



MoneyMax Financial Services Ltd. And Its Subsidiaries

(Company Registration Number: 200819689Z)

Unaudited Interim Condensed Financial Statements For the Six-Month Financial Period Ended 30 June 2023

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Condensed Interim Consolidated Income Statement And Statement of Comprehensive Income

	Notes	Group		
		1H-2023 ⁽¹⁾ S\$'000	1H-2022 ⁽²⁾ S\$'000	Change %
Revenue	6	129,494	135,453	(4.4)
Other Items of Income				
Other Gains	8	600	849	(29.3)
Other Items of Expense				
Material Costs		(77,801)	(90,708)	(14.2)
Employee Benefits Expenses		(14,925)	(11,248)	32.7
Depreciation and Amortisation Expenses	9	(5,799)	(6,578)	(11.8)
Finance Costs		(11,245)	(6,085)	84.8
Other Losses	8	(472)	(250)	88.8
Other Expenses		(6,066)	(4,335)	39.9
Profit Before Tax		13,786	17,098	(19.4)
Income Tax Expense	15	(2,809)	(3,193)	(12.0)
Profit Net of Tax		10,977	13,905	(21.1)
Other Comprehensive Income				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations, net of tax		(1,544)	(507)	NM ⁽³⁾
Cash flow hedges, net of tax		(431)	1,050	NM ⁽³⁾
Other comprehensive income for the period, net of tax		(1,975)	543	NM⁽³⁾
Total Comprehensive Income		9,002	14,448	(37.7)
Attributable to:				
Owners of the Company		9,715	12,915	(24.8)
Non-controlling Interests		1,262	990	27.5
Profit Net of Tax		10,977	13,905	(21.1)
Attributable to:				
Owners of the Company		7,740	13,458	(42.5)
Non-controlling Interests		1,262	990	27.5
Total Comprehensive Income		9,002	14,448	(37.7)
Earnings Per Share:				
Basic and diluted (cents)		2.20	2.92	(24.8)

Notes:

- (1) "1H-2023" refers to the six-month financial period ended 30 June 2023.
- (2) "1H-2022" refers to the six-month financial period ended 30 June 2022.
- (3) "NM" denotes not meaningful.

Condensed Interim Statements Of Financial Position

	Notes	Group		Company	
		30 June 2023 S\$'000	31 December 2022 S\$'000	30 June 2023 S\$'000	31 December 2022 S\$'000
ASSETS					
Non-Current Assets					
Property, Plant and Equipment	10	22,429	22,476	-	-
Right-of-use Assets		12,292	12,144	-	-
Intangible Assets	11	4,337	4,541	-	-
Investment in Subsidiaries		-	-	108,740	89,291
Other Financial Assets	12	6,881	6,881	5,853	5,853
Derivative financial instruments, Non-Current		897	1,145	-	-
Trade and Other Receivables, Non-Current		151,299	149,440	-	-
Other Assets, Non-Current		2,738	2,736	-	-
Deferred Tax Assets		20	22	-	-
Total Non-Current Assets		200,893	199,385	114,593	95,144
Current Assets					
Inventories		70,484	81,760	-	-
Derivative financial instruments, Current		143	414	-	-
Trade and Other Receivables, Current		366,410	321,246	18,224	19,392
Other Assets, Current		8,111	6,671	160	82
Cash and Cash Equivalents		19,793	20,911	329	420
Total Current Assets		464,941	431,002	18,713	19,894
Total Assets		665,834	630,387	133,306	115,038
EQUITY AND LIABILITIES					
Equity					
Share Capital	13	56,144	56,144	56,144	56,144
Retained Earnings		80,472	75,180	2,714	7,319
Reserves		(2,072)	(97)	-	-
Equity Attributable to Owners of the Company		134,544	131,227	58,858	63,463
Non-controlling Interests		10,893	9,631	-	-
Total Equity		145,437	140,858	58,858	63,463
Non-Current Liabilities					
Other Financial Liabilities, Non-Current	14	129,790	130,032	1,611	1,858
Lease Liabilities, Non-Current		5,311	4,726	-	-
Deferred Tax Liabilities		242	329	-	-
Total Non-Current Liabilities		135,343	135,087	1,611	1,858
Current Liabilities					
Income Tax Payable		3,760	4,348	-	-
Trade and Other Payables		52,649	55,480	52,358	43,137
Other Financial Liabilities, Current	14	317,841	282,852	20,479	6,580
Lease Liabilities, Current		8,201	9,214	-	-
Other Liabilities		2,603	2,548	-	-
Total Current Liabilities		385,054	354,442	72,837	49,717
Total Liabilities		520,397	489,529	74,448	51,575
Total Equity and Liabilities		665,834	630,387	133,306	115,038

