

ANNUAL REPORT 2021



BOARD OF DIRECTORS

Dato' Sri Dr. Lim Yong Guan, Executive Chairman and CEO
Mr. Lim Yong Sheng, Non-Executive Director
Mr. Ng Cher Yan, Lead Independent Director
Mr. Khua Kian Kheng Ivan, Independent Director
Mr. Foo Say Tun, Independent Director

AUDIT COMMITTEE

Mr. Ng Cher Yan, Chairman
Mr. Khua Kian Kheng Ivan
Mr. Foo Say Tun

NOMINATING COMMITTEE

Mr. Khua Kian Kheng Ivan, Chairman
Mr. Ng Cher Yan
Mr. Foo Say Tun

REMUNERATION COMMITTEE

Mr. Foo Say Tun, Chairman
Mr. Ng Cher Yan
Mr. Khua Kian Kheng Ivan

COMPANY SECRETARY

Mr. Goh Hoi Lai, CA Singapore

SPONSOR

United Overseas Bank Limited
80 Raffles Place
UOB Plaza
Singapore 048624

COMPANY REGISTRATION NUMBER

200819689Z

REGISTERED OFFICE

7 Changi Business Park Vista
#01-01 SOOKEE HQ
Singapore 486042

AUDITORS

RSM Chio Lim LLP
Public Accountants and Chartered Accountants
8 Wilkie Road
#03-08 Wilkie Edge
Singapore 228095

Audit Partner-in-Charge: Mr. Lee Mong Sheong
(a member of the Institute of
Singapore Chartered Accountants)

Appointed since financial year ended
31 December 2021

SHARE REGISTRAR AND SHARE TRANSFER OFFICE

B.A.C.S. Private Limited
77 Robinson Road
#06-03 Robinson 77
Singapore 068896

PRINCIPAL BANKERS

United Overseas Bank Limited
80 Raffles Place
UOB Plaza
Singapore 048624

DBS Bank Limited
12 Marina Boulevard
Marina Bay Financial Centre Tower 3
Singapore 018982

Oversea-Chinese Banking Corporation Limited
65 Chulia Street
#09-00 OCBC Centre
Singapore 049513



CONTENTS

03	Company Profile
04	Chairman's Statement
07	Financial Highlights
08	Financial & Operational Review
10	Highlights of 2021
14	Board of Directors
16	Management Team
17	Corporate Governance Report
42	Financial Statements
108	Statistics of Shareholdings
110	Notice of Annual General Meeting

MoneyMax Financial Services Ltd. and its group of companies (“MoneyMax” or the “Group”) is a leading financial services provider, retailer and trader of luxury products in South East Asia. The Group provides both pawnbroking services as well as secured financing services to its customers. Headquartered in Singapore and listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”), the Group currently has a network of 76 outlets across Singapore and Malaysia, making it one of the largest pawnbroking chains in the region.

This annual report 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 SGX-ST Listing Manual Section B: Rules of Catalist. This annual report has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made or reports contained in this annual report. The contact person for the Sponsor is Mr Lim Hoon Khia, Director, Equity Capital Markets, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, telephone: +65 6533 9898.

Pawnbroking

We provide customers with short-term financing solutions, secured by pledged collateral articles such as gold, diamond and gem-set jewellery, luxury timepieces and branded bags. Today, MoneyMax is one of the largest pawnbroking and retail chains with a network of over 76 outlets in Singapore and Malaysia.



Retail & Trading

MoneyMax Jewellery offers a wide variety of brand new gold jewellery and pre-loved luxury timepieces and branded bags.

Secured Lending

MoneyMax offers loans to individuals and businesses in the form of secured collateral, including physical assets such as property, vehicles and liquid assets.

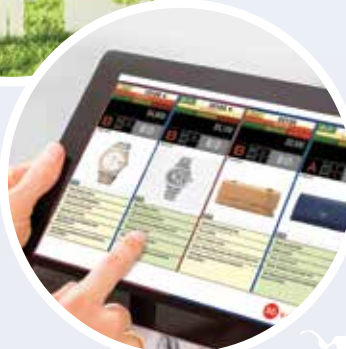


Car Finance

MoneyMax Leasing is a one-stop automotive financing hub, which provides flexible automotive financing solutions to car owners and dealerships.

Insurance

MoneyMax Assurance Agency offers motor and general insurance services.



E-Auction

SG e-Auction is Singapore's first LIVE B2B online auction platform, focusing on luxury branded merchandise, gold and diamond goods. Combining the state-of-the-art technology with a wide reach of businesses, traders can now make real-time live electronic bids on an extensive range of merchandise.



Pictures shown are for illustrative purposes only, and are not a representation of the respective brands.

MoneyMax Financial Services Ltd. (“**MoneyMax**” or the “**Company**”, and together with its subsidiaries, the “**Group**”) is a leading financial services provider, retailer and trader of luxury products in South East Asia. The Group provides both pawnbroking services as well as secured financing services to its customers. Headquartered in Singapore and listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), the Group currently has a network of 76 outlets across Singapore and Malaysia, making it one of the largest pawnbroking and retail chains in the region.

As a customer-centric and innovative company, the Group is constantly exploring new opportunities to enhance customer experience and service standards in the pawnbroking industry. In 2015, the Group launched MoneyMax Online, making it Singapore’s first pawnbroking chain to

offer customers an online platform to shop, sell and appraise their valuables. Subsequently, in 2016, the Group introduced a new 916 Love Gold jewellery collection in all its outlets to offer customers a wider variety of gold and jewellery in addition to pre-owned offerings. The Group also developed and rolled out the Peppa Pig jewellery collection, its first intellectual property (“**IP**”) jewellery series and the first of its kind in ASEAN in 2018.

As part of its efforts to expand its markets and services, MoneyMax made its maiden foray into the People’s Republic of China (“**PRC**”) in 2016 via a joint venture to provide financial leasing services in Chongqing, PRC. In 2017, the Group entered into a joint venture collaboration with Tokyo Stock Exchange-listed Aucnet Inc. to jointly develop Singapore’s first online ‘live’ business-to-business auction platform, focusing on luxury branded

merchandise, and gold and diamond goods. In 2018, the Group ventured into the automotive financial services industry, providing a one-stop solutions for automotive ownership services through MoneyMax Leasing and MoneyMax Assurance Agency.

MoneyMax has also won multiple awards from the coveted Singapore Prestige Brands Award, including Overall Winner Award (Promising Brands – 2013) and The Most Popular Brand Award (Established Brands – 2015), and has been inducted into its prestigious Hall of Fame in 2015. MoneyMax is proud to be named by The Straits Times as one of “Singapore’s Fastest Growing Companies 2020”. MoneyMax Assurance Agency also had the honour to be a recipient of Income’s Million Dollar Producer Award in 2022.



MESSAGE FROM EXECUTIVE CHAIRMAN AND CEO

“ *The Group turned in a resilient performance for FY2021, delivering a financial performance that kept pace with our record-breaking FY2020 results.* ”



Dear Shareholders,

On behalf of the Board of Directors (“**Board**”) of MoneyMax Financial Services Ltd., I am pleased to present to you our annual report for the financial year ended 31 December (“**FY**”) 2021.

Performance Review

In 2021, markets across the South East Asian region enjoyed a stronger fiscal year relative to the pandemic-induced recession in 2020.

With the ramping up of mass vaccination programmes, easing of containment measures, and strong fiscal support from the governments, FY2021 was a year that set regional economies firmly on its recovery path. Singapore’s coordinated multi-pronged approach towards the pandemic saw its domestic markets gradually resume and its economy recover. Likewise, Malaysia, the Group’s next key market in South East Asia, displayed a similar trajectory of economic recovery in 2021.

