of the property valuation report dated 2 June 2022 prepared by Savills and provided to us by Management, including the assumption that the Market Value of the Building as assessed by Savills is reflective of the actual Market Value of the Building;
- 5) Ability for ACU to service the principal and interest of its loans as the Building is mainly rented out to related companies with low risk of default in rental payments;
- 6) The Jewellery Entities' performance for the three (3) months ended 31 March 2022 and the pro-rated nine (9) months performance in FY2021 represents a maintainable state;
- 7) The accuracy and completeness of financial information provided to us;
- 8) The WACC (i.e. the discount rate) is estimated at 10.8% for the Jewellery Entities and we have applied a range of discount rates ranging from 10.3% to 11.3%; and
- 9) Other information and representations made to us by Management during our discussions.

4. CONCLUSION

In accordance with the terms of reference, limitations, key assumptions and factors set out herein, RSMCA has arrived at the Market Value range of the Jewellery Business to be **S\$98.4 million to S\$115.6 million** as at the Valuation Date.

Yours faithfully,

For and on behalf of RSM Corporate Advisory Pte Ltd

A handwritten signature in black ink, appearing to read 'Terence Ang', written over a horizontal line.

Terence Ang
Executive Director
Chartered Valuer and Appraiser, Singapore

APPENDIX B – IFA LETTER



22 August 2022

MAXI-CASH FINANCIAL SERVICES CORPORATION LTD.

80 Raffles Place
#32-01 UOB Plaza
Singapore 048624

Attention: The Independent Directors (as defined herein)

Dear Independent Directors

LETTER FROM XANDAR CAPITAL PTE. LTD. TO THE INDEPENDENT DIRECTORS OF MAXI-CASH FINANCIAL SERVICES CORPORATION LTD. IN RESPECT OF THE PROPOSED ACQUISITION OF ALL THE ISSUED ORDINARY SHARES (THE “SALE SHARES”) IN THE CAPITAL OF ASPIAL-LEE HWA JEWELLERY SINGAPORE PTE. LTD. (“ASPIAL-LEE HWA SINGAPORE”), GOLD PURPLE PTE. LTD. (“GOLD PURPLE”) AND BU2 SERVICES PTE. LTD. (“BU2 SERVICES”) (COLLECTIVELY, THE “TARGET COMPANIES”) AS AN INTERESTED PERSON TRANSACTION UNDER CHAPTER 9 OF THE LISTING MANUAL (SECTION B: RULES OF CATALIST) (THE “CATALIST RULES”) OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (THE “SGX-ST”)

All capitalised terms in this letter which are not defined herein shall have the same meaning ascribed to them in the circular to shareholders of the Company dated 22 August 2022 (the “Circular”).

1. INTRODUCTION

On 7 July 2022 (the “**Announcement Date**”), the Company announced that it had, on 7 July 2022, entered into a sale and purchase agreement (the “**SPA**”) with Aspial Corporation Limited (“**Aspial**”), pursuant to which Aspial has agreed to sell, and the Company has agreed to acquire the Sale Shares, for an aggregate consideration of up to S\$99.8 million (the “**Total Consideration**”), which shall be satisfied in cash and in new ordinary shares in the capital of the Company (the “**New Maxi-Cash Shares**”) at an issue price of S\$0.163 (the “**Issue Price**”) for each New Maxi-Cash Share (the “**Proposed Acquisition**”).

Aspial is a controlling shareholder of the Company, holding a direct and deemed interest in 667,446,769 ordinary shares (“**Maxi-Cash Shares**”), representing approximately 62.56% of the total issued Maxi-Cash Shares as at 8 August 2022, being the Latest Practicable Date. Furthermore, as at the Latest Practicable Date, each of Koh Wee Seng, Koh Lee Hwee and Ko Lee Meng (collectively, the “**Koh Siblings**”), who are directors of the Company (“**Directors**”), together with his/her immediate family, hold interest of 30% or more in Aspial. Accordingly, Aspial is regarded as an ‘associate’ of a Director under the Catalist Rules, and Aspial is considered as an “interested person” and the Proposed Acquisition is an “interested person transaction” under Chapter 9 of the Catalist Rules.

As the value of the Proposed Acquisition exceeds 5% of the Company’s latest audited consolidated net tangible assets (“**NTA**”) of approximately S\$147.9 million as at 31 December

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2021, the Proposed Acquisition is an “interested person transaction” subject to the approval from the independent shareholders of the Company.

The Company is convening the extraordinary general meeting (“**EGM**”) to seek independent shareholders’ approval for the Proposed Acquisition. In connection thereof, the Company is required to obtain an opinion from an independent financial adviser (“**IFA**”) on whether the Proposed Acquisition is on normal commercial terms, and whether the Proposed Acquisition is prejudicial to the interests of the Company and its minority shareholders.

Xandar Capital Pte. Ltd. (“**Xandar Capital**”) has been appointed by the Company to act as the IFA to advise the directors of the Company who are deemed independent for the purposes of the Proposed Acquisition, namely Mr Tan Keh Yan, Peter, Mr Lee Sai Sing, Ms Goh Bee Leong and Mr Tan Soo Kiang (collectively, the “**Independent Directors**”) as to (i) whether the Proposed Acquisition is normal commercial terms; and (ii) whether the Proposed Acquisition is prejudicial to the interests of the Company and its minority shareholders.

This letter (this “**IFA Letter**”), which is prepared pursuant to Rule 921(4)(a) of the Catalist Rules, sets out our evaluation of, and our opinion to, the Proposed Acquisition, and forms part of the Circular issued by the Company in connection with the Proposed Acquisition.

2. TERMS OF REFERENCE

Xandar Capital has been appointed as the IFA to opine on (i) whether the Proposed Acquisition is normal commercial terms; and (ii) whether the Proposed Acquisition is prejudicial to the interests of the Company and its minority shareholders.

We are not and were not involved in any aspect of the negotiations pertaining to the Proposed Acquisition, nor were we involved in the deliberations leading up to the decisions on the part of the Directors to undertake the Proposed Acquisition. Accordingly, we do not, by this IFA Letter, warrant the merits of the Proposed Acquisition.

Our terms of reference do not require us to express, evaluate or comment on the rationale for, strategic or commercial merits and/or risks of the Proposed Acquisition, or the future performance or prospects of the Company, its subsidiaries and associated companies (the “**MCFS Group**”). We are, therefore, not expressing any opinion herein as to the future financial or other performance (including share price performance) of the Company or the MCFS Group, whether with or without the Proposed Acquisition.

As with other business transactions of the Company, the merit and/or associated risk, whether commercial, financial or otherwise, of the Proposed Acquisition, are solely the responsibility of the Directors. We are also not addressing the relative merits of the Proposed Acquisition, as compared to any alternative transaction of the MCFS Group or that otherwise may become available to the MCFS Group in the future. Such evaluations or comments remain the responsibility of the Directors and the management of the MCFS Group.

In the course of our evaluation and for the purpose of providing our opinion in respect of the Proposed Acquisition, we have held discussions with certain Directors and the management of the MCFS Group and have examined information provided by the Directors and the management of the MCFS Group and other publicly available information collated by us, upon which our view

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is based. We have not independently verified such information, whether written or verbal, and accordingly cannot and do not make any representation or warranty in respect of, and do not accept any responsibility for, the accuracy, completeness or adequacy of such information. We have nevertheless made reasonable enquiries and exercised our judgment as we deemed necessary or appropriate on the reasonable use of such information and found no reason to doubt the accuracy or reliability of the information.

We have not made any independent evaluation and appraisal on the Target Companies and their subsidiaries (the “**Target Group**”), the Company and/or the MCFS Group. The Company has commissioned RSM Corporate Advisory Pte Ltd as the independent valuer (the “**Independent Valuer**”) to assess and estimate the market value of the local jewellery business operated by the Target Group. The valuation report dated 22 August 2022 prepared by the Independent Valuer (the “**Valuation Report**”) is a document available for inspection at the registered office of the Company for the period from the date of the Circular up to and including the date of the EGM while a summary of the Valuation Report (the “**Valuation Summary Letter**”) prepared by the Independent Valuer is reproduced as Appendix A to the Circular. Save for the Valuation Report (and the Valuation Summary Letter), we have not been furnished with any other evaluation or appraisal of the assets and/or liabilities of the Target Group. With respect to the Valuation Report, we are not experts in the evaluation or appraisal of the subject concerned and we have placed sole reliance on the Valuation Report for such appraisal.