Condensed Interim Statements Of Changes In Equity

Group	Attributable to Owners of the Company				Non-controlling Interests	Total Equity
	Share Capital	Retained Earnings	Reserves	Sub-total		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Current Period:						
Opening balance at 1 January 2023	56,144	75,180	(97)	131,227	9,631	140,858
Total comprehensive income for the period	-	9,715	(1,975)	7,740	1,262	9,002
Dividends paid (Note 16)	-	(4,423)	-	(4,423)	-	(4,423)
Closing balance at 30 June 2023	56,144	80,472	(2,072)	134,544	10,893	145,437
Previous Period:						
Opening balance at 1 January 2022	56,144	57,329	(98)	113,375	7,900	121,275
Total comprehensive income for the period	-	12,915	543	13,458	990	14,448
Dividends paid (Note 16)	-	(4,201)	-	(4,201)	-	(4,201)
Closing balance at 30 June 2022	56,144	66,043	445	122,631	8,890	131,522

Company	Share Capital	Retained Earnings	Total Equity
	S\$'000	S\$'000	S\$'000
Current Period:			
Opening balance at 1 January 2023	56,144	7,319	63,463
Total comprehensive loss for the period	-	(182)	(182)
Dividends paid (Note 16)	-	(4,423)	(4,423)
Closing balance at 30 June 2023	56,144	2,714	58,858
Previous Period:			
Opening balance at 1 January 2022	56,144	7,639	63,783
Total comprehensive loss for the period	-	(303)	(303)
Dividends paid (Note 16)	-	(4,201)	(4,201)
Closing balance at 30 June 2022	56,144	3,135	59,279

Condensed Interim Consolidated Statement Of Cash Flows

	1H-2023 S\$'000	1H-2022 S\$'000
<u>Cash Flows From Operating Activities</u>		
Profit Before Tax	13,786	17,098
Adjustments for:		
Amortisation of Intangible Assets	8	8
Depreciation of Property, Plant and Equipment	1,370	1,127
Depreciation of Right-of-use Assets	4,421	5,443
Finance Costs	11,245	6,085
Loss on Disposal of Property, Plant and Equipment	1	-
Foreign Currency Translation	133	167
Operating Cash Flows before Changes in Working Capital	30,964	29,928
Inventories	11,276	(5,199)
Trade and Other Receivables	(47,022)	(37,065)
Other Assets	(1,442)	(411)
Trade and Other Payables	(2,655)	5,871
Other Liabilities	55	(475)
Net Cash Flows Used In Operations	(8,824)	(7,351)
Income Taxes Paid	(3,395)	(3,838)
Net Cash Flows Used In Operating Activities	(12,219)	(11,189)
<u>Cash Flows From Investing Activities</u>		
Purchase of Property, Plant and Equipment	(1,409)	(1,814)
Proceeds from disposal of Property, Plant and Equipment	-	2
Net Cash Flows Used in Investing Activities	(1,409)	(1,812)
<u>Cash Flows From Financing Activities</u>		
Dividends Paid	(4,423)	(4,201)
Interest Paid	(11,245)	(6,085)
Repayments of Lease Liabilities - principal portion paid	(4,992)	(5,137)
Proceeds from borrowings and debt securities	171,297	70,981
Repayments of borrowings and debt securities	(138,177)	(47,866)
Finance Lease Repayments	(42)	(1)
Net Cash Flows From Financing Activities	12,418	7,691
Net Decrease in Cash and Cash Equivalents	(1,210)	(5,310)
Cash and Cash Equivalents, Statement of Cash Flows, Beginning Balance	19,492	17,864
Effects of Exchange Rate on Cash and Cash Equivalents	(145)	(82)
Cash and Cash Equivalents, Statement of Cash Flows, Ending Balance	18,137	12,472

Note 1: As at 30 June 2023, cash and cash equivalents in the condensed interim consolidated statement of cash flows comprise cash and cash equivalents in the condensed interim statement of financial position of S\$19.8 million (30 June 2022: S\$17.0 million) less bank overdraft of S\$1.7 million (30 June 2022: S\$4.5 million).

Notes To The Condensed Interim Consolidated Financial Statements

1. Corporate information

MoneyMax Financial Services Ltd. (the “**Company**”) is incorporated and domiciled in Singapore with limited liability. The Company is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). These condensed interim financial statements for 1H-2023 comprise the Company and its subsidiaries (together referred to as the “**Group**”).

The principal activity of the Company is that of investment holding. The principal activities of the Company’s subsidiaries comprise pawnbroking, retail and trading, secured lending, auction and general insurance.

2. Basis of preparation

These condensed interim financial statements for 1H-2023 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) 1-34 Interim Financial Reporting issued by the Accounting Standards Committee under Accounting and Corporate Regulatory Authority. The condensed financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 December (“**FY**”) 2022.

The condensed financial statements are presented in Singapore dollars (“**S\$**”).

3. Accounting convention

The Group has adopted all applicable SFRS(I) that are mandatory for financial years beginning on or after 1 January 2023. The adoption of the new standards has no significant impact on the financial statements for 1H-2023.