The Group turned in a resilient performance for FY2021, delivering a financial performance that kept pace with our record-breaking FY2020 results. In addition to our strong financial performance, our operational and retail teams also responded to the myriad of challenges with agility and speed, adopting hybrid work arrangements and adhering social distancing protocols while continuing to deliver the excellent service standards to the customers that we serve.

The Group posted a higher revenue of S\$199.2 million in FY2021, representing an increase of S\$2.1 million or 1.0% from S\$197.1 million in FY2020. This can be attributed to an increase in revenue from the pawnbroking and secured lending segments. The total quantum of assets under these segments increased by \$112.1 million or 34.4% to S\$438.0 million in FY2021. The Group posted a profit before tax of S\$25.4 million in FY2021, representing a slight decrease of S\$1.3 million or 4.9% from S\$26.7 million in FY2020. The slight decrease in profitability can be attributed to the lower government grants and subsidies received by the Group in FY2021 of S\$1.8 million as compared to, S\$3.4 million in FY2020.

Overall, the Group continues to maintain its commitment to deliver consistent and sustainable financial results to our shareholders. Despite the uncertainties that were brought about by the COVID-19 pandemic, the Group had

in FY2021, opened 6 new pawnbroking and retail outlets in Singapore and Malaysia. With a total of 76 outlets within its pawnbroking and retail network across South East Asia, the Group remains as one of the largest operating pawnbroking and retail chains in the region. The Group will continue to capitalise on opportunities to strategically enhance its position as a dominant market player seeking to achieve sustainable long term growth.

Primed for the future

Given how rapidly our markets have changed in recent years, the Group firmly believes in the need to continually prioritise our human capital and technology capabilities to position ourselves as a market leader in the coming decade.

Transforming our stores

In a business that is still primarily conducted within the traditional brick and mortar, the Group's main focus in 2021 was to enhance the overall customer journey within our stores as well as to broaden our retail engagement to the growing Gen Z/millennial demographic in our regional markets.

With these objectives in mind, we established a brand new flagship store along one of the busiest shopping districts in Orchard Road, aimed at maximising the amount of footfall that we could potentially have as well as widening the brand's reach towards international customers. Our flagship store also incorporates design elements seeking to enrich the experience of visiting customers. The Group also piloted a fresh retail concept store at JEM, with its modernised fixtures and product offerings aimed at attracting new customers with younger age profiles.



MoneyMax new concept store at Jem.

A new corporate identity

In tandem with revitalising our physical stores, the Group also marked the calendar year with a significant milestone by launching a brand new corporate identity. The re-conceptualisation of the Group's logo signifies the start of another era in MoneyMax, one in which the Group begins its transition beyond its traditional pawnbroking stronghold in Singapore into the South East Asia region, as well as its forays into different market segments within Singapore itself.

The logo is reflective of the constant flux of change within our markets, and is a symbolism of the need for our organisation to embrace such change with fortitude and élan to drive the organisation to greater heights. The success of our organisation tomorrow is defined by the decisions and effort of our organisation today.



MONEYMAX 銀豐

The 3 strokes embedded within forming the letter M represents the 3 core pillars that we have built the organisation on:

- (1) Integrity and Trust (诚信为本)
- (2) Care and Respect (以人为本)
- (3) Customer Centricity (待客为尊)

One of the key themes that the Group has, and will continue to work hard on is the concerted on-going effort to enhance our brand equity. These milestones aside, we have also invested a significant amount of resources and time in the training and development of our human capital. The Group will continue to identify and earmark outstanding individuals within the organisation to groom and maximise their potential.



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Working towards a sustainable future

The Group remains committed towards securing an inclusive and better future through responsible business practices. We firmly believe in the provision of equitable and sustainable financial services to allow individuals and businesses to achieve their aspirations or fulfill their needs. As a provider of financial services, the organisation seeks to provide alternative forms of financing to our communities in a fast, convenient and sustainable manner.

In the same vein, the Group is steadfast in its commitment to give back to the society at large. We are pleased to share the contributions that the Group has made to Jamiyah Singapore and Radin Mas CCC CDWF in FY2021, for these are integral organisations that we believe will create an even greater impact on our communities.

For our shareholders

The Board has proposed a one-tier tax exempt dividend of 0.95 Singapore cents per share for FY2021, subject to the approval of our shareholders at the forthcoming annual general meeting.

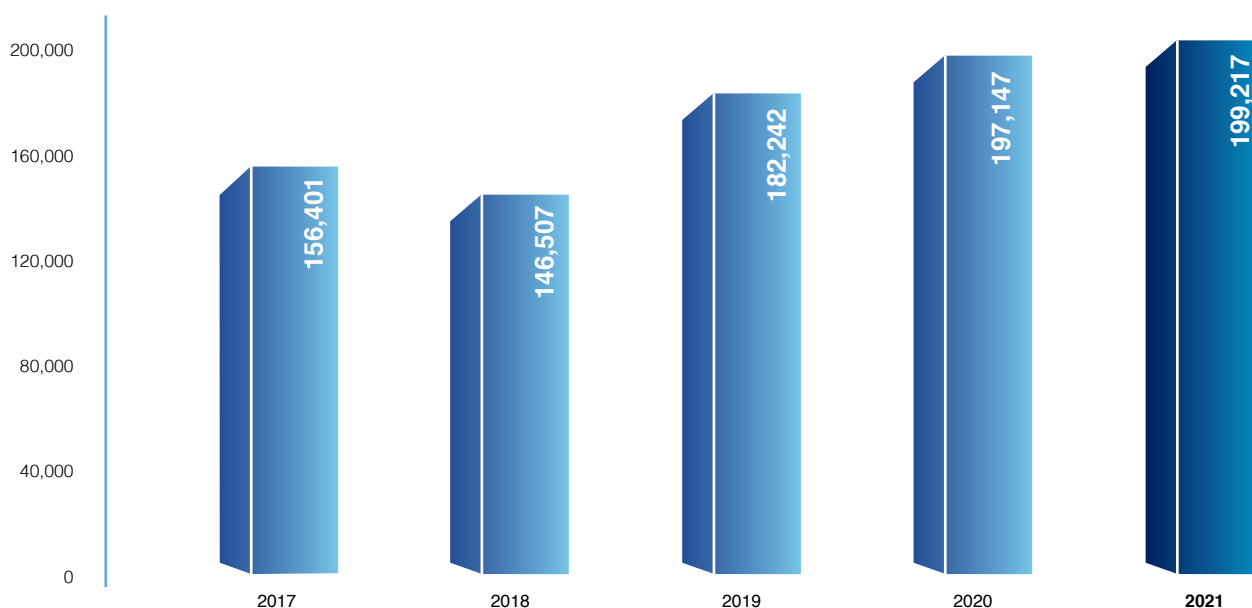
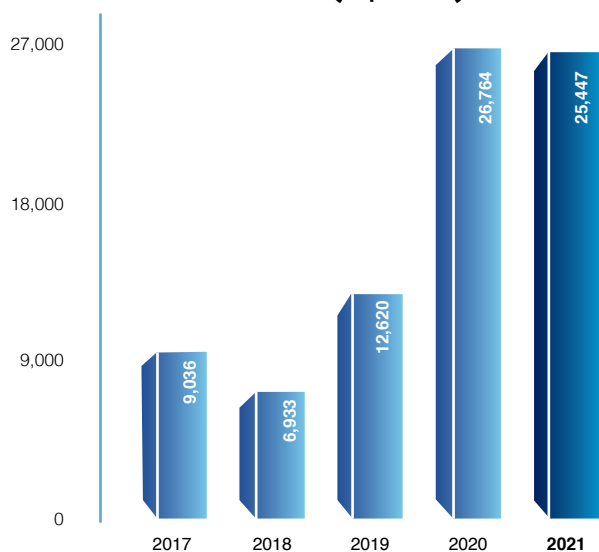
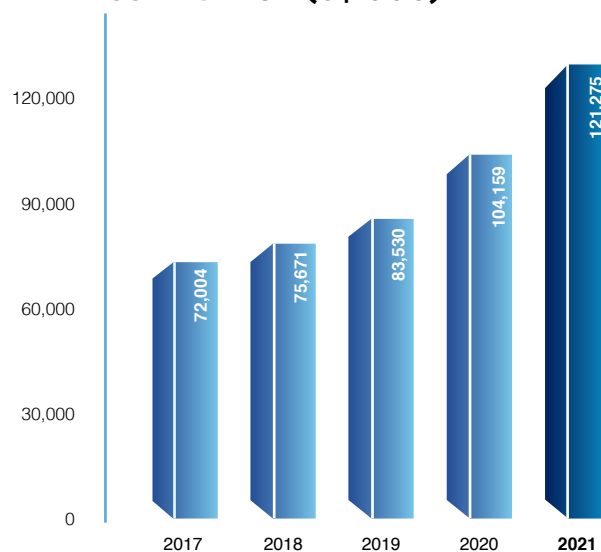
Sighting 2022