We have relied upon the assurance of the Directors that the Directors collectively and individually accept full responsibility for the accuracy of the information given in the Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, the Circular constitutes full and true disclosure of all material facts about the Proposed Acquisition, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in the Circular misleading. Where information in the Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context.

Our opinion is based upon prevailing market, economic, industry, monetary and other conditions (where applicable) and the information made available to us contained in the Circular as of the Latest Practicable Date. We assume no responsibility to update, revise or reaffirm our view in light of any subsequent development after the Latest Practicable Date that may affect our opinion contained herein. Shareholders should take note of any announcements relevant to their consideration of the Proposed Acquisition, which may be released by the Company after the Latest Practicable Date.

In arriving at our opinion, we did not consider the specific investment objectives, financial situation, tax consequences, risk profile or unique needs and constraints of any shareholder or any specific group of shareholders. We recommend that any individual shareholder or group of shareholders who may require specific advice in relation to his or their investment objectives or portfolios should consult his or their legal, financial, tax or other professional advisors immediately.

Our opinion is for the use and benefit of the Independent Directors in their deliberation of the Proposed Acquisition, and the recommendation made by the Independent Directors shall remain the responsibility of the Independent Directors.

The Company has been separately advised by its own advisors in the preparation of the Circular (other than this IFA Letter). We have no role or involvement and have not provided any advice, financial or otherwise, whatsoever in the preparation, review and verification of the Circular (other than this IFA Letter). Accordingly, we take no responsibility for and express no views, express or implied, on the contents of the Circular (other than this IFA Letter).

Our opinion, in relation to the Proposed Acquisition, should be considered in the context of the entirety of this IFA Letter and the Circular.

Whilst a copy of this IFA Letter may be reproduced in the Circular, neither the Company, the Directors nor the shareholders may reproduce, disseminate or quote this IFA Letter (or any part thereof) for any other purposes other than the Proposed Acquisition at any time and in any manner without our prior written consent.

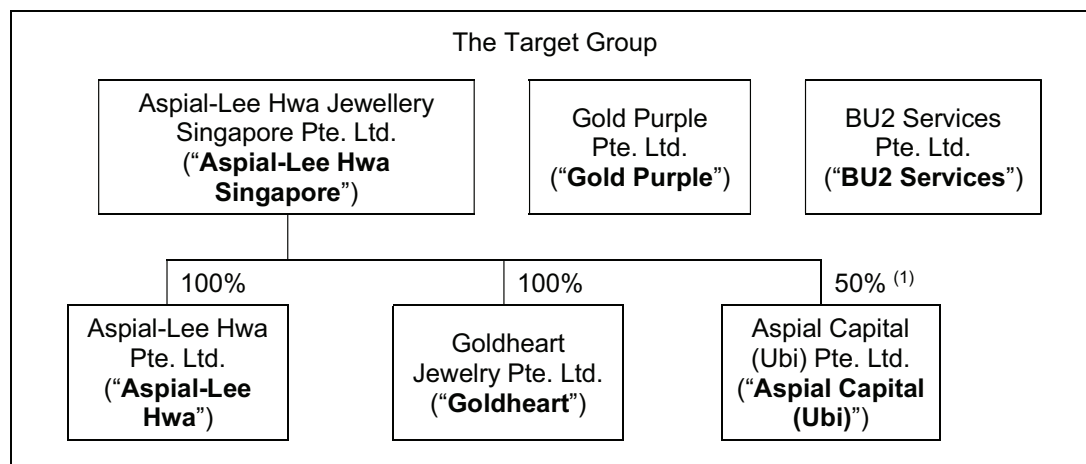
We recommend that the Directors advise the independent shareholders to read these pages carefully.

3. ABOUT THE PROPOSED ACQUISITION

3.1 ABOUT THE TARGET GROUP

Information on the Target Group can be found in sections 2.2 to 2.4 of the Circular.

We illustrate as follows:



Note:

(1) The Company is already a 50%-shareholder of Aspial Capital (Ubi).

The Target Group is in the business of the manufacture and sale of jewellery in Singapore under the “Lee Hwa” and “Goldheart” brands. BU2 Services provides internal procurement services.

3.1.1 The historical financial performance of the Target Group

We set out certain key historical financial performance numbers of the Target Group as follows:

(\$'000)	Financial year ended 31 December ("FY") 2019	FY2020	FY2021	Six (6) months ended 30 June ("HY") 2021	HY2022
Revenue	87,394	67,756	106,906	49,261	60,693
Earnings before interest, tax, depreciation and amortisation ("EBITDA")	14,240	19,963	28,872	13,483	15,162
Profit after tax ("PAT")	(851)	3,140	12,547	5,728	6,477

Based on the HY2021 and HY2022 financials, we calculate the EBITDA and PAT of the Target Group for the last 12 months ended 30 June 2022 ("LTM2022") to be approximately S\$30.6 million and approximately S\$13.3 million respectively.

3.1.2 The financial position of the Target Group

Based on the combined unaudited management accounts of the Target Group for HY2022, the book value and NTA value of the Target Group were approximately S\$48.4 million and approximately S\$44.7 million respectively, as at 30 June 2022.

We note that the Target Group (through the 50%-owned Aspial Capital (Ubi)) has a building at 55 Ubi Avenue 3, Aspial One, Singapore 408864 (the "Building"). The Target Group has commissioned Savills Valuation and Professional Services (S) Pte Ltd ("Savills") to estimate the market value of the Building as at 31 March 2022. Based on Savills' valuation and the net book value of the Building as at 30 June 2022, the revaluation surplus attributable to the Target Group is approximately S\$5.2 million.

Accordingly, we make the following adjustments to the net asset value ("NAV") and NTA of the Target Group as follows:

S\$'000	Adjustments to NAV	Adjustments to NTA
NAV / NTA of the Target Group as at 30 June 2022	48,437	44,721
Add: Revaluation surplus attributable to the Target Group from the Building	5,229	5,229
Adjusted NAV / Adjusted NTA (as the case may be)	53,666	49,950

We note that one of the conditions precedent of the Proposed Acquisition is that the NAV of the Target Group as derived from the combined unaudited management accounts of the Target Group for the most recent completed quarter prior to the completion of the sale and purchase of the Sale Shares pursuant to the SPA shall not being less than S\$40.0 million.

3.2 RATIONALE FOR AND BENEFIT TO THE COMPANY ARISING FROM THE PROPOSED ACQUISITION

The rationale for and benefit to the Company arising from the Proposed Acquisition is set out in section 4 of the Circular and we extract in *italics* as follows:

- “(a) *The Proposed Acquisition is in line with Aspial’s overarching re-organisation efforts, which will enable Aspial to focus and consolidate its local retail business segment under the management of the Company.*”
- “(b) *The Target Group is profitable and the Proposed Acquisition would be earnings accretive for the MCFS Group upon the completion of the Proposed Acquisition, with opportunities for further growth.*”
- “(c) *... With the enlarged scale, the combined businesses will allow the MCFS Group to benefit from an improved relative bargaining position when dealing with business partners, suppliers, vendors and lenders.*”
- “(d) *The enlarged scale of the business and operations will enable the MCFS Group to better manage its talent across all business functions by providing a larger platform and more diverse career opportunities. This will allow the enlarged MCFS Group to attract, train and retain talent, which in turn will drive long-term growth of the MCFS Group.*”
- “(e) *The Proposed Acquisition will also allow the enlarged MCFS Group to create and benefit from group-wide synergies and cost savings in areas of organisational structure, systems, processes and knowledge transfer across various business and support functions in the MCFS Group ...*”

3.3 THE PURCHASE CONSIDERATION

We summarise the following from section 3.1 of the Circular:

	Base Consideration	Earn-out Consideration	Total Consideration
In cash	S\$37,000,000	S\$ 6,000,000	S\$43,000,000
In New Maxi-Cash Shares	S\$50,800,000	S\$ 6,000,000	S\$56,800,000
	<u>S\$87,800,000</u>	<u>S\$12,000,000</u>	<u>S\$99,800,000</u>

Save for S\$7.5 million which is to be paid by the Company to Aspial on the date falling three (3) months after the Closing Date (being the date falling five (5) business days after the date of satisfaction or waiver of the last of the conditions precedent to the Proposed Acquisition (the “**Conditions**”), or such other date as may be agreed by the Company and Aspial in writing), the Base Consideration (being S\$87.8 million) shall be settled by the Company at the Closing Date.