4. Use of judgements and estimates

In preparing the condensed financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income, and expense. Actual results may differ from these estimates. The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2022. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

5. Related party relationships and transactions

The financial reporting standard on related party disclosures requires the reporting entity to disclose: (a) transactions with its related parties; and (b) relationships between parents and subsidiaries irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

5A. Members of a group

<u>Name</u>	<u>Relationship</u>	<u>Country of incorporation</u>
Money Farm Pte. Ltd.	Immediate and ultimate parent company	Singapore

Related companies in these financial statements include the above company.

The ultimate controlling parties are Lim Yong Guan and Lim Yong Sheng, who are directors and controlling shareholders of the Company, and Lim Liang Eng, who is a controlling shareholder of the Company.

5B. Related party transactions

There are transactions and arrangements between the reporting entity and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances and transfer of resources, services or obligations if any are unsecured, without fixed repayment terms and interest or charge unless stated otherwise.

Intragroup transactions and balances that have been eliminated in these condensed interim financial statements are not disclosed as related party transactions and balances below.

In addition to transactions and balances disclosed elsewhere in the notes to these condensed interim financial statements, this item includes the following:

Significant related party transactions:

	Group	
	1H-2023 S\$'000	1H-2022 S\$'000
<u>Parent Company</u>		
Interest Expense	(101)	(40)
<u>Other related parties</u>		
Sales of pre-owned luxury items	475	-
Purchase of pre-owned luxury items	(44)	(77)
Rental expense	(1,171)	(1,164)
Central support services	(108)	(156)
Interest expense	(426)	(156)
Outsourced payroll services	(7)	(8)
<u>Directors</u>		
Interest expense	(525)	(393)

The related parties and the Group have some common directors.

6. Disaggregation of Revenue

(a) Classification of type of goods or services

	<u>Group</u>	
	<u>1H-2023</u>	<u>1H-2022</u>
	S\$'000	S\$'000
Interest income – collateral loan services	22,607	19,287
Interest income – motor loans	8,859	6,467
Retail and trading of gold and luxury items	94,282	108,157
Others	3,746	1,542
	<u>129,494</u>	<u>135,453</u>

(b) Classification of timing of revenue recognition

	<u>1H-2023</u>	<u>1H-2022</u>
	S\$'000	S\$'000
Point in time	97,520	109,555
Over time	31,974	25,898
	<u>129,494</u>	<u>135,453</u>

7. Financial information by operating segments

Information about reportable segment profit or loss, assets, and liabilities

Disclosure of information about operating segments, products and services, the geographical areas, and the major customers are made as required by SFRS(I) 8 Operating Segments. This disclosure standard has no impact on the reported financial performance or financial position of the group.

For management monitoring and financial reporting purposes, the Group is organised into three major operating segments, namely:

- i) Pawnbroking
- ii) Retail and trading of gold and luxury items; and
- iii) Secured lending

Other operations include provision of other support services.

Such a structural organisation is determined by the nature of risks and returns associated with each business segment and it defines the management structure as well as the internal reporting system. It represents the basis on which the management reports the primary segment information that is available and that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing the performance. They are managed separately because each business requires different strategies.

Inter-segment sales are measured on the basis that the entity used to price the transfers. Internal transfer pricing policies of the group are as far as practicable based on market prices. The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly income tax recoverable, provision for taxation, deferred tax liabilities and deferred tax assets.

Capital expenditure comprises additions to property, plant, and equipment.

7. Financial information by operating segments (cont'd)

1H-2023	Pawn- broking S\$'000	Retail and trading of gold and luxury items S\$'000	Secured lending S\$'000	Others S\$'000	Elimination S\$'000	Group S\$'000
Revenue by segment						
Revenue from external customers	30,493	86,982	11,789	230	-	129,494
Inter-segment sales	19,700	-	3	1	(19,704)	-
Results						
Segment results	12,542	4,669	9,301	(49)	(1,432)	25,031
Finance costs	(5,457)	(1,155)	(4,162)	(1,766)	1,295	(11,245)
Profit before tax	7,085	3,514	5,139	(1,815)	(137)	13,786
Income tax expenses	(1,436)	(530)	(813)	(30)	-	(2,809)
Profit net of tax	5,649	2,984	4,326	(1,845)	(137)	10,977
Segment assets	340,043	97,310	248,242	52,653	(72,434)	665,814
Unallocated assets						20
Total group assets						665,834
Segment liabilities	225,118	56,953	207,704	77,674	(51,054)	516,395
Unallocated liabilities						4,002
Total group liabilities						520,397
Capital expenditure	952	448	20	-	-	1,420
Depreciation and amortisation expenses ⁽¹⁾	2,799	2,745	15	240	-	5,799