At the time of writing there seems to be a gradual shift by world governments towards an endemic phase. Notably, international borders within South East Asia have reopened to fully vaccinated travellers. Notwithstanding this, the widely anticipated rise in global interest rates

and tense geopolitics cast shadows of uncertainty on the macroeconomic outlook for the upcoming year ahead. The Group remains cognizant to the broad international and economic megatrends and stands ready to move nimbly in such an environment.

We would also like to express our utmost appreciation to our MoneyMax colleagues for their exemplary work, perseverance and commitment towards the Group's performance. We would also like to extend our gratitude to the Board for its astute stewardship. We are grateful to our shareholders, customers, suppliers and vendors for their confidence and unwavering support through such uncertain times. We take heart in the strong confidence that our respective stakeholders continue to hold in the MoneyMax brand across the years.

Dato' Sri Dr. Lim Yong Guan
Executive Chairman and CEO

REVENUE (\$\$'000)

PROFIT BEFORE TAX (\$\$'000)

NET ASSET VALUE (\$\$'000)

KEY FINANCIAL INFORMATION (\$\$'000)

Year	2017	2018	2019	2020	2021
Revenue	156,401	146,507	182,242	197,147	199,217
Profit before tax	9,036	6,933	12,620	26,764	25,447
Profit net of tax	7,288	5,490	9,566	22,249	21,126
Net asset value	72,004	75,671	83,530	104,159	121,275
Earnings per share (\$\$ cents) ⁽¹⁾	1.54	1.13	1.92	4.61	4.48

⁽¹⁾For the purpose of comparison, earnings per share for prior corresponding years have been adjusted retrospectively for the 88,449,999 new ordinary shares issued pursuant to a bonus issue on 13 October 2021.

Consolidated Income Statement and Statement of Comprehensive Income

Revenue increased by S\$2.1 million or 1.0% from S\$197.1 million in FY2020 to S\$199.2 million in FY2021.

The changes in revenue in FY2021 as compared to FY2020, was due to an increase in revenue from the pawnbroking and secured lending segments, and a decrease in revenue from the retail and trading of gold and luxury items segment due to lower sales contribution from trading of pre-owned gold items as compared to the previous corresponding period as gold prices had surged in the second half of FY2020.

Other gains decreased by S\$0.3 million or 9.2%, from S\$3.0 million in FY2020 to S\$2.7 million in FY2021. The decrease was mainly due to lower government grants received and absence of dividend income from available-for-sale investment, offset by fair value gain from available-for-sale investment.

Material costs decreased by S\$5.6 million or 4.2% from S\$134.6 million in FY2020 to S\$129.0 million in FY2021.

The decrease in material costs for FY2021 was mainly due to higher costs from the trading of pre-owned gold items in the previous financial year as gold prices had surged in the second half of FY2020.

Employee benefits expenses increased by S\$3.0 million or 18.6% from S\$16.5 million in FY2020 to S\$19.5 million in FY2021.

The increase was mainly due to increase in staff headcount to support the opening of new stores and salary increments during FY2021. In FY2020, there were salary reductions as the Group’s businesses were affected during the “Circuit Breaker” period in Singapore and the “Movement Control Order” period in Malaysia.

Depreciation and amortisation expenses increased by S\$1.7 million or 16.4% from S\$10.4 million in FY2020 to S\$12.1 million in FY2021.

The increase was mainly due to higher depreciation expenses arising from the new stores opened in FY2021.

Finance costs increased by S\$1.3 million or 15.7% from S\$8.2 million in FY2020 to S\$9.5 million in FY2021 due to higher bank borrowings.

Other losses increased by S\$0.4 million from S\$0.1 million in FY2020 to S\$0.5 million in FY2021 mainly due to higher provision of doubtful debts and exchange losses.

Other expenses increased by S\$2.2 million or 62.0% from S\$3.6 million in FY2020 to S\$5.8 million in FY2021. This was mainly due to lower rental rebates received in FY2021 and increased expenditure on promotional activities in FY2021 due to business recovery from the COVID-19 pandemic.



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Workplace Health and Safety
Safe Management Measures

As a result of the above, profit before tax decreased by S\$1.3 million or 4.9% from S\$26.7 million in FY2020 to S\$25.4 million in FY2021.

Consolidated Statement of Financial Position

Non-current assets increased by S\$58.2 million or 57.2% from S\$101.9 million as at 31 December 2020 to S\$160.1 million as at 31 December 2021. The increase was mainly attributable to an increase in (i) trade and other receivables, non-current of S\$51.7 million as a result of an increase in the secured lending business; (ii) right-of-use assets of S\$4.2 million arising from new and renewed leases; (iii) other assets, non-current of S\$1.2 million; (iv) other financial assets, non-current of S\$0.4 million; and (v) intangible assets, non-current of S\$0.3 million.

Current assets increased by S\$76.6 million or 27.1% from S\$282.1 million as at 31 December 2020 to S\$358.7 million as at 31 December 2021. This was mainly due to an increase in (i) inventories of S\$30.8 million largely from the new retail stores; (ii) trade and other receivables, current of S\$40.8 million mainly as a result of an increase in pledged loan receivables; and (iii) cash and cash equivalents of S\$4.4 million.

Non-current liabilities increased by S\$54.7 million or 81.6% from S\$66.9 million as at 31 December 2020 to S\$121.6 million as at 31 December 2021. This was mainly due to (i) increased drawdown of bank facilities of S\$52.2 million to support the Group's businesses growth; and (ii) an increase in lease liabilities, non-current of S\$2.4 million.

Current liabilities increased by S\$63.1 million or 29.7% from S\$212.9 million as at 31 December 2020 to S\$276.0 million as at 31 December 2021. This was mainly due to an increase in (i) other financial liabilities, current of S\$43.6 million due to increased bank borrowings; (ii) loans from related parties of S\$16.2 million; and (iii) lease liabilities, current of S\$2.9 million.