The Earn-out Consideration (being S\$12 million, or such proportion thereof) shall be paid by the Company to Aspial within 30 days of the completion of a special purpose audit of the Target

Group to be undertaken for the purposes of determining if the net audited combined total profit after tax of the Target Group for FY2022, excluding any (i) extraordinary/exceptional items, including but not limited to one-off income, expenses or write offs not in the ordinary course of the Target Group's business; (ii) profit or loss attributable to noncontrolling interest; (iii) other comprehensive income or loss (if any); and (iv) fair value gain or loss to the Target Group's properties and securities ("FY2022 NPAT") exceeds S\$10.0 million (the "Special Audit") of, or such longer period, up to a maximum of six (6) months after such Special Audit is completed.

The Total Consideration was arrived at on a "willing-buyer willing-seller" basis, taking into account, *inter alia*, (i) the historical financial performance of the Target Group; (ii) the Target Group's business prospects; (iii) the average of the indicative market values of the Sale Shares based on the preliminary valuation conducted by the valuers appointed by the Company (the Independent Valuer) and Aspial (BDO Advisory Pte Ltd) respectively; and (iv) the proposed terms and formulae of the Total Consideration.

3.4 OTHER SALIENT TERMS OF THE SPA

The salient terms of the SPA (other than the terms relating to the subject of the Proposed Acquisition and the Total Consideration summarised in paragraph 3.3 of this IFA Letter) are set out in sections 3.3 to 3.5 of the Circular.

3.4.1 Conditions Precedent

The Conditions are set out in section 3.3 of the Circular and we wish to highlight the following as extracted in *italics*:

- (c) *no event having occurred which has a material adverse effect on the turnover, profitability, financial or trading position or prospects of the Target Group as a whole, not being an event affecting or likely to affect generally all companies carrying on similar businesses;*
- (d) *no notice of termination having been received by any Target Group Company in connection with any material contract, lease, licence or other similar commercial arrangement to which the Target Group Company is a party, as identified by the Target Group and agreed in writing by the Company, and none of such material contracts, leases, licences or commercial arrangements being adversely affected to a material extent, as a result of the entry by Aspial into the SPA and/or the transactions contemplated under the SPA;*
- (e) *the net asset value of the Target Group as derived from the combined unaudited management accounts of the Target Group for the most recent completed quarter prior to Closing not being less than S\$40.0 million;*
- (f) *Aspial's warranties provided pursuant to the SPA being and remaining true, accurate and not misleading in all material respects as at the date of the SPA and as at the Closing Date;*
- (g) *no injunction, interim or otherwise, having been granted in respect of Aspial, any Target Group Company or the Company, and no laws having been enacted or proposed, which would prohibit, restrict or delay (i) Aspial or the Company from entering into or performing*

their obligations under the SPA; and/or (ii) the implementation of the transactions contemplated by the SPA;

3.4.2 Cut-off Date

The cut-off date of the Proposed Acquisition is 31 December 2022. If the Conditions are not satisfied or waived on or before 31 December 2022, or such other date as may be agreed in writing between the Company and Aspiat, save as expressly provided, the Company or Aspiat may, in its absolute discretion, terminate the SPA (other than the surviving provisions of the SPA) and neither Aspiat nor the Company shall have any claim against the other under it, save for any claim arising from antecedent breaches of the SPA.

4. EVALUATION OF THE PROPOSED ACQUISITION

The following are factors which we consider to be pertinent and to have a significant bearing on our evaluation of the Proposed Acquisition:

- (a) the market value of the Target Group based on the Valuation Report;
- (b) the financial ratios of the Proposed Acquisition;
- (c) the valuation statistics of listed companies comparable to the Target Group;
- (d) the Issue Price; and
- (e) other considerations.

These factors are discussed in greater detail in the ensuing paragraphs.

4.1 THE MARKET VALUE OF THE TARGET GROUP BASED ON THE VALUATION REPORT

The Company has commissioned the Independent Valuer to assess and determine the market value of the Target Group as at 31 March 2022 (the “**Valuation Date**”) for the Proposed Acquisition. The Valuation Summary Letter is reproduced as Appendix A to the Circular while the Valuation Report is a document available for inspection at the registered office of the Company for the period from the date of the Circular up to and including the date of the EGM. Shareholders are advised to read the Valuation Summary Letter carefully, in particular, the valuation methodology as well as the key assumptions and critical factors which may materially affect the valuation of the Target Group.

Valuation approach selected by the Independent Valuer

We extract certain details in *italics* as follows:

We adopted the Income Approach to estimate the Market Value range of 100% of the Jewellery Entities as the principal activity of the Jewellery Entities relates to retail of jewelleryes.

We also applied the Market Approach as a cross-check to the value derive under the Income Approach.



Key assumptions highlighted by the Independent Valuer

We extract certain assumptions in *italics* as follows:

- 2) *The Jewellery Business is operating on a going concern basis as at the Valuation Date and will continue to have sufficient liquidity and capability to achieve its forecasted projections;*
- 3) *The reliability and achievability of forecast assumptions;*
- 6) *The Jewellery Entities' performance for the three (3) months ended 31 March 2022 and the pro-rated nine (9) months performance in FY2021 represents a maintainable state;*
- 7) *The accuracy and completeness of financial information provided to us;*

Market value as opined by the Independent Valuer

We extract as follows:

*In accordance with the terms of reference, limitations, key assumptions and factors set out herein, RSMCA has arrived at the Market Value range of the Jewellery Business to be **S\$98.4 million to S\$115.6 million** as at the Valuation Date.*

The Base Consideration of S\$87.8 million represents a discount of approximately 10.8% to the lower range of the market value of the Target Group as opined by the Independent Valuer and a discount of approximately 24.1% to the higher range of the market value of the Target Group as opined by the Independent Valuer.

The Total Consideration of S\$99.8 million represents a premium of approximately 1.4% to the lower range of the market value of the Target Group as opined by the Independent Valuer and a discount of approximately 13.7% to the higher range of the market value of the Target Group as opined by the Independent Valuer.

Based on the lower range and higher range of the market value, the average market value of the Target Group is approximately S\$107.0 million. The Base Consideration represents a discount of approximately 18.0% to this average market value of the Target Group while the Total Consideration represents a discount of approximately 6.7% to this average market value of the Target Group.

4.2 THE FINANCIAL RATIOS OF THE PROPOSED ACQUISITION

4.2.1 Earnings-related ratios implied by the purchase consideration

Earnings-related ratios refer to price-to-earnings (“P/E”) ratio and enterprise value (“EV”) to earnings before interest, tax, depreciation and amortisation (“EBITDA”) (“EV/EBITDA”) ratio.

Based on the financials of the Target Group provided by the Company, we calculate the EV of the Target Group as at 30 June 2022 as follows:

	Base Consideration	Total Consideration
Value of the Target Group implied by the purchase consideration	87,800	99,800
Add: Loans and borrowings (including lease liabilities) of the Target Group as at 30 June 2022	60,308	60,308
Less: Cash and cash equivalents of the Target Group ⁽¹⁾	(1,903)	(1,903)
EV	146,205	158,205

Based on the financials of the Target Group provided by the Company and set out in paragraph 3.1.1 of this IFA Letter, we calculate the earnings-related ratios of the Proposed Acquisition to be as follows:

(times)	Represented by the Base Consideration	Represented by the Total Consideration
P/E ratio (FY2021)	7.0	8.0
P/E ratio (LTM2022)	6.6	7.5
EV/EBITDA ratio (FY2021)	5.2	5.6
EV/EBITDA ratio (LTM2022)	4.8	5.2

4.2.2 Asset-related ratios implied by the purchase consideration

Asset-related ratios refers to price-to-NAV (“**P/NAV**”) ratio and price-to-NTA (“**P/NTA**”) ratio.

Based on the financials of the Target Group provided by the Company and set out in paragraph 3.1.2 of this IFA Letter, we calculate the asset-related ratios of the Proposed Acquisition to be as follows:

(times)	Represented by the Base Consideration	Represented by the Total Consideration
P/NAV ratio ⁽¹⁾	1.6	1.9
P/NTA ratio ⁽²⁾	1.8	2.0

Notes:

- (1) Based on the Adjusted NAV of the Target Group of approximately S\$53.7 million set out in paragraph 3.1.2 of this IFA Letter.
- (2) Based on the Adjusted NTA of the Target Group of approximately S\$49.9 million set out in paragraph 3.1.2 of this IFA Letter.