1H-2022	Pawn- broking S\$'000	Retail and trading of gold and luxury items S\$'000	Secured lending S\$'000	Others S\$'000	Elimination S\$'000	Group S\$'000
Revenue by segment						
Revenue from external customers	24,483	102,962	7,756	252	-	135,453
Inter-segment sales	14,202	-	3	2	(14,207)	-
Results						
Segment results	9,574	8,304	6,118	(147)	(666)	23,183
Finance costs	(2,755)	(448)	(2,548)	(925)	591	(6,085)
Profit before tax	6,819	7,856	3,570	(1,072)	(75)	17,098
Income tax expenses	(1,344)	(1,319)	(588)	58	-	(3,193)
Profit net of tax	5,475	6,537	2,982	(1,014)	(75)	13,905
Segment assets	315,267	98,076	164,009	51,486	(72,003)	556,835
Unallocated assets						29
Total group assets						556,864
Segment liabilities	209,154	59,144	143,997	69,517	(60,358)	421,454
Unallocated liabilities						3,888
Total group liabilities						425,342
Capital expenditure	796	1,021	23	-	-	1,840
Depreciation and amortisation expenses ⁽¹⁾	3,242	3,045	8	283	-	6,578

⁽¹⁾ Includes depreciation of right-of-use assets.

7. Financial information by operating segments (cont'd)
(a) Geographical Segment Information

	Revenue	
	<u>1H-2023</u>	<u>1H-2022</u>
	S\$'000	S\$'000
Singapore	113,695	125,819
Malaysia	15,799	9,634
Total	<u>129,494</u>	<u>135,453</u>

8. Other gains and (other losses)

Other gains and other losses include the following:

	Group	
	<u>1H-2023</u>	<u>1H-2022</u>
	S\$'000	S\$'000
Foreign exchange adjustments	(319)	(118)
Government grants	423	625
Rental income	53	61
Loss on disposal of fixed assets	(1)	-
Loss on collateral loan services	(1)	(2)
Miscellaneous income	89	117
Provision for doubtful debts	(151)	(130)
Other minor gain	35	46
Net	<u>128</u>	<u>599</u>
Presented in profit or loss as:		
Other gains	600	849
Other losses	(472)	(250)
Net	<u>128</u>	<u>599</u>

9. Depreciation and Amortisation Expenses

Depreciation and amortisation include the following:

	Group	
	<u>1H-2023</u>	<u>1H-2022</u>
	S\$'000	S\$'000
Depreciation of property, plant and equipment	1,370	1,127
Depreciation of right-of-use assets	4,421	5,443
Amortisation of other intangible assets	8	8
Total	<u>5,799</u>	<u>6,578</u>

10. Property, plant and equipment

	<u>Properties</u>	<u>Leasehold improvements</u>	<u>Plant, fixture and fittings</u>	<u>Total</u>
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Group:</u>				
<u>Cost:</u>				
At 1 January 2022	18,712	11,223	8,617	38,552
Foreign exchange adjustments	(11)	(140)	(94)	(245)
Additions	–	2,300	2,263	4,563
Disposals	–	–	(518)	(518)
At 31 December 2022	18,701	13,383	10,268	42,352
Foreign exchange adjustments	(8)	(175)	(100)	(283)
Additions	–	898	522	1,420
Disposals	–	(222)	(9)	(231)
At 30 June 2023	18,693	13,884	10,681	43,258
<u>Accumulated depreciation:</u>				
At 1 January 2022	853	9,540	7,773	18,166
Foreign exchange adjustments	–	(129)	(90)	(219)
Depreciation for the year	468	1,183	794	2,445
Disposals	–	–	(516)	(516)
At 31 December 2022	1,321	10,594	7,961	19,876
Foreign exchange adjustments	–	(111)	(76)	(187)
Depreciation for the period	233	664	473	1,370
Disposals	–	(222)	(8)	(230)
At 30 June 2023	1,554	10,925	8,350	20,829
<u>Carrying amount:</u>				
At 1 January 2022	17,859	1,683	844	20,386
At 31 December 2022	17,380	2,789	2,307	22,476
At 30 June 2023	17,139	2,959	2,331	22,429

11. Intangible assets

	<u>Group</u>	
	<u>Unaudited</u>	<u>Audited</u>
	<u>30 June</u>	<u>31 December</u>
	<u>2023</u>	<u>2022</u>
	S\$'000	S\$'000
Goodwill (Note 11A)	3,564	3,744
Licenses	771	787
Other intangible assets (Note 11B)	2	10
Total	4,337	4,541

11A. Goodwill

	<u>Group</u>	
	<u>Unaudited</u>	<u>Audited</u>
	<u>30 June</u>	<u>31 December</u>
	<u>2023</u>	<u>2022</u>
	S\$'000	S\$'000
<u>Cost:</u>		
Balance at beginning of the year	3,744	3,982
Foreign exchange adjustments	(180)	(238)
Balance at end of the period/year	3,564	3,744