Equity attributable to owners of the Company increased by S\$15.8 million or 16.2% from S\$97.6 million as at 31 December 2020 to S\$113.4 million as at 31 December 2021. The increase was mainly due to total comprehensive income attributable to owners of the Company of S\$20.0 million for FY2021, offset by payment of the final dividend payment in respect of FY2020 of S\$4.2 million in FY2021.

Consolidated Statement of Cash Flows

Net cash generated from operating activities before changes in working capital in FY2021 was S\$46.7 million. Net cash used in working capital amounted to S\$108.7 million. This was mainly due to an increase in trade and other receivables of S\$92.5 million, an increase in inventories of S\$30.8 million and an increase in other assets of S\$1.9 million, partially offset by an increase in loans from related parties of S\$16.2 million and an increase in other liabilities of S\$0.4 million. Net cash used in operating activities amounted to S\$66.3 million after deducting income tax paid of S\$4.3 million in FY2021.

Net cash used in investing activities in FY2021 amounted to S\$2.6 million, mainly due to the purchase of plant and equipment for new and existing stores and intangible assets.

Net cash generated from financing activities in FY2021 of S\$72.4 million was mainly due to drawdown of new bank borrowings of S\$141.5 million, partially offset by dividends paid, interest paid, repayment of lease liabilities and repayment of bank borrowings of S\$4.2 million, S\$9.5 million, S\$9.0 million and S\$46.4 million respectively.

As a result of the above, there was a net increase of S\$3.5 million in cash and cash equivalents from a net cash balance of S\$14.4 million as at 31 December 2020 to S\$17.9 million as at 31 December 2021.

NEW MONEYMAX CORPORATE IDENTITY

MoneyMax launched a brand new corporate identity in December 2021. This new identity symbolises the need to embrace constant change with tenacity to bring the organisation to greater heights.



MONEYMAX 銀豐

The new MoneyMax corporate identity comprises of three slanted strokes forming the letter M, thereby representing the three pillars that we have built our organisation on: Trust, People First and Customer Centricity.



CUSTOMER ENGAGEMENT ACTIVITIES

MoneyMax organised various customer engagement activities such as lucky draw campaigns and localised festival celebrations. These various activities gave us the opportunity to engage with our community and to show them how much we value their support.





INTRODUCING NEW MONEYMAX CONCEPT STORE

MoneyMax is delighted to introduce our new concept store in JEM in December 2021. The contemporary concept store is furnished with modern fixtures and product offerings, offering customers a luxurious and welcoming shopping experience.





INTRODUCING CASHLESS PAYMENT SOLUTIONS

To create greater customer convenience, MoneyMax offered cashless payment solutions - PayNow in our physical stores. With PayNow, customers no longer need to bring physical cash to pay their pawn interest. Customers can also opt to pay their interest conveniently via our MoneyMax e-Renewal Service.



6
NEW STORES
IN 2021



EXPANSION OF NETWORK

MoneyMax continues to strengthen its position in the pawnbroking and retail industry by investing in store expansions. In 2021, MoneyMax grew its store network list to a total of 76 stores across Singapore and Malaysia, expanding into malls such as Lucky Plaza, Nex, Jem, IMM, Tekka Centre and Alor Star.



EXPANSION AND GROWTH BEYOND SINGAPORE



One of the largest pawnbroking and retail chains with a network of 76 outlets in Singapore and Malaysia



Singapore's first LIVE B2B online auction platform focusing on luxury branded merchandise, gold and diamond goods

FINANCIAL LEASING

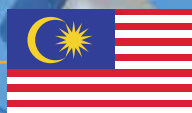
MoneyMax makes foray into China with joint venture to provide financial leasing services in Chongqing



PEOPLE'S REPUBLIC OF CHINA



JAPAN



MALAYSIA



SINGAPORE



Dato' Sri Dr. Lim Yong Guan
Executive Chairman and
Chief Executive Officer, Co-Founder

Dato' Sri Dr. Lim Yong Guan is one of our co-founders and was appointed as the Executive Chairman and CEO of our Group on 9 October 2008. He was last re-elected on 27 April 2021. Since the Group's establishment, Dr. Lim has been instrumental to the Group's growth and continued success. As the Executive Chairman and CEO, Dr. Lim is responsible for the overall management, operations, strategic planning, and business development of the Group. He is also responsible for, *inter alia*, driving the operational efficiency of the Group's work processes, monitoring the development and performance of the Group's business, and identifying new opportunities for the Group's expansion.

Dr. Lim serves as a committee member for the Singapore Pawnbrokers' Association. In addition, he is actively involved in community and grassroots activities. Dr. Lim serves as the Chairman for Bukit Merah Community Centre Management Committee and Hua Yan Buddhist Society. He also serves as the Board Chairman for Bukit Timah Seu Teck Sean Tong Institution Limited, Chairman for Theng Hai Huay Kuan and Vice Chairman for Radin Mas Citizens' Consultative Committee and Teochew Poit Ip Huay Kuan. He was awarded the prestigious Pingat Bakti Masyarakat or the Public Service Medal in 2015 and Bintang Bakti Masyarakat or the Public Service Star in 2021.

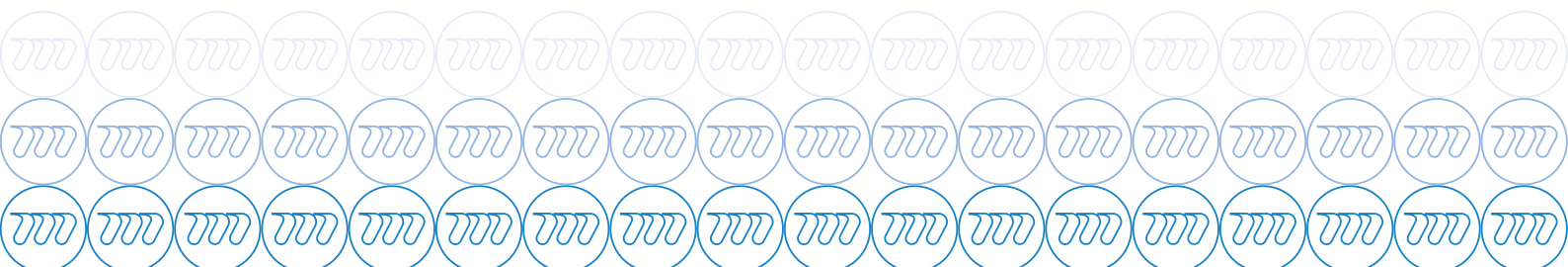


Mr. Lim Yong Sheng
Non-Executive Director, Co-Founder

Mr. Lim Yong Sheng is one of our co-founders and was appointed as an Executive Director of the Company on 9 October 2008. He was re-designated as a Non-Executive Director of the Company on 6 August 2015 and was last re-elected on 30 April 2019.

Having accumulated more than 20 years of experience in the jewellery industry, Mr. Lim currently serves as the Executive Director and Group CEO of SK Jewellery Group Pte. Ltd. and is responsible for its strategic planning, overall management, business development and marketing strategies. Prior to his appointment as the Executive Director and Group CEO of SK Jewellery Group Pte. Ltd., Mr. Lim was the Head of Branding and Marketing and Executive Director of the Group, where he oversaw and spearheaded the marketing strategy and brand management for the Group. Mr. Lim currently serves as an independent director of Sarine Technologies Ltd., a company listed on the SGX-ST.

Mr. Lim obtained a Bachelor of Science in Electrical Engineering from the National University of Singapore.