4.3 VALUATION STATISTICS OF LISTED COMPANIES COMPARABLE TO THE TARGET GROUP

As the Target Group generated profits for FY2019, FY2020, FY2021 and HY2022, the earnings-related ratios are good indicators of the value of the Target Group.

Accordingly, we compare the valuation statistics set out in paragraph 4.2 of this IFA Letter against valuation statistics of listed companies comparable to the Target Group.

The Target Group is in the business of the manufacture and retail sale of jewellery in Singapore under the “**Lee Hwa**” and “**Goldheart**” brands. Accordingly, based on a key word search for listed comparable companies of the Target Group, we have identified more than 10 companies which are involved in the jewellery manufacturing and retailing business. For a more meaningful comparison, we have further shortlisted these jewellery retail companies to those with market capitalisation of between S\$30 million and S\$300 million, and reported profit for the last twelve months (the “**Comparable Companies**”). Some of these Comparable Companies are foreign entities, the accounting policies and tax matters may differ. The market outlook of the countries where these foreign Comparable Companies operate may also affect their financial performance and share prices. In view of the above, it should be noted that any comparison made with respect to the Comparable Companies merely serves as an illustration and that the conclusions drawn from the comparisons may not necessarily reflect the perceived market valuation of the Target Group as at the Latest Practicable Date.

We set out in the table below the list of Comparable Companies, together with brief information on these companies:

Comparable Companies / Listing venue	Description
Estelle Holdings Co., Ltd. (" Estelle ") / Tokyo Stock Exchange	Estelle operates jewelry stores. The company sells rings, necklaces, bracelets, earrings, and other accessories at retail outlets. Estelle also offers jewelry processing services. We calculate Estelle generated approximately 84.9% of its revenue in the financial year ended 31 March 2022 from jewelry retailing.
Jubilee Enterprise Public Company Limited (" Jubilee ") / Stock Exchange of Thailand	Jubilee operates as a diamond jewelry retailer. The company's products consist of rings, necklaces, bracelets, etc. Jubilee generated its revenue for FY2021 solely from its retail stores.
King Fook Holdings Limited (" King Fook ") / Hong Kong Stock Exchange (" HKEX ")	King Fook, through its subsidiaries, retails jewelry and trades bullions. The company also provides securities and commodities broking services as well as wholesales diamond. We calculate that King Fook generated approximately 94.4% of its revenue in its financial year ended 31 March 2022 from gold ornament, jewellery, watch and gift retailing.
Poh Kong Holdings Berhad (" Poh Kong ") / Bursa Malaysia	Poh Kong is an investment holding company. The company, through its subsidiaries, manufactures and retails jewelry. We calculate Poh Kong generated approximately 95.9% of its revenue in its financial year ended 31 July 2021 from its trading business segment which is the supply and retail of jewelleries, precious stones, gold ornaments and gold bullion.
Radhika Jeweltech Limited (" Radhika ")	Radhika designs and retails jewelry. The company offers necklaces, rings, earrings, bracelets, and pendants. Radhika conducts business in India. Radhika generated its revenue for its financial year ended 31 March 2022 solely from its retail business.
Second Chance Properties Limited (" Second Chance ") / SGX-ST	Second Chance is a wholesaler and retailer of ready-made garments. The group also retails gold, jewelry and tidbits, and invests in properties. We calculate that Second Chance generated approximately 58.6% of its revenue in for the last twelve months ended 28 February 2022 from the sale of gold and jewellery.
Taka Jewellery Holdings Ltd (" Taka Jewellery ") / SGX-ST	Taka Jewellery, through its subsidiaries, sells jewellery products such as rings, pendants, earrings, and other accessories through wholesale and retail outlets. Taka Jewellery also offers pawnbroking and pre-owned sales services. Taka Jewellery serves customers worldwide. We calculate that Taka Jewellery generated approximately 70.5% of its revenue in its financial year ended 30 June 2021 from the retail of jewellery.

**Comparable Companies
/ Listing venue**

Description

Tomei Consolidated Bhd. ("Tomei") / Bursa Malaysia	Tomei, through its subsidiaries, design and manufactures and retails jewelry, and refines gold and silver. We calculate Tomei generated approximately 64.6% of its revenue in FY2021 from the retail of gold ornaments and jewellery.
Tse Sui Luen Jewellery (International) Ltd. ("TSL") / HKEX	TSL, through its subsidiaries, manufactures, sells, and markets jewellery products. TSL also provides related agency services and invests in properties. We calculate that TSL generated approximately 64.5% of its revenue in the financial year ended 31 March 2022 from the direct retail sales of jewellery products.

Source: Bloomberg L.P. and reuters.com

We set out the valuation statistics of the Comparable Companies as follows:

Comparable Companies	Market Capitalisation ⁽¹⁾ (S\$'million)	Net profit attributable to owners of the company ⁽²⁾ (S\$'million)	P/E ratio ⁽²⁾ (times)	EV/EBITDA ratio ⁽²⁾ (times)	P/NAV ratio ⁽²⁾ (times)
Estelle	75.0	1.2	69.2	9.6	0.5
Jubilee	178.3	10.5	18.2	11.4	3.3
King Fook	62.4	10.4	5.9	0.6	0.5
Poh Kong	94.0	15.9	6.2	4.1	0.5
Radhika	65.7	4.9	14.0	10.2	2.0
Second Chance	217.7	9.4	23.1	32.2	0.8
Taka Jewellery	31.3	2.7	11.6	5.4	0.3
Tomei	39.0	11.3	3.6	4.2	0.4
TSL	44.6	2.7	16.3	3.7	0.2

Maximum			69.2	32.2	3.3
Minimum			3.6	0.6	0.2
Mean			12.4 ⁽³⁾	6.1 ⁽³⁾	0.9
Median			12.8 ⁽³⁾	4.8 ⁽³⁾	0.5

Comparable Companies	Market Capitalisation ⁽¹⁾ (S\$'million)	Net profit attributable to owners of the company ⁽²⁾ (S\$'million)	P/E ratio ⁽²⁾ (times)	EV/EBITDA ratio ⁽²⁾ (times)	P/NAV ratio ⁽²⁾ (times)
<u>Represented by the Base Consideration</u>					
The Target Group	87.8 ⁽⁴⁾	13.3 ⁽⁴⁾	6.6 ⁽⁴⁾	4.8 ⁽⁴⁾	1.6 ⁽⁵⁾
<u>Represented by the Total Consideration</u>					
The Target Group	99.8 ⁽⁴⁾	13.3 ⁽⁴⁾	7.5 ⁽⁴⁾	5.2 ⁽⁴⁾	1.9 ⁽⁵⁾

Source: Bloomberg L.P.

Notes:

- (1) Based on last traded prices of the respective Comparable Companies as at the Latest Practicable Date.
- (2) Based on latest available financial statements as announced by the respective Comparable Companies as at the Latest Practicable Date.
- (3) Exclude the P/E ratio of Estelle and the EV/EBITDA ratio of Second Chance as statistical outliers.
- (4) Please refer to paragraph 4.2.1 of this IFA Letter for calculations of the P/E ratio and EV/EBITDA ratio of the Target Group.
- (5) Please refer to paragraph 4.2.2 of this IFA Letter for calculations of the P/NAV ratio of the Target Group.

As set out in the table above:

- (a) the P/E ratios of the Target Group (whether as implied by the Base Consideration or the Total Consideration) are within the range and below the mean and median P/E ratios of the Comparable Companies;
- (b) the EV/EBITDA ratios of the Target Group (whether as implied by the Base Consideration or the Total Consideration) are within the range and below the mean EV/EBITDA ratio of the Comparable Companies; and
- (c) the P/NAV ratio of the Target Group (as implied by the Base Consideration or the Total Consideration) is within the range but above the mean and median P/NAV ratios of the Comparable Companies.

While the P/NAV ratio of the Target Group (as implied by the Base Consideration or the Total Consideration) is above the mean and median P/NAV ratios of the Comparable Companies, shareholders may wish to note that its P/NAV ratio is more appropriate in the valuation of business which generates its value from its underlying assets (such as property development companies

or real estate investment trusts) and the P/NAV ratio is set out herein more as a reference than a critical valuation statistic.