11B. Other intangible assets

	Lease assignment fees	Customer lists	Total
	S\$'000	S\$'000	S\$'000
Group:			
<u>Cost:</u>			
At 1 January 2022	1,500	774	2,274
Foreign exchange adjustments	–	(41)	(41)
At 31 December 2022	1,500	733	2,233
Foreign exchange adjustments	–	(31)	(31)
At 30 June 2023	1,500	702	2,202
<u>Accumulated amortisation:</u>			
At 1 January 2022	1,500	748	2,248
Amortisation for the year	–	16	16
Foreign exchange adjustments	–	(41)	(41)
At 31 December 2022	1,500	723	2,223
Amortisation for the period	–	8	8
Foreign exchange adjustments	–	(31)	(31)
At 30 June 2023	1,500	700	2,200
<u>Carrying amount:</u>			
At 1 January 2022	–	26	26
At 31 December 2022	–	10	10
At 30 June 2023	–	2	2

12. Other financial assets

	Group		Company	
	Unaudited	Audited	Unaudited	Audited
	30 June	31 December	30 June	31 December
	2023	2022	2023	2022
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Unquoted equity shares</u>				
Investment at fair value through profit or loss	6,881	6,881	5,853	5,853
<u>Movements during the period/year:</u>				
Fair value at beginning of the period/year	6,881	6,867	5,853	5,853
Foreign exchange adjustments	–	14	–	–
Fair value at end of the period/year	6,881	6,881	5,853	5,853

The Group measured investment in unquoted equity shares at fair value through profit or loss. The fair value of the financial assets was previously determined by an independent external valuer based on the adjusted net asset approach. There is no indication of impairment noted during 1H-2023.

13. Share capital

	Group and Company			
	No. of shares		Share Capital	
	30 June	31 December	30 June	31 December
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	'000	'000	S\$'000	S\$'000
Issued and fully paid ordinary shares:				
Balance at beginning and end of period/year	442,250	442,250	56,144	56,144

The Company did not have any outstanding convertibles, treasury shares and subsidiary holdings as at 30 June 2023 and 30 June 2022.

14. Aggregate amount of the Group's borrowings and debt securities

	Group		Company	
	30 June	31 December	30 June	31 December
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Amount repayable by the Group in one year or less, or on demand:</u>				
- Secured	300,901	282,852	3,539	6,580
- Unsecured	16,940	-	16,940	-
<u>Amount repayable by the Group after one year:</u>				
- Secured	129,790	130,032	1,611	1,858
Total	447,631	412,884	22,090	8,438

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

- i) Deeds of debentures, a charge on all sums in the current account of certain subsidiaries and a fixed and floating charge over all present and future assets of certain subsidiaries;
- ii) Corporate guarantee by the Company and certain subsidiaries;
- iii) Deeds of assignment of all rights, interests and benefits from insurance policies for pledged articles;
- iv) All monies charged on the facility agreement of a subsidiary;
- v) Subordination of advances from a subsidiary and a director of certain subsidiaries;
- vi) Personal guarantee by directors of certain subsidiaries;
- vii) Master and recourse block discounting agreement and assignment of hire purchase agreements; and
- viii) Mortgage over properties and assignment of rental proceeds.

15. Income tax expense
Major components of income tax expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Group	
	<u>1H-2023</u>	<u>1H-2022</u>
	S\$'000	S\$'000
Current income taxation	2,806	3,207
Deferred income taxation	3	(14)
Income tax expenses recognised in profit or loss	2,809	3,193

16. Dividends on equity shares

	Rate per share (cents)		Group and Company	
	<u>1H-2023</u>	<u>1H-2022</u>	<u>1H-2023</u>	<u>1H-2022</u>
			S\$'000	S\$'000
<i>Declared and paid during the financial period:</i>				
Dividends on ordinary shares				
First and final tax exempt dividend	1.00	0.95	4,423	4,201

17. Fair value measurement
Fair value hierarchy

The Group classifies financial assets measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and

Level 3 – Unobservable inputs for the asset or liability.

Assets and liabilities measured at fair value

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting period:

	Fair value measurements at the end of the reporting period using			
	Quoted prices in active markets for identical instruments (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	Total
	S\$'000	S\$'000	S\$'000	S\$'000
Group				
30 June 2023				
Assets measured at fair value				
Financial assets:				
<u>At fair value through profit or loss</u>				
– Unquoted equity securities, representing total financial assets as at 30 June 2023	-	-	6,881	6,881

17. Fair value measurement (cont'd)

	Fair value measurements at the end of the reporting period using			Total
	Quoted prices in active markets for identical instruments (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	
Group	S\$'000	S\$'000	S\$'000	S\$'000
31 December 2022				
Assets measured at fair value				
Financial assets:				
<u>At fair value through profit or loss</u>				
– Unquoted equity securities, representing total financial assets as at 31 December 2022	-	-	6,881	6,881

18. Subsequent events

There are no known subsequent events which led to adjustments to this set of financial statements.