Mr. Ng Cher Yan
Lead Independent Director

Mr. Ng Cher Yan was appointed as the Lead Independent Director of the Company on 27 June 2013. He was last re-elected on 26 June 2020. Mr. Ng has more than 30 years of experience in the areas of accounting and finance and is currently the managing partner of an accounting practice, Plus LLP.

Mr. Ng currently also serves as an independent director on the boards of several companies listed on the SGX-ST, namely, Samko Timber Limited, Serial Systems Ltd. and Vicplas International Limited. He was previously a non-executive director of Bull Will Co. Ltd, a company listed in Taiwan.

Mr. Ng holds a Bachelor of Accountancy degree from the National University of Singapore and is also qualified as a Chartered Accountant in Australia and New Zealand. He is a Fellow Member of the Institute of Singapore Chartered Accountants, as well as a member of the Chartered Accountants Australia and New Zealand. Mr. Ng was awarded the prestigious Pingat Bakti Masyarakat or the Public Service Medal in 2007 and was awarded the Bintang Bakti Masyarakat or the Public Service Star Award in 2016 for his various community services.



Mr. Khua Kian Kheng Ivan
Independent Director

Mr. Khua Kian Kheng Ivan was appointed as an Independent Director of the Company on 27 June 2013. He was last re-elected on 27 April 2021. Mr. Khua is currently the executive director of Hock Leong Enterprises Pte. Ltd. ("HLE"), where he oversees the financial, administrative, human resource and business development aspects of HLE's business and operations.

Prior to joining HLE, Mr. Khua worked with Rider Hunt Levett and Bailey, a consultancy firm, between 2000 and 2004. Mr. Khua also currently serves as an independent director of KSH Holdings Limited, and was previously a lead independent director of No Signboard Holdings Ltd, companies listed on the SGX-ST.

Mr. Khua holds a Diploma in Building (with Merit) from Singapore Polytechnic, and a Bachelor's degree in Building Construction Management (First Class Honours) from the University of New South Wales, Australia. He is also a member of the Singapore Institute of Arbitrators and the Singapore Institute of Directors. He was awarded the prestigious Pingat Bakti Masyarakat or the Public Service Medal in 2016.

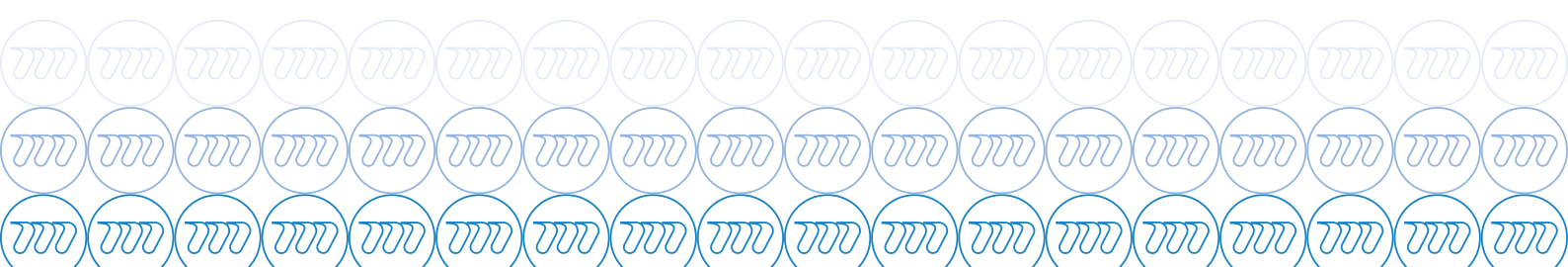


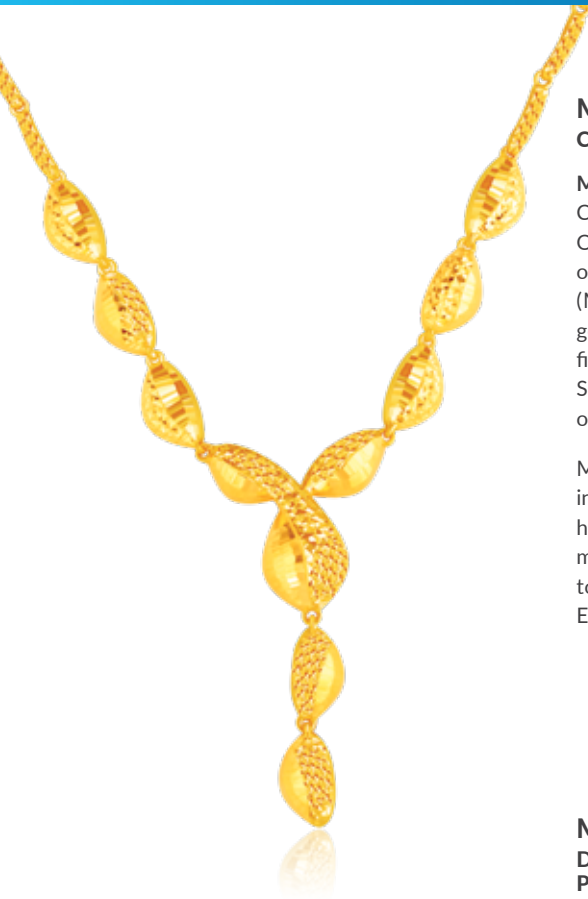
Mr. Foo Say Tun
Independent Director

Mr. Foo Say Tun was appointed as an Independent Director of the Company on 27 June 2013. He was last re-elected on 26 June 2020. Mr. Foo was called to the Singapore Bar in 1995 and the Malaysian Bar in 1992. Mr. Foo was a lawyer practicing civil litigation, arbitration and corporate law.

Mr. Foo currently serves as an independent director on the board of Eurosports Global Limited, a company listed on the SGX-ST. He was previously the non-executive chairman and independent director of Jubilee Industries Holdings Ltd, and an independent director of Qingmei Group Holdings Limited, Sino Techfibre Limited and Fu Yu Corporation Limited, companies listed on the SGX-ST.

Mr. Foo holds a Bachelor of Laws degree from the University of East Anglia (UK), and was admitted to Middle Temple (UK) as a Barrister-at-Law in 1991.





Mdm. Tan Yang Hong
Chief Operating Officer

Mdm. Tan Yang Hong was appointed as the Chief Operating Officer of the Group on 1 October 2010. Mdm. Tan oversees the Group's operations, the Management Integrated Systems (MIS), human resources, management and general administration, as well as dealings with financial institutions and relevant authorities. She is also involved in determining and executing operational audit plans and schedules.

Mdm. Tan has more than 20 years of experience in the jewellery industry, and was responsible for human resource, operational and administrative matters of the SK Jewellery group from 1991 to 2012. She holds a Diploma in Electronics Engineering from Ngee Ann Polytechnic.

Mdm. Lim Liang Soh
**Deputy General Manager –
Pawnbroking and Retail**

Mdm. Lim Liang Soh was appointed as Head – Retail Operations of the Group on 1 October 2010. Since 2010, she has been managing the overall brand strategy and activities for the Group. Mdm. Lim was promoted to Deputy General Manager, Pawnbroking and Retail with effect from 1 June 2021. She manages the overall brand strategy and activities for the Group. She is also responsible for overseeing the Group's operations, day-to-day business processes, controls, talent management and recruitment.

Mdm. Lim has more than 20 years of experience in the jewellery industry, and was responsible for human resource, operational and administrative matters of the SK Jewellery group from 1991 to 2012. She holds a Diploma in Chemical Process Technology from Singapore Polytechnic.