4.3.1 Valuation statistics of the Company as compared with the Target Group

We note that the MCFS Group also generated a significant percentage of its revenue from the retailing and trading of pre-owned jewellery and branded merchandise. Accordingly, the Company can be considered as a broad comparable to the Target Group. We compare the valuation statistics of the Company based on its latest transacted price as at the Latest Practicable Date with the valuation statistics of the Target Group as follows:

	Value implied by the Issue Price or the purchase consideration (S\$'million)	Net profit attributable to owners of the company (S\$'million)	P/E ratio (times)	EV/EBITDA ratio (times)
The Company	173.9	15.7 ⁽¹⁾	11.1	13.4
<u>Represented by the Base Consideration</u>				
The Target Group	87.8	13.3	6.6	4.8
<u>Represented by the Total Consideration</u>				
The Target Group	99.8	13.3	7.5	5.2

Note:

(1) Based on the PAT of the MCFS Group attributable to owners of the Company for LTM2022.

As set out above, the earnings-related ratios of the Target Group are below the corresponding ratios of the Company.

4.4 THE ISSUE PRICE

Part of the purchase consideration will be satisfied by the allotment and issue of the New Maxi-Cash Shares at the Issue Price of S\$0.163 for each New Maxi-Cash Share.

4.4.1 Valuation statistics of the Company as compared with its listed comparable companies

The MCFS Group generated a significant percentage of its revenue from the retailing and trading of pre-owned jewellery and branded merchandise. The MCFS Group also generates revenue from the provision of pawnbroking and money lending services. We have identified two (2) close comparable companies of the Company which are listed on the SGX-ST (the “Maxi-Cash Comparable Companies”) as follows:

Maxi-Cash Comparable Companies	Description
Moneymax Financial Services Ltd. (“MoneyMax”)	Moneymax provides financial services through pawnbroking, retailing and trading of pre-owned jewelry and watches. The company owns and operates stores throughout Singapore. We calculate that MoneyMax generated approximately 73.9% of its revenue in FY2021 from the retail and trading of gold and luxury items.
Valuemax Group Ltd (“ValueMax”)	Valuemax operates pawnshops. The company provides the valuation of products for pawning, selling and buying through its outlet stores. We calculate ValueMax generated approximately 77.3% of its revenue in FY2021 from the retail and trading of jewellery and gold.

We set out the valuation statistics of the Maxi-Cash Comparable Companies (based on last traded prices and the latest available financial statements as announced by the respective Maxi-Cash Comparable Companies as at the Latest Practicable Date) as follows:

Maxi-Cash Comparable Companies	Market Capitalisation (S\$’million)	Net profit attributable to owners of the company (S\$’million)	P/E ratio (times)	EV/EBITDA ratio (times)	P/NAV ratio (times)
MoneyMax	87.1	19.8	4.4	7.9	0.8
ValueMax	252.4	41.5	6.1	12.7	0.8
The Company	173.9 ⁽¹⁾	15.7	11.1	13.4	1.1 ⁽²⁾

Notes:

- (1) Based on 1,066,927,234 Maxi-Cash Shares and the Issue Price of S\$0.163.
- (2) Please refer to paragraph 4.4.2 of this IFA Letter for calculations of the P/NAV ratio of the Company.

The P/E ratio, EV/EBITDA ratio and P/NAV of the Company implied by the Issue Price are higher than the corresponding ratios of the Maxi-Cash Comparable Companies.

4.4.2 P/NAV ratio of the Company as implied by the Issue Price

As at 30 June 2022, the Company has unaudited consolidated NAV of approximately S\$153.1 million. The Company is also a 50%-shareholder of Aspial Capital (Ubi). Accordingly, the Company also has revaluation surplus of approximately S\$5.2 million from the market value of the Building set out in paragraph 3.1.2 of this IFA Letter. After including this revaluation surplus, the MCFS Group would have revalued NAV of approximately S\$158.3 million as at 30 June 2022.

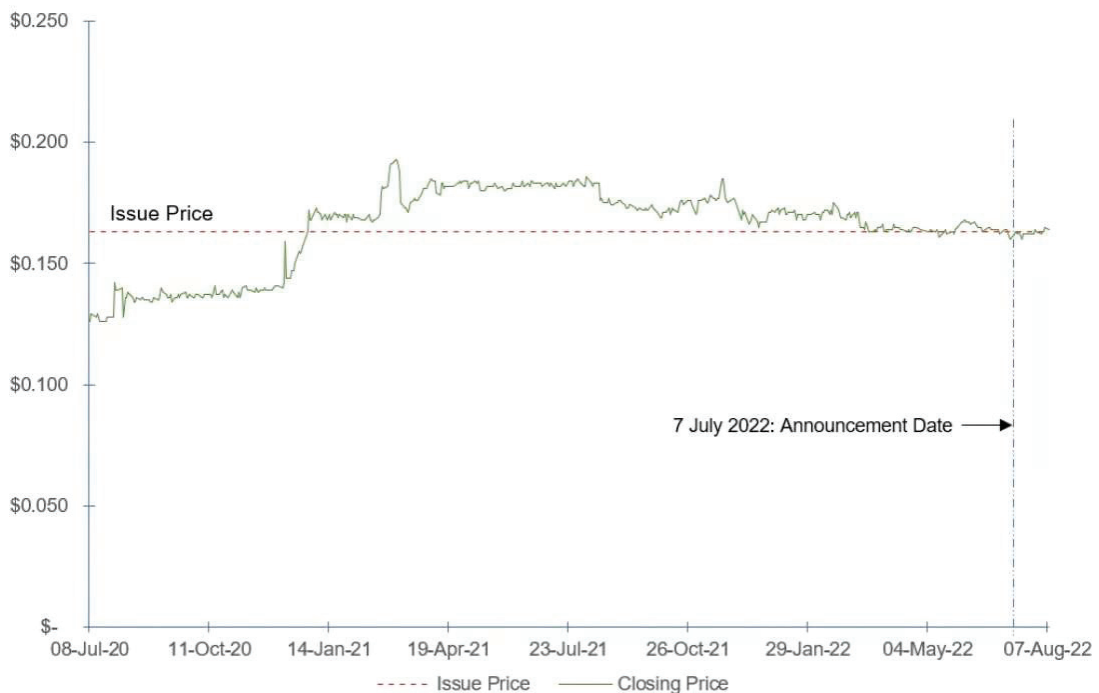
We also note that the Company declared an interim dividend of S\$0.0065 per Maxi-Cash Share, payable on 9 September 2022. Based on the Company's issued share capital of 1,066,927,234 Maxi-Cash Shares, we also make provision for dividend payable of S\$6.9 million to the MCFS Group's revalued NAV and derive an adjusted revalued NAV of S\$151.4 million as at 30 June 2022.

Based on the Company's issued share capital of 1,066,927,234 Maxi-Cash Shares, the Company has adjusted revalued NAV of approximately S\$0.142 per Maxi-Cash Share as at 30 June 2022.

The Issue Price represents a premium of S\$0.021 (or 14.8%) to the adjusted revalued NAV per Maxi-Cash Share or a P/NAV ratio of 1.1 times.

4.4.3 Market performance of the Maxi-Cash Shares

We also compare the Issue Price with the market performance of the Maxi-Cash Shares for the period commencing from 8 July 2020, being 24 months prior to the Announcement Date, up to the Latest Practicable Date as follows:



As set out in the chart above, the Issue Price is generally in line with the closing price of the Maxi-Cash Shares for the period between mid-March 2022 and the Latest Practicable Date.

4.4.4 Trading statistics of the Maxi-Cash Shares

We also tabulate the trading statistics of the Maxi-Cash Shares for the period from 8 July 2020 up to the Latest Practicable Date as follows:

	VWAP ⁽¹⁾ (S\$)	(Discount)/ Premium of Issue Price to VWAP (%)	Average daily traded volume ⁽²⁾	Average daily traded volume as percentage of free float ⁽³⁾ (%)	Percentage of traded days versus market days
<u>Periods prior to and including the Announcement Date</u>					
Last 24 months	0.1676	(2.7)	453,882	0.20	91.2%
Last 12 months	0.1722	(5.3)	362,946	0.16	88.5%
Last 6 months	0.1668	(2.3)	164,067	0.07	86.8%
Last 3 months	0.1639	(0.6)	89,961	0.04	78.5%
Last 1 month	0.1638	(0.5)	25,641	0.01	77.3%
The Announcement Date	0.1620	0.6	63,100	0.01	100%
<u>Periods after the Announcement Date</u>					
Up to the Latest Practicable Date	0.1621	0.6	149,147	0.06	90.5%
On the Latest Practicable Date	0.1632	(0.1)	121,100	0.05	100%

Source: Bloomberg L.P.