Other Information Required Under the SGX-ST Listing Manual Section B: Rules of Catalyst
1(a) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable as there were no treasury shares held by the Company.

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

Not applicable as there were no subsidiary holdings.

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

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

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

Not applicable.

3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:
(a) Updates on the efforts taken to resolve each outstanding audit issue.

The latest financial statements are not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

Not applicable.

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

Other than adoption of the new and revised SFRS(I) which took effect from the current financial year, the accounting policies have been consistently applied by the Group and are consistent with those applied in the previous financial year.

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

There was no change in the Group's accounting policies and methods of computation including any required by an accounting standard. The adoption of the new and revised SFRS(I) is assessed to have no material impact on the results of the Group and of the Company for 1H-2023.

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

	Group	
	1H-2023	1H-2022
Profit net of tax attributable to owners of the Company (S\$'000)	9,715	12,915
Weighted average number of ordinary shares for calculation of basic and diluted earnings per shares ('000)	442,250	442,250
Basic and diluted earnings per share (cents)	2.20	2.92

EPS is calculated by dividing the Group's profit attributable to owners of the Company by the weighted average number of ordinary shares during the period. The weighted average number of ordinary shares outstanding during the period is the number of ordinary shares outstanding at the beginning of the period, adjusted by the number of ordinary shares issued during the period multiplied by a time-weighting factor. The time-weighting factor is the number of days that the shares are outstanding as a proportion of the total number of days in the period.

The basic and diluted EPS for the respective financial period are the same as the Company does not have any outstanding dilutive instruments.

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

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

NET ASSET VALUE ("NAV")

	Group		Company	
	As at 30 June 2023	As at 31 December 2022	As at 30 June 2023	As at 31 December 2022
Number of issued shares ('000)	442,250	442,250	442,250	442,250
NAV per share (cents)	30.42	29.67	13.31	14.35

NAV per share as at 30 June 2023 and as at 31 December 2022 have been computed based on the issued share capital of 442,249,999 shares.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**
- (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

REVIEW OF THE GROUP'S FINANCIAL PERFORMANCE

Revenue

Revenue decreased by S\$6.0 million or 4.4% from S\$135.5 million in 1H-2022 to S\$129.5 million in 1H-2023. The decrease in revenue in 1H-2023 as compared to 1H-2022 was due to lower sales from the retail and trading of gold and luxury items segment, offset by the increase in interest income from the pawnbroking and secured lending segments.

Other Gains

Other gains decreased by S\$0.2 million or 29.3% from S\$0.8 million in 1H-2022 to S\$0.6 million in 1H-2023. The decrease was mainly due to lower government grant received.

Material Costs

Material costs decreased by S\$12.9 million or 14.2% from S\$90.7 million in 1H-2022 to S\$77.8 million in 1H-2023 due to lower sales from the retail and trading of gold and luxury items segment.

Employee Benefits Expenses

Employee benefits expenses increased by S\$3.7 million or 32.7% from S\$11.2 million in 1H-2022 to S\$14.9 million in 1H-2023. The increase was mainly due to increase in staff headcount to support the opening of new stores and salary increments in 1H-2023.

Depreciation and Amortisation Expenses

Depreciation and amortisation expenses decreased by S\$0.8 million or 11.8% from S\$6.6 million in 1H-2022 to S\$5.8 million in 1H-2023. The decrease was mainly due to the lower depreciation expenses of the right-of-use assets arising from the remeasurement of leases.

Finance Costs

Finance costs increased by S\$5.1 million or 84.8% from S\$6.1 million in 1H-2022 to S\$11.2 million in 1H-2023 due to higher bank borrowings and rising interest rates.

Other Losses

Other losses increased by S\$0.2 million or 88.8% from S\$0.3 million in 1H-2022 to S\$0.5 million in 1H-2023 due to higher foreign exchange losses in 1H-2023.

Other Expenses

Other expenses increased by S\$1.8 million or 39.9% from S\$4.3 million in 1H-2022 to S\$6.1 million in 1H-2023 mainly due to higher advertising and promotional expenses, legal and professional fees and rental expenses due to remeasurement of leases which corresponds to the lower depreciation expenses from right-of-use assets in 1H-2023.

Profit Before Tax

As a result of the above, profit before tax decreased by S\$3.3 million or 19.4% from S\$17.1 million in 1H-2022 to S\$13.8 million in 1H-2023.

Income Tax Expense

Income tax expense decreased by S\$0.4 million or 12.0% from S\$3.2 million in 1H-2022 to S\$2.8 million in 1H-2023 due to the decrease in profit before tax.