Mdm. Chong Chit Bien
Chief Financial Officer

Mdm. Chong Chit Bien was appointed as the Chief Financial Officer of the Group on 1 November 2021. Mdm. Chong is responsible for the Group's accounting and finance functions.

Mdm. Chong has more than 20 years of financial management experience in start-up, multinational and public listed companies. Prior to joining the Group, she was the Chief Financial Officer of SK Jewellery Group Pte. Ltd.. She had also previously held the position of co-founder and director, Finance, HR & Admin at Plover Trip Pte. Ltd., senior director (Finance and Accounting) at BCD Travel Singapore Pte. Ltd. and head of finance at Fossil Singapore Pte. Ltd..

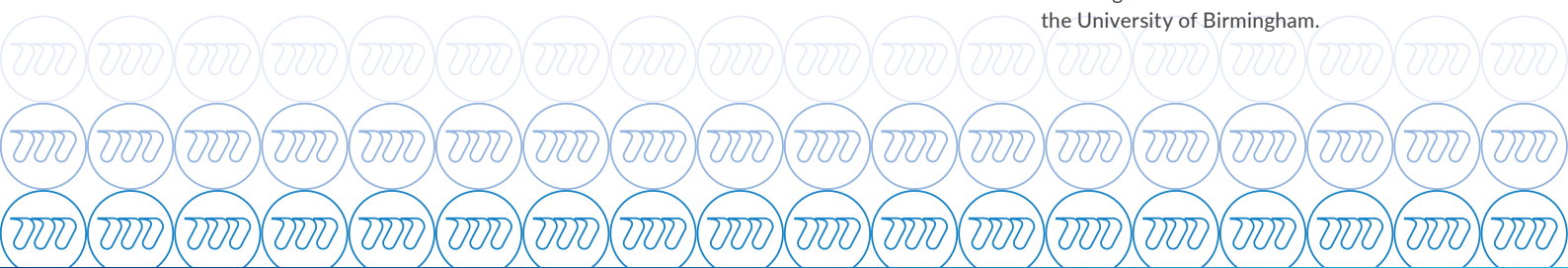
Mdm. Chong holds a Bachelor of Commerce (Accounting) from University of Otago in New Zealand and is a member of CPA Australia.

Mr. Lim Chun Seng
**General Manager – MoneyMax Leasing and
MoneyMax Malaysia**

Mr. Lim Chun Seng joined the Group in June 2018 as an Assistant Business Development Manager and helped to develop the Group's auction business as well as supporting initiatives for the Group's pawnbroking and jewellery segments. With the establishment of the Group's auto financing operations in 2019, he was appointed Head – Auto Financing Operations on 1 July 2019 and was promoted to General Manager, MoneyMax Leasing Pte. Ltd. and MoneyMax Assurance Agency Pte. Ltd. in February 2021. He was responsible for the management of the Group's auto financing division, including overseeing the division's daily operations, recruitment and branding.

Mr. Lim was promoted to General Manager of MoneyMax Leasing and MoneyMax Malaysia on 10 February 2022. He manages and oversees the overall business and operational matters in relation to the Group's automobile financing and insurance agency business units in Singapore and pawnbroking business unit in Malaysia.

Mr. Lim graduated with a Bachelor of Laws from the University of Birmingham.





The Board is firmly committed to ensuring a high standard of corporate governance to protect the interests of shareholders of the Company (the “**Shareholders**”) and to enhance long-term Shareholders’ value.

This report describes the Group’s corporate governance structures and practices currently in place, with specific references made to the principles and guidelines of the Code of Corporate Governance 2018 (the “**Code**”) issued in August 2018 and Rule 710 of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”).

The Board is pleased to report on the compliance by the Group with the Code. Such compliance is regularly reviewed to ensure transparency and accountability. Where there are deviations from the Code, appropriate explanations have been provided.

Principle 1: The Board’s Conduct of Affairs

The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

As at the date of this annual report, the Board comprises:

Dato’ Sri Dr. Lim Yong Guan, Executive Chairman and Chief Executive Officer (“**CEO**”)
Mr. Lim Yong Sheng, Non-Executive Director
Mr. Ng Cher Yan, Lead Independent Director
Mr. Khua Kian Kheng Ivan, Independent Director
Mr. Foo Say Tun, Independent Director

The Board provides effective leadership and direction to develop long-term value for Shareholders and other stakeholders. The Board oversees the business affairs of the Group and has the overall responsibility for reviewing the Group’s strategic plans and performance objectives, financial plans and annual budget, key operational initiatives, major funding and investment proposals, financial performance and corporate governance practices.

The principal functions of the Board include:

- Approving the broad policies, strategies and financial objectives of the Group and ensuring that the necessary resources are in place for the Group to meet its objectives;
- Overseeing the processes for evaluating the adequacy of internal controls, risk management systems, financial reporting and compliance to enable risks to be assessed and managed, including safeguarding of Shareholders’ interests and the assets of the Group;
- Reviewing the performance of the management and approving the nominations of Directors and appointment of key management personnel;
- Approving annual budgets, material funding, investment, divestment and capital expenditure proposals;
- Setting the Group’s values and principles (including ethical standards) and ensuring that the obligations to Shareholders and other stakeholders are met;
- Considers sustainability issues as part of its strategic formulation; and
- Assuming responsibility for corporate governance.

The Board exercises due diligence and independent judgement in dealing with the business affairs of the Group and works with the management to make objective decisions in the interests of the Group. In order to objectively discharge their duties and responsibilities at all times as fiduciaries in the interests of the Company, any Director facing conflicts of interest would recuse himself from discussion and decision involving the issue of conflict.

The Board has delegated certain responsibilities to the audit committee (the “**AC**”), the nominating committee (the “**NC**”) and the remuneration committee (the “**RC**”) of the Company (collectively, the “**Board Committees**”). The Board Committees operate under clearly defined terms of reference. The Board accepts that while the Board Committees have the authority to examine specific issues and will report back to the Board with their decisions and/or recommendations, the ultimate responsibility on all matters remains with the Board.



In order to keep Directors abreast of the Group's operations, the Directors are also kept updated on initiatives and developments on the Group's business, financial performance, position and prospects, amongst others, in Board and Board Committee meetings, as well as on an ongoing basis as soon as practicable. The management also keeps the Directors updated on relevant and strategic developments in the business, financial reporting standards and industry-related matters periodically to facilitate the discharge of their duties.

The Directors are also encouraged to be kept well-informed of developments in regulatory, legal, compliance and accounting frameworks that are of relevance to the Group with continual development through relevant training courses, seminars and workshops as relevant and/or applicable, at the Company's expense.

The Board meets at least 2 times a year to review and approve, *inter alia*, the half year and full year financial results of the Group. The Board also meets as warranted by circumstances to supervise, direct and control the Group's business and affairs as well as deliberate on key matters. The Executive Chairman and CEO keeps the Board updated through informal meetings and discussions to ensure the Board is aware of developments in the Group's business.

The attendance of the Directors at meetings of the Board and Board Committees, as well as the frequency of such meetings held during FY2021 is as follows:

	Board and Board Committees			
	Board	AC	NC	RC
No. of meetings held	2	2	1	1
No. of meetings attended by the Directors				
Dato' Sri Dr. Lim Yong Guan	2 ^(a)	2 ^(b)	1 ^(b)	1 ^(b)
Mr. Lim Yong Sheng	2	2 ^(b)	1 ^(b)	1 ^(b)
Mr. Ng Cher Yan	2	2 ^(a)	1	1
Mr. Khua Kian Kheng Ivan	2	2	1 ^(a)	1
Mr. Foo Say Tun	2	2	1	1 ^(a)

^(a) Chairman of the respective Board or Board Committee

^(b) Attendance by invitation

The Group has adopted guidelines setting forth matters that require Board's approval.