Notes:

- (1) "VWAP" means volume weighted average price. Rounded to four (4) decimal places.
- (2) The average daily traded volumes of the Maxi-Cash Shares are calculated based on the total number of Maxi-Cash Shares traded and the total days where the Maxi-Cash Shares were traded ("Trading Days") during that period.
- (3) Calculated based on 231,948,802 Maxi-Cash Shares, being the difference between (i) the Company's issued share capital of 1,066,927,234 Maxi-Cash Shares; and (ii) the 834,978,432 Maxi-Cash Shares held by the Directors, the controlling shareholder of the Company and their associates.

As set out above, the Issue Price represents discounts of less than 6% to the VWAPs of the Maxi-Cash Shares for the periods prior to and including the Announcement Date. There is no

material change to the VWAP of Maxi-Cash Shares for the period after the Announcement Date up to the Latest Practicable Date.

While the average daily traded volume of the Maxi-Cash Shares represents 0.20% or lesser than the free float of the Maxi-Cash Shares, the Maxi-Cash Shares were traded relatively actively on more than 75% of the market days where the SGX-ST were open for trading.

4.5 OTHER CONSIDERATIONS

In determining whether the Proposed Acquisition is on normal commercial terms and is not prejudicial to the interests of the Company and its shareholders, we have also considered the following:

4.5.1 The rationale for and benefits of the Proposed Acquisition

It is not within our terms of reference to comment or express an opinion on the commercial merits of the Proposed Acquisition or the future prospects of the MCFS Group arising from the Proposed Acquisition. Nevertheless, we have reviewed the rationale for and benefits of the Proposed Acquisition as set out in section 4 of the Circular and note that the entire local retail jewellery business will be consolidated under the management of the Company upon completion of the Proposed Acquisition.

4.5.2 The financial performance of the Target Group

We compare the financial performance of the Target Group and the MCFS Group as follows:

	FY2019	FY2020	FY2021	HY2021	HY2022
<u>The MCFS Group</u>					
Revenue (S\$'000)	218,478	262,821	225,703	111,632	141,217
PAT (S\$'000)	14,936	29,389	14,541	8,058	9,308
PAT margin (%)	6.8	11.2	6.4	7.2	6.6
<u>The Target Group</u>					
Revenue (S\$'000)	87,394	67,756	106,906	49,261	60,693
PAT (S\$'000)	(851)	3,140	12,547	5,728	6,477
PAT margin (%)	(1.0)	4.6	11.7	11.6	10.7

Financial performance of the MCFS Group

We note from the annual reports and the results announcements of the Company that:

FY2019 versus FY2020

- (a) the Company attributed the increase in the MCFS Group's revenue by approximately 20.3% from approximately S\$218.5 million in FY2019 to approximately S\$262.8 million in FY2020 primarily to higher revenue from the retail and trading of jewellery and branded

merchandise, partially offset by a decrease in revenue from the pawnbroking business and secured lending business; and

- (b) as a result of the higher revenue for FY2020 as compared to FY2019, the MCFS Group's PAT almost doubled by approximately 96.8% from approximately S\$14.9 million in FY2019 to approximately S\$29.4 million in FY2020 and the MCFS Group's PAT margin improved by approximately 4.4 percentage points from approximately 6.8% in FY2019 to approximately 11.2% in FY2020.

FY2020 versus FY2021

- (i) the MCFS Group's revenue decreased by approximately 14.1% from approximately S\$262.8 million in FY2020 to approximately S\$225.7 million in FY2021. The Company attributed the decrease in revenue primarily to lower contribution from the trading of jewellery and branded merchandise; and
- (ii) as a result of the lower revenue for FY2021 as compared to FY2020, the MCFS Group's PAT decreased by approximately 50.5% from approximately S\$29.4 million in FY2020 to approximately S\$14.5 million in FY2021 and the MCFS Group's PAT margin decreased to approximately 6.4% in FY2021.

HY2021 versus HY2022

- (A) the MCFS Group's revenue increased by approximately 26.5% from approximately S\$111.6 million in HY2021 to approximately S\$141.2 million in HY2022. The Company attributed the increase in revenue primarily to higher revenue from the retail of jewellery and branded merchandise, increase in interest income from the pawnbroking business and secured lending business; and
- (B) with the higher revenue, the MCFS Group's PAT increased by approximately 15.5% from approximately S\$8.1 million in HY2021 to approximately S\$9.3 million in HY2022.

Financial performance of the Target Group

We understand that:

- (A) the decrease in the Target Group's revenue by approximately 22.5% from approximately S\$87.4 million in FY2019 to approximately S\$67.8 million in FY2020 was mainly due to the temporary closure of the retail outlets of the Target Group during the circuit breaker period in FY2020. Despite the decrease in revenue, the Target Group's PAT margin improved by approximately 5.6 percentage points from a loss after tax margin of approximately 1.0% in FY2019 to a PAT margin of approximately 4.6% in FY2020. This was due mainly to other operating income comprising government grants and other miscellaneous income, grants under the job support scheme and rental rebates of approximately S\$8.4 million in FY2020;
- (B) the Target Group attributed the increase in its revenue by approximately 57.8% to approximately S\$106.9 million in FY2021 to the higher sales arising from the easing of the COVID-19 restrictions in Singapore. As a result of the improve in revenue and other operating income comprising government grants and other miscellaneous income, grants

under the job support scheme and rental rebates of approximately S\$5.3 million in FY2021, the Target Group reported PAT of approximately S\$12.5 million and a PAT margin of approximately 11.7% for FY2021; and

- (C) the Target Group attributed the increase in its revenue by approximately 23.2% from approximately S\$49.3 million in HY2021 to approximately S\$60.7 million in HY2022 to the higher sales arising from the easing of the COVID-19 restrictions in Singapore. As a result of the improve in revenue, the Target Group reported PAT of approximately S\$6.5 million and a PAT margin of approximately 10.7% for HY2022 as compared to a PAT of approximately S\$5.7 million and a PAT margin of 11.6% for HY2021.

Comparison

On an overall basis, the Proposed Acquisition would have increased the MCFS Group's revenue substantially. The revenues of the Target Group for FY2021 and HY2022 represented approximately 47.4% and approximately 43.0% of the MCFS Group's revenue for FY2021 and HY2022 respectively. The Proposed Acquisition would have also increased the MCFS Group's PAT margin as the Target Group reported higher PAT margin as compared to the MCFS Group for FY2021 and HY2022.

4.5.3 Elimination of certain interested person transactions between the MCFS Group and its interested persons

As set out in section 7.3(a) of the Circular, the Company had interested person transactions with Aspial Capital (Ubi) and Aspial-Lee Hwa Singapore amounting to approximately S\$1.5 million and approximately S\$0.2 million for the current financial year commencing on 1 January 2022. These interested person transactions would have been eliminated upon the completion of the Proposed Acquisition.

4.5.4 Pro forma financial effects of the Proposed Acquisition

The pro forma financial effects of the Proposed Acquisition can be found in section 6 of the Circular.

The Proposed Acquisition will improve the earnings per Maxi-Cash Share from approximately 1.39 cents to approximately 1.95 cents.

The NTA per Maxi-Cash Share would have decreased by approximately 14.5% from approximately 13.75 cents to approximately 11.76 cents as the P/NTA ratio of the Target Group (whether implied by the Base Consideration or the Total Consideration) is higher than the P/NTA ratio of the Company.

4.5.5 Dilution in percentage shareholding of public shareholders

We calculate that the percentage shareholdings of the public shareholders will decrease by approximately 5.3 percentage points from approximately 21.7% to 16.4%.

4.5.6 Abstention from recommendation and voting

In accordance with Rule 919 of the Catalist Rules and Rule 812(2) of the Catalist Rules, Aspial, the Koh Siblings and their respective associates, will abstain from voting on the ordinary resolutions which relate to the Proposed Acquisition.