REVIEW OF THE GROUP'S FINANCIAL POSITION

Non-Current Assets

Non-current assets increased by S\$1.5 million or 0.8% from S\$199.4 million as at 31 December 2022 to S\$200.9 million as at 30 June 2023. The increase was mainly attributable to an increase in (i) trade and other receivables, non-current of S\$1.9 million as a result of an increase in the secured lending business and (ii) right-of-use assets of S\$0.2 million, offset by a decrease in (i) intangible assets of S\$0.2 million and (ii) derivative financial instruments, non-current of S\$0.2 million.

Current Assets

Current assets increased by S\$33.9 million or 7.9% from S\$431.0 million as at 31 December 2022 to S\$464.9 million as at 30 June 2023. This was mainly due to an increase in (i) trade and other receivables, current of S\$45.2 million mainly as a result of an increase in pledged loan and lease payment receivables; and (ii) other assets, current of S\$1.4 million, offset by a decrease in (i) inventories of S\$11.3 million and (ii) cash and cash equivalents of S\$1.1 million.

Current Liabilities

Current liabilities increased by S\$30.6 million or 8.6% from S\$354.4 million as at 31 December 2022 to S\$385.0 million as at 30 June 2023. This was mainly due to an increase in other financial liabilities, current of S\$35.0 million due to increased bank borrowings, offset by a decrease in (i) trade and other payables, current of S\$2.8 million; (ii) income tax payable of S\$0.6 million; and (iii) lease liabilities, current of S\$1.0 million.

Equity Attributable to Owners of the Company

Equity attributable to owners of the Company increased by S\$3.3 million or 2.5% from S\$131.2 million as at 31 December 2022 to S\$134.5 million as at 30 June 2023. The increase was mainly due to total comprehensive income attributable to owners of the Company of S\$7.7 million in 1H-2023, offset by payment of the final dividend in respect of FY2022 of S\$4.4 million in 1H-2023.

REVIEW OF THE GROUP'S STATEMENT OF CASH FLOWS

Net cash generated from operating activities before changes in working capital in 1H-2023 was S\$31.0 million. Net cash used in working capital amounted to S\$39.8 million. This was mainly due to an increase in trade and other receivables of S\$47.0 million, an increase in other assets of S\$1.4 million and a decrease in trade and other payables of S\$2.7 million; offset by a decrease of inventories of S\$11.3 million. Net cash used in operating activities amounted to S\$12.2 million after deducting income tax paid of S\$3.4 million in 1H-2023.

Net cash used in investing activities in 1H-2023 amounted to S\$1.4 million, mainly due to the purchase of plant and equipment and business software application systems for new and existing stores.

Net cash generated from financing activities in 1H-2023 of S\$12.4 million was mainly due to drawdown of new bank borrowings of S\$171.3 million, partially offset by dividends paid, interest paid, repayment of lease liabilities and repayment of bank borrowings of S\$4.4 million, S\$11.2 million, S\$5.0 million and S\$138.2 million respectively.

As a result of the above, and including the exchange rate loss on cash and cash equivalents of S\$0.1 million, there was a net decrease of S\$1.4 million in cash and cash equivalents from a net cash balance of S\$19.5 million as at 31 December 2022 to S\$18.1 million as at 30 June 2023.

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

Under paragraph 10 of the Company's announcement dated 27 February 2023 in relation to the unaudited condensed financial statements for the financial year ended 31 December 2022, it was stated that "*Barring any unforeseen circumstances, the Group expects to be profitable for the current financial year ending 31 December 2023*" ("**Forecast Statement**").

Based on the Group's unaudited interim condensed financial statements for 1H-2023, the Company confirms that there is no variance between the Forecast Statement and the Group's performance in 1H-2023.

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

Global economic uncertainties, coupled with the easing of travel restrictions and the return of outbound tourism, has softened the demand for the Group's retail and trading of gold and luxury items segment in 1H-2023.

Notwithstanding these factors, the Group turned in a resilient performance in its other segments, seeing positive growth in both its pawnbroking and secured lending businesses. The Group also placed a core focus on developing new products and services and enhancing its brand equity.

The Group continues to explore opportunities to strengthen its position as a leading provider of financial services in Singapore and Malaysia.

Barring any unforeseen circumstances, the Group expects to be profitable for the current financial year ending 31 December 2023 ("**FY2023**").

11. Dividend

(a) Whether an interim (final) ordinary dividend has been declared (recommended) and

Nil.

(b) (i) Amount per share

Nil.

(ii) Previous corresponding period

Nil.

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

Not applicable.

(d) The date the dividend is payable.

Not applicable.

(e) The date on which Registrable Transfers receive by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.

Not applicable.