Matters that require Board's approval include:

- Strategies and objectives of the Group;
- Annual budgets/forecasts;
- Announcement of half year and full year results, and release of annual reports;
- Issuance of securities;
- Declaration of interim dividends and proposed final dividends;
- Convening of Shareholders' meetings;
- Material acquisition/investment, divestment or capital expenditure;
- Corporate or financial restructuring and major funding proposals;
- Diversification of business; and
- Interested person transactions.

All Directors are required to declare their board representations. Given their full attendance at all the Board and Board Committee meetings, the Board is satisfied that the Directors are able to devote sufficient time and attention to the affairs of the Group.

The management ensures the provision of complete, adequate, and timely information to the Directors on an ongoing basis to enable them to make informed decisions to discharge their duties and responsibilities. To allow the Directors sufficient time to prepare for the meetings, all Board and Board Committee papers are provided to the Directors in advance. Any additional material or information requested by the Directors is promptly furnished.



The management ensures that proposals to the Board for approval provide background and explanatory information such as facts, resources needed, risk analysis and mitigation strategies, financial impact, regulatory implications, expected outcomes, conclusions and recommendations. The Board will seek clarification from management as and when needed. Employees and professional advisers who can provide additional insight into matters to be discussed will be present at the relevant time during the Board and Board Committee meetings.

To facilitate separate and independent access, the Directors have been provided with the phone numbers and email particulars of the following:

- key management personnel;
- the company secretary (the “**Company Secretary**”);
- the external auditor (the “**External Auditor**”);
- the internal auditor (the “**Internal Auditor**”); and
- other professional parties (where relevant).

Should Directors, whether as a group or individually, require independent professional advice, the Board will appoint a professional adviser and the cost of such professional advice will be borne by the Company. Directors are also updated on any changes or developments in laws, rules and/or regulations by the Company Secretary or other professional advisors at the Board and Board Committee meetings, as well as on an ongoing basis.

The appointment and removal of the Company Secretary is a matter for the Board to collectively to approve.

Principle 2: Board Composition and Guidance

The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

The Board currently comprises 5 Directors namely, 1 Executive Director, 1 Non-Executive Director, and 3 Independent Directors.

The Independent Directors have each confirmed that they are independent in conduct, character and judgement and do not have any relationship with the other Directors, the Company, its related corporations, its Substantial Shareholders who has an interest or interests in one or more voting shares (excluding treasury shares) in the Company and the total votes attached to that share, or those shares, is not less than 5% of the total votes attached to all voting shares (excluding treasury shares) in the Company, or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of their independent business judgement with a view to the best interests of the Group.

The 3 Independent Directors, namely Mr. Ng Cher Yan, Mr. Khua Kian Kheng Ivan and Mr. Foo Say Tun, were appointed on 27 June 2013 and are currently serving their ninth year in office this year.

The Board has subjected the independence of each of the 3 Independent Directors to rigorous review. Having considered the assessment on the independence status of Mr. Ng Cher Yan, Mr. Khua Kian Kheng Ivan and Mr. Foo Say Tun, the Board is of the view that each of Mr. Ng Cher Yan, Mr. Khua Kian Kheng Ivan and Mr. Foo Say Tun has demonstrated strong independence and judgement over the years in discharging their duties and responsibilities as an Independent Director. They had expressed individual viewpoints, debated issues and objectively scrutinized and challenged the management where necessary. Taking into account the above, the Board confirms that each of Mr. Ng Cher Yan, Mr. Khua Kian Kheng Ivan and Mr. Foo Say Tun continues to be considered as an Independent Director, notwithstanding that each of them will have served on the Board for more than nine years with effect from 27 June 2022.

The Company will be complying with the requirements of Rule 406(3)(d)(iii) of the Catalist Rules pursuant to which, Mr. Ng Cher Yan, Mr. Khua Kian Kheng Ivan and Mr. Foo Say Tun will be subject to the two-tier voting process at the forthcoming annual general meeting of the Company (“**AGM**”) in connection with their respective continued appointment as Independent Directors. Additional information on Mr. Ng Cher Yan, Mr. Khua Kian Kheng Ivan and Mr. Foo Say Tun, as required under Rule 720(5) of the Catalist Rules are set out on pages 33 to 41 of this annual report.

Dato’ Sri Dr. Lim Yong Guan (Executive Chairman and CEO) and Mr. Lim Yong Sheng (Non-Executive Director) are siblings. As our Executive Chairman is not independent, Independent Directors make up the majority of the Board, composition of which is in compliance with the Code.



The Board reviews the size and composition of the Board and Board Committees. While reviewing the composition of the Board and Board Committees, the Board takes into account the balance and diversity of the Directors' skills, competencies, experience and knowledge of the Group, other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate. These competencies include accounting and finance, business acumen, management experience, industry knowledge, strategic planning experience, familiarity with regulatory requirements and knowledge of risk management. As mentioned under Principle 5 below, the NC conducts an annual assessment of the performance of the Board as a whole with a view to achieve balance and diversity to ensure effectiveness.

While the Board and NC have not implemented a fixed diversity policy, the composition of the Board is reviewed on an annual basis by the NC to ensure that the Board has the appropriate mix of expertise and experience to enable the Management to benefit from a diverse perspective in reviewing the issues that are brought before the Board and to enable it to make decisions in the best interests of the Company.

The NC will take into account its diversity aspirations for the Board. In this connection, the NC will ensure that female candidates are included for consideration by the NC whenever it seeks to identify a new Director for the Board. In addition, the Board will strive to appoint at least one female Director to the Board. Having said that, the Board is of the view that gender is but one aspect of diversity and the Directors will continue to be selected on the basis of their experience, skills, knowledge, insight and relevance to the Board.

The Board will endeavour to maintain a board diversity policy that recognises and embraces the benefits of diversity on the Board in its annual report for the financial year ending 31 December 2022 to enhance the long-term success of the Group.

The Board has reviewed and is satisfied that the current size and composition of the Board and Board Committees are appropriate for effective decision making, having taken into consideration the nature and scope of the Group's operations, the balance and diversity of the Directors' skills, competencies, experience, and knowledge of the Group, among other factors. The Board is also of the view that the Directors possess as a group the necessary competencies and knowledge to lead and govern the Group effectively.

The Independent Directors constructively challenge and participate in setting strategies and goals for the Company and review, as well as monitor, the performance of management in the implementation of the agreed strategies and goals. The Independent Directors meet regularly on their own without the presence of the Executive Chairman and CEO, the Non-Executive Director and the management. The chairman of such meetings would provide feedback to the Executive Chairman and CEO and the Non-Executive Director after such meetings, whenever applicable.

In recommending a Director for re-election to the Board, the NC considers, *inter alia*, his/her performance and contributions to the Board (including attendance and participation at meetings, and time and effort accorded to the Group's business and affairs). All Directors submit themselves for re-nomination and re-election at regular intervals in accordance with the Company's Constitution ("**Constitution**"). Pursuant to Regulation 89 of the Constitution, one-third of the Board are to retire from office by rotation and be subject to re-election at the AGM and all Directors shall retire at least once in every 3 years.

Each member of the NC shall abstain from voting on any resolutions in respect of his nomination for re-election.