5. OUR OPINION

Having regard to our terms of reference, in arriving at our opinion, we have taken into account a range of factors which we consider to be pertinent and have a significant bearing on our assessment of the Proposed Acquisition. We have carefully considered as many factors as we deem essential and balanced them before reaching our opinion. Accordingly, it is important that our IFA Letter, in particular, all the considerations and information we have taken into account, be read in its entirety.

We set out below a summary of the key factors we have taken into our consideration of the Proposed Acquisition:

- (a) the Base Consideration of S\$87.8 million is at discounts to the range of market value of the Target Group as opined by the Independent Valuer while the Total Consideration of S\$99.8 million represents a premium of 1.4% to the lower range of the market value of the Target Group as opined by the Independent Valuer and a discount of 13.7% to the higher range of the market value of the Target Group as opined by the Independent Valuer;
- (b) both the Base Consideration and the Total Consideration represent discounts to the average of the market values of the Target Group as opined by the Independent Valuer;
- (c) the P/E ratios of the Target Group (whether as implied by the Base Consideration or the Total Consideration) are within the range and below the mean and median P/E ratios of the Comparable Companies while the EV/EBITDA ratios of the Target Group (whether as implied by the Base Consideration or the Total Consideration) are within the range and below the mean EV/EBITDA ratio of the Comparable Companies;
- (d) the earnings-related ratios of the Target Group (whether implied by the Base Consideration or the Total Consideration) are below the corresponding ratios of the Company;
- (e) the valuation statistics of the Company implied by the Issue Price is higher than the corresponding ratios of the Maxi-Cash Comparable Companies;
- (f) the Issue Price (i) is generally in line with the closing price of the Maxi-Cash Shares for the period between mid-March 2022 and the Latest Practicable Date, (ii) represents discounts of less than 6% to the VWAPs of the Maxi-Cash Shares for the periods prior to and including the Announcement Date, (iii) represents a slight premium (of 0.6%) to the VWAP on the Announcement Date and the VWAP for the period after the Announcement Date up to the Latest Practicable Date, and (iv) is at a premium (of 14.8%) to the latest adjusted revalued NAV per Maxi-Cash Share; and

(g) other consideration as set out in paragraph 4.5 of this IFA Letter.

Accordingly, after taking into account the above factors and the information made available to us as at the Latest Practicable Date, we are of the opinion that, the Proposed Acquisition is on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders.

This IFA Letter, which is prepared pursuant to Rule 921(4)(a) of the Catalist Rules, is addressed to the Independent Directors for their benefit, in connection with and for the purpose of their consideration of the Proposed Acquisition, and the recommendation made by them to the shareholders shall remain the responsibility of the Independent Directors. Neither the Company, the Directors nor the shareholders may reproduce, disseminate or quote this IFA Letter (or any part thereof) for any other purpose, except for the Proposed Acquisition, at any time and in any manner without the prior written consent of Xandar Capital in each specific case.

This opinion is governed by, and construed in accordance with, the laws of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours truly
For and on behalf of
XANDAR CAPITAL PTE. LTD.

LOO CHIN KEONG
EXECUTIVE DIRECTOR

PAULINE SIM POI LIN
HEAD OF CORPORATE FINANCE

Maxi-Cash Financial Services Corporation Ltd.

(Incorporated in the Republic of Singapore)
(Company Registration Number 200806968Z)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting (“**EGM**”) of Maxi-Cash Financial Services Corporation Ltd. (the “**Company**”) will be held by way of electronic means on 14 September 2022 at 10.00 a.m. (Singapore time) for the purpose of considering and, if thought fit, passing with or without amendment, the following resolutions which will be proposed as Ordinary Resolutions and a Special Resolution respectively. All capitalised terms used in this Notice of EGM which are not defined herein shall have the meanings ascribed to them in the circular to shareholders of the Company dated 22 August 2022 (the “**Circular**”).

Shareholders should note that:

- (a) the passing of Ordinary Resolution 1 and Ordinary Resolution 2 are inter-conditional. This means that if Ordinary Resolution 2 is not passed, Ordinary Resolution 1 will be deemed not to have been passed, and if Ordinary Resolution 1 is not passed, Ordinary Resolution 2 will be deemed not to have been passed; and
- (b) the passing of the Special Resolution is conditional upon the passing of both Ordinary Resolution 1 and Ordinary Resolution 2, but not *vice versa*. This means that if Ordinary Resolution 1 and Ordinary Resolution 2 are not passed or both Ordinary Resolution 1 and Ordinary Resolution 2 are not passed, the Special Resolution will be deemed not to have been passed.

In accordance with Rule 919 of the Catalist Rules and Rule 812(2) of the Catalist Rules, Aspial, the Koh Siblings and their respective associates, will abstain from voting on Ordinary Resolution 1 (which relates to the Proposed Acquisition) and Ordinary Resolution 2 (which relates to the Proposed Allotment).

“Ordinary Resolution 1: The Proposed Acquisition

RESOLVED THAT, subject to and contingent upon the passing of Ordinary Resolution 2:

- (a) the entry by the Company into the SPA and all the transactions contemplated thereby, be approved, confirmed and ratified, and adopted; and
- (b) the directors of the Company (the “**Directors**”) and each of them be and are hereby severally authorised to complete and do all such acts and things (including, without limitation, executing all such documents as may be required and to make such amendments thereto as the Directors may consider necessary, desirable and expedient) as they or he may consider necessary, desirable or expedient or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this resolution.”

“Ordinary Resolution 2: The Proposed Allotment

RESOLVED THAT, subject to and contingent upon the passing of Ordinary Resolution 1:

- (a) the proposed allotment and issuance of up to 348,466,256 Maxi-Cash Shares to Aspial Corporation Limited (“**Aspial**”) at an issue price of S\$0.163 per Maxi-Cash Share pursuant to the terms and conditions of the SPA, be approved, confirmed and ratified, and adopted; and
- (b) the Directors and each of them be and are hereby severally authorised to complete and do all such acts and things (including, without limitation, executing all such documents as may be required and to make such amendments thereto as the Directors may consider necessary, desirable and expedient) as they or he may consider necessary, desirable or expedient or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this resolution.”

“Special Resolution: The Proposed Change of Name

RESOLVED THAT, subject to and contingent upon the passing of Ordinary Resolution 1 and Ordinary Resolution 2:

- (a) subject to the receipt of the relevant approval(s) from ACRA and completion of the Proposed Acquisition, approval be and is hereby given for the name of the Company to be changed from “Maxi-Cash Financial Services Corporation Ltd.” to “Aspial Lifestyle Limited” and that the name “Aspial Lifestyle Limited” be substituted for “Maxi-Cash Financial Services Corporation Ltd.” wherever the latter name appears in the Constitution of the Company (“**Proposed Change of Name**”); and
- (b) the Directors and each of them be and are hereby severally authorised to complete and do all such acts and things (including, without limitation, executing such documents as may be required pursuant to the Proposed Change of Name and to make such amendments thereto as the Directors may consider necessary, desirable and expedient) as they or he may consider necessary, desirable or expedient or in the interests of the Company to give effect to the Proposed Change of Name.”

By Order of the Board of Directors of
Maxi-Cash Financial Services Corporation Ltd.

Lim Swee Ann
Company Secretary
22 August 2022
Singapore

Notes:

- (1) The EGM is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of the Notice of EGM and Proxy Form will not be sent to Shareholders. This Notice of EGM may be accessed at the Company's website at the URL <https://maxi-cash.com/about-us> and is also available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.
- (2) Alternative arrangements relating to attendance at the EGM via electronic means (including arrangements by which the meeting can be electronically accessed via "live" audio-visual webcast or "live" audio-only stream), submission of questions to the Chairman of the EGM in advance of the EGM, addressing of substantial and relevant questions either before the EGM (including at a virtual information session) or at the EGM and voting by appointing the Chairman of the EGM as proxy at the EGM, are set out in the accompanying Company's announcement dated 22 August 2022. This announcement may be accessed at the Company's website at the URL <https://maxi-cash.com/about-us> and is also available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.
- (3) **A member (whether individual or corporate) must appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such member wishes to exercise his/her/its voting rights at the EGM.** Printed copies of the Notice of EGM and the Proxy Form will not be sent to Shareholders. The Proxy Form may be accessed at the Company's website at the URL <https://maxi-cash.com/about-us> and is also available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.