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

No dividend has been declared in respect of 1H-2023 as the Group continues to operate prudently and seeks to retain cash in the current economic environment. The board of directors of the Company (“**Board**”) will assess if a declaration of dividends is warranted based on the performance of the Group for FY2023.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has obtained a general mandate from shareholders for interested person transactions at the annual general meeting of the Company held on 27 April 2023 (“**IPT Mandate**”). The following table sets out the interested person transactions entered into by the Group during 1H-2023:

		Aggregate value of all interested person transactions during 1H-2023 (excluding transactions conducted under the IPT Mandate pursuant to Rule 920 of the Catalyst Rules)	Aggregate value of all interested person transactions conducted under the IPT Mandate pursuant to Rule 920 of the Catalyst Rules
Name of Interested Person	Nature of relationship	S\$'000	
<u>Purchase of products</u>			
SK Jewellery Group Pte. Ltd. (“ SKGPL ”) and its subsidiaries (the “ SK Group ”)	An associate of the Lim Family Shareholders ⁽¹⁾	40	4
<u>Sales of products</u>			
SK Group	An associate of the Lim Family Shareholders ⁽¹⁾	8	467
<u>Central support and payroll services</u>			
SK Group	An associate of the Lim Family Shareholders ⁽¹⁾	231	-
<u>Lease of premises</u>			
SK Group	An associate of the Lim Family Shareholders ⁽¹⁾	455	-
Soo Kee Investment Pte. Ltd. (“ SKIPL ”)	An associate of the Lim Family Directors ⁽²⁾	180	-
SK Properties Pte. Ltd. (“ SKPPL ”)	An associate of the Lim Family Shareholders ⁽³⁾	973	64
Citipath Sdn Bhd	An Associate of the Lim Family Shareholders ⁽⁴⁾	66	-
<u>Loan interest</u>			
SK Group	An associate of the Lim Family Shareholders ⁽¹⁾	59	-
Money Farm Pte. Ltd	A controlling shareholder of the Company (“ Controlling Shareholder ”)	108	-

		Aggregate value of all interested person transactions during 1H-2023 (excluding transactions conducted under the IPT Mandate pursuant to Rule 920 of the Catalyst Rules)	Aggregate value of all interested person transactions conducted under the IPT Mandate pursuant to Rule 920 of the Catalyst Rules
Name of Interested Person	Nature of relationship	S\$'000	
Dato' Sri Dr. Lim Yong Guan	A director of the Company ("Director") and a Controlling Shareholder, sibling of Mr. Lim Yong Sheng and Mdm. Lim Liang Eng	398	-
Mr. Lim Yong Sheng (together with Dato' Sri Dr. Lim Yong Guan, the "Lim Family Directors")	A Director and a Controlling Shareholder, sibling of Dato' Sri Dr. Lim Yong Guan and Mdm. Lim Liang Eng	116	-
Mdm. Lim Liang Eng (together with the Lim Family Directors, the "Lim Family Shareholders")	A Controlling Shareholder	109	-
Mdm. Tan Yang Hong	Spouse of Dato' Sri Dr. Lim Yong Guan	37	-
		2,780	535

Notes:

- (1) Dato' Sri Dr. Lim Yong Guan, Mr. Lim Yong Sheng, and their immediate family together have an interest of 30 per cent. (30%) or more in SKGPL.
- (2) 51 per cent. (51%) and 49 per cent. (49%) of SKIPL's shareholding are directly held by Dato' Sri Dr. Lim Yong Guan and Mr. Lim Yong Sheng, respectively, making SKIPL their associate.
- (3) 51 per cent. (51%), 44 per cent. (44%), and five per cent. (5%) of SKPPL's shareholding are directly held by Dato' Sri Dr. Lim Yong Guan, Mr. Lim Yong Sheng, and Mdm. Lim Liang Eng, respectively, making SKPPL their associate.
- (4) 51 per cent. (51%), 44 per cent. (44%), and five per cent. (5%) of Citipath Sdn Bhd shareholding are directly held by Dato' Sri Dr. Lim Yong Guan, Mr. Lim Yong Sheng, and Mdm. Lim Liang Eng, respectively, making Citipath Sdn Bhd their associate.

14. Negative confirmation by the Board pursuant to Rule 705(5) of the Catalyst Rules

The Board confirms that, to the best of its knowledge, nothing has come to the attention of the Board which may render the unaudited financial statements for 1H-2023 of the Group and the Company to be false or misleading in any material aspect.

15. Confirmation by the issuer pursuant to Rule 720(1) of the Catalyst Rules

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

16. Disclosure pursuant to Rule 706(A) of the Catalyst Rules

Save as disclosed in the Company's announcement dated 04 August 2023 entitled "Announcement pursuant to Rule 706A of the Listing Manual", there was no acquisition or sale of shares by the Company in 1H-2023 which requires disclosure pursuant to Rule 706A of the Catalyst Rules.

BY ORDER OF THE BOARD

Lim Yong Guan
Executive Chairman and CEO

Lim Yong Sheng
Non-Executive Director

04 August 2023

This announcement has been prepared by MoneyMax Financial Services Ltd. (the "Company") and has been reviewed by the Company's sponsor, United Overseas Bank Limited (the "Sponsor"), for compliance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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