The NC has reviewed and recommended to the Board the nomination for re-election of Mr. Lim Yong Sheng and Mr. Ng Cher Yan as Directors at the forthcoming AGM. Mr. Lim Yong Sheng and Mr. Ng Cher Yan will be retiring pursuant to Regulation 89 of the Constitution. Both retiring Directors have offered themselves for re-election. In making the above recommendations, the NC had considered the said Directors' qualification, experience, independence and/or overall contribution and performance (as the case may be). The Board has accepted the recommendations of the NC. Additional information on Mr. Lim Yong Sheng and Mr. Ng Cher Yan, as required under Rule 720(5) of the Catalist Rules are set out on pages 33 to 37 of this annual report.



Principle 3: Chairman and CEO

There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

The Code advocates that there should be a clear division of responsibilities to ensure an appropriate balance of power, increased accountability, and greater capacity of the Board for independent decision making. Hence no one individual should represent a considerable concentration of power.

Dato' Sri Dr. Lim Yong Guan is the Executive Chairman and CEO of the Group. Dato' Sri Dr. Lim Yong Guan brings with him a wealth of experience and leads the Board to ensure its effectiveness. As the Executive Chairman and CEO, he assumes responsibility for the smooth functioning of the Board and ensures the adequate and timely flow of information between the management and the Board, sets the agenda for meetings, ensures sufficient allocation of time for thorough discussion of each agenda item, promotes a culture of openness and debate at the Board, facilitates the effective contribution of non-executive directors, and promotes high standards of corporate governance. In addition, he also assumes the responsibility for running the day-to-day business of the Group, ensures the implementation of policies and strategies across the Group as set by the Board, manages the management team and leads the development of the Group's future strategies including identifying and assessing risks and opportunities for the growth of its business and reviewing the performance of its existing business. Dato' Sri Dr. Lim Yong Guan also ensures effective communication with shareholders and other stakeholders.

The Board is of the view that it is in the best interests of the Group to adopt a single leadership structure, whereby the Chairman and the CEO is the same person, so as to ensure that the decision-making process of the Group could function expeditiously. All major proposals and decisions made by the Executive Chairman and CEO are discussed, reviewed and approved by the Board.

The Board has appointed Mr. Ng Cher Yan as the Lead Independent Director to provide leadership *in situations* where the Executive Chairman and CEO is conflicted. The Lead Independent Director will be available to Shareholders where they have concerns and for which contact through normal channels to the Executive Chairman and CEO or the Chief Financial Officer ("CFO") has failed to resolve or is inappropriate.

Further, as the AC, the RC and the NC consist of only Independent Directors, the Board believes that there are sufficient strong and independent elements and safeguards in place against an uneven concentration of power and authority in a single individual.

Principle 4: Board Membership

The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

The NC comprises 3 members, all of whom, including the chairman of the NC, are Independent Directors. The Lead Independent Director is a member of the NC.

Chairman: Mr. Khua Kian Kheng Ivan

Members: Mr. Ng Cher Yan
Mr. Foo Say Tun

The NC is guided by its written terms of reference which stipulates that its principal roles include, *inter alia*, maintaining a formal and transparent process for the appointment of new Directors to the Board, determining the independence of the Directors and the appropriate size and composition of the Board and Board Committees, and reviewing and approving the appointment of key management personnel of the Group.

There is currently no concrete succession plan put in place by the Executive Chairman and CEO. Going forward and at the relevant time, the Executive Chairman and CEO will look into formulating such a plan in close consultation with the NC.

Key responsibilities of the NC include making recommendations to the Board on relevant matters such as the process for appointment or re-appointment of Directors, review of training and professional development programs for the Board and evaluating the performance of the Board, the Board Committees and each Director.

Each member of the NC shall abstain from voting on any resolutions in respect of his nomination for re-election.



The NC will be responsible for determining on an annual basis, and as and when circumstances require, whether or not a Director is independent as set out in the Code and the Catalist Rules, considering whether a Director has any existing business or professional relationship of a material nature with the Group, other Directors and/or Substantial Shareholders.

The NC, in its deliberations as to the independence of the Independent Directors, has reviewed, determined and confirmed the independence of the Independent Directors and the Board has concurred with the NC's confirmation.

The Company has established the following process for the selection and appointment of new Directors:

- The NC determines a suitable size of the Board and evaluates the balance and diversity of skills, competencies, experience, gender, age and knowledge of Directors required to add value and facilitate effective decision-making, after taking into consideration the scope and nature of the Group's operations;
- The NC considers various sources of seeking suitable candidate(s) or recommendations from, among others, Directors, business associates and advisers;
- Short-listed candidate(s) will be required to furnish their curriculum vitae stating in detail, among others, their qualification and working experience;
- The NC evaluates candidate(s) in areas of academic and professional qualifications, knowledge and experience in relation to the business of the Group, his/her independence (if applicable) and other present and past directorships; and
- The NC makes recommendation to the Board for approval. The Board is to ensure that the candidate is aware of the expectations and the level of commitment required.

New Directors are briefed on the Group's business, strategies, operations, organisation structures and governance practices to enable them to integrate into their new roles. The new Directors are also welcome to request further explanations, briefings or informal discussions on any aspects of the Group's operational or business issues from the management. The Company will make the necessary arrangements for site visits, briefings, informal discussions or explanations required by the new Directors.

All first-time Directors who have no prior experience as a director of a company listed on the SGX-ST are required to attend the mandatory training as prescribed in the Catalist Rules. Newly appointed Directors will be provided with a formal letter setting out their duties and obligations.

Key information regarding the Directors such as date of first appointment, date of last re-appointment, directorships or chairmanships both present and those held over the preceding 3 years in other listed companies and other principal commitments can be found on pages 14 and 15 of this annual report.

There is no maximum number of listed board representations and principal commitments currently prescribed by the Board as the Board is of the view that having multiple directorships and principal commitments does not prevent the Directors from discharging their duties as a Director effectively. The NC, at the relevant time, will look into reviewing and making a recommendation to the Board on the maximum number of listed board representations and principal commitments which any Director may hold.

When a Director has multiple board representations and principal commitments, the NC will consider whether the Director is able to adequately carry out his duties as a Director, taking into consideration the Director's number of listed board representations, the Director's other principal commitments, the roles and scope of responsibilities of these principal commitments and involvement in any other activities outside of these principal commitments, among other factors. The NC has reviewed and is satisfied that each Director has been able to devote sufficient time and attention to the affairs of the Group to adequately discharge his duties as a Director, notwithstanding his other board representations (if any).

No Director has appointed an alternate director in FY2021.



Principle 5: Board Performance

The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

The NC has established a review process to assess the performance and effectiveness of the Board as a whole and the Board Committees on an annual basis. The objective of the annual review is to identify areas for improvement and to implement appropriate action.

The Code advocates for the NC to recommend the objective performance criteria and the process for the evaluation of the contribution by the Executive Chairman and CEO and individual directors to the Board. In view of the different aspects of the Board's decision-making and directions, not all Directors will be able to contribute equally to the decision-making due to their expertise and experience. The decision-making process and review are conducted in a collective and open manner, allowing the Board to maximise on individual Directors' knowledge and allow other Directors to raise their concerns. The Board is of the opinion that it is more effective to evaluate the Directors collectively as a Board and as individual Board Committees.

All the Directors are requested to complete a Board assessment checklist designed to seek their views on the various performance criteria so as to assess the overall performance and effectiveness of the Board and the Board Committees. The checklists were completed and submitted to the Company Secretary for collation and the consolidated responses were presented to the NC for review and discussion before making any recommendations to the Board. The performance criteria will not change from year to year unless they are deemed necessary and