Where a member (whether individual or corporate) appoints the Chairman of the EGM as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the EGM as proxy for that resolution will be treated as invalid.

Investors who have used their Central Provident Fund ("CPF") monies ("CPF Investors") or monies in their Supplemental Retirement Scheme ("SRS") accounts ("SRS Investors") who wish to appoint the Chairman of the EGM as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. (Singapore time) on 5 September 2022.

- (4) The Chairman of the EGM, acting as proxy, need not be a member of the Company.
- (5) The instrument appointing the Chairman of the EGM as proxy must be submitted to the Company in the following manner:
 - (a) if submitted by post, be lodged at the office of the Company's Share Registrar, B.A.C.S. Private Limited at 77 Robinson Road #06-03 Robinson 77, Singapore 068896; or
 - (b) if submitted electronically, be submitted via email to the Company at maxi-cashegm@maxi-cash.com,

in either case by 10.00 a.m. (Singapore time) on 11 September 2022 (being not less than 72 hours before the time appointed for the EGM).

A member who wishes to submit a Proxy Form must first download (where necessary), complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above. In the alternative, a Shareholder may download, complete and authorise the Proxy Form by way of the affixation of an electronic signature, before sending it by email to the email address provided above.

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed Proxy Forms by post, members are strongly encouraged to submit completed Proxy Forms electronically via email.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM of the Company and/or any adjournment thereof, a member of the Company (a) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "Purposes"), (b) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (c) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty. The member's personal data and its proxy(ies)'s and/or representative(s)'s personal data may be disclosed or transferred by the Company to its subsidiaries, its share registrar and/or other agents or bodies for any of the Purposes, and retained for such period as may be necessary for the Company's verification and record purposes.

Photographic, sound and/or video recordings of the EGM may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the EGM. Accordingly, the personal data of a member of the Company and/or its proxy(ies) or representative(s) (such as his/her name, his/her presence at the EGM and any questions he/ she may raise or motions he/she proposes/seconds) may be recorded by the Company for such purpose. Photographic, sound and/or video recordings of the EGM may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the EGM. Accordingly, the personal data of a member may be recorded by the Company for such purposes.

Maxi-Cash Financial Services Corporation Ltd.

(Incorporated in the Republic of Singapore)
(Company Registration Number 200806968Z)

PROXY FORM

EXTRAORDINARY GENERAL MEETING

IMPORTANT NOTICE FOR ALTERNATIVE ARRANGEMENT FOR EXTRAORDINARY GENERAL MEETING:

1. The EGM is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of the Notice of EGM and Proxy Form will not be sent to Shareholders. This Notice of EGM may be accessed at the Company's website at the URL <https://maxi-cash.com/about-us> and is also available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.
2. Alternative arrangements relating to attendance at the EGM via electronic means (including arrangements by which the meeting can be electronically accessed via "live" audio-visual webcast or "live" audio-only stream), submission of questions to the Chairman of the EGM in advance of the EGM, addressing of substantial and relevant questions either before the EGM (including at a virtual information session) or at the EGM and voting by appointing the Chairman of the EGM as proxy at the EGM, are set out in the accompanying Company's announcement dated 22 August 2022. This announcement may be accessed at the Company's website at the URL <https://maxi-cash.com/about-us> and is also available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.
3. **A member (whether individual or corporate) must appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such member wishes to exercise his/her/its voting rights at the EGM.**
4. Investors who have used their Central Provident Fund ("CPF") monies ("CPF Investors") or monies in their Supplemental Retirement Scheme ("SRS") accounts ("SRS Investors") who wish to appoint the Chairman of the EGM as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. (Singapore time) on 5 September 2022.
5. By submitting this Proxy Form appointing the Chairman of the EGM as proxy to attend, speak and vote at the EGM and/or any adjournment thereof, the member of the Company accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 22 August 2022.
6. Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of the Chairman of the EGM as a member's proxy to attend, speak and vote on his/her/its behalf at the EGM.

I/We, _____ (Name) _____ (NRIC/Passport/Co.Reg.No)

of _____ (Address)

being a member/members of Maxi-Cash Financial Services Corporation Ltd. (the "**Company**"), hereby appoint the **Chairman of the EGM** as my/our* proxy/proxies* to vote for me/us* on my/our* behalf at the EGM of the Company to be held by way of electronic means on 14 September 2022, at 10.00 a.m. (Singapore time) and at any adjournment thereof.

* Delete where inapplicable

	Number of Votes For [#]	Number of Votes Against [#]	Number of Votes Abstain [#]
Ordinary Resolution 1 To Approve the Proposed Acquisition			
Ordinary Resolution 2 To Approve the Proposed Allotment			
Special Resolution To Approve the Proposed Change of Name			

All resolutions put to the vote at the EGM shall be conducted by way of poll. If you wish the Chairman of the EGM as your proxy to cast all your votes **For** or **Against** a resolution, please indicate with an 'X' within the **For** or **Against** box provided in respect of that resolution. Alternatively, please indicate the number of votes **For** or **Against** in the **For** or **Against** box in respect of that resolution. If you wish the Chairman of the EGM as your proxy to **Abstain** from voting on a resolution, please indicate with an 'X' in the **Abstain** box provided in respect of that resolution. Alternatively, please indicate the number of shares that the Chairman of the EGM as your proxy is directed to **Abstain** from voting in the **Abstain** box in respect of that resolution. **In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the EGM as your proxy for that resolution will be treated as invalid.**

Dated this _____ day of _____ 2022.

Shares in:	Number of Shares
(a) CDP Register	
(b) Register of Members	
Total:	

Signature of Shareholder or Common Seal
of Corporate Shareholder

Notes:

- (1) A member of the Company should insert the total number of shares held. If the member has shares entered against his/her/its name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore), he/she/it should insert that number of shares. If the member has shares registered in his/her/its name in the Register of Members (maintained by or on behalf of the Company), he/she/it should insert that number of shares. If the member has shares entered against his/her/its name in the Depository Register and shares registered in his/her/its name in the Register of Members, he/she/it should insert the aggregate number of shares entered against his/her/its name in the Depository Register and registered in his/her/its name in the Register of Members. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member of the Company.
- (2) **A member (whether individual or corporate) must appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such member wishes to exercise his/her/its voting rights at the EGM.** This Proxy Form may be accessed at the Company's website at the URL <https://maxi-cash.com/about-us> and is also available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.

Where a member (whether individual or corporate) appoints the Chairman of the EGM as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the EGM as proxy for that resolution will be treated as invalid.

CPF Investors or SRS Investors who wish to appoint the Chairman of the EGM as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. (Singapore time) on 5 September 2022.

- (3) The Chairman of the EGM, as proxy, need not be a member of the Company.
- (4) The instrument appointing the Chairman of the EGM as proxy must be submitted to the Company in the following manner:
 - (a) if submitted by post, be lodged at the office of the Company's Share Registrar, B.A.C.S. Private Limited at 77 Robinson Road #06-03 Robinson 77, Singapore 068896; or
 - (b) if submitted electronically, be submitted via email to the Company at maxi-cashegm@maxi-cash.com,

in either case by 10.00 a.m. (Singapore time) on 11 September 2022 (being not less than 72 hours before the time appointed for the EGM).

A member who wishes to submit a Proxy Form must first download (where necessary), complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above. In the alternative, a Shareholder may download, complete and authorise the Proxy Form by way of the affixation of an electronic signature, before sending it by email to the email address provided above.

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed Proxy Forms by post, members are strongly encouraged to submit completed Proxy Forms electronically via email.

- (5) The instrument appointing the Chairman of the EGM as proxy must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing the Chairman of the EGM as proxy is executed by a corporation, it must be executed either under its common seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing the Chairman of the EGM is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument of proxy, failing which; the instrument may be treated as invalid.
- (6) The Company shall be entitled to reject the instrument appointing the Chairman of the EGM as proxy if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the EGM as proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing the Chairman of the EGM as proxy lodged if the member, being the appointor, is not shown to have shares entered against his/her name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting this Proxy Form appointing the Chairman of the EGM as proxy to attend, speak and vote at the EGM and/or any adjournment thereof, the member of the Company accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 22 August 2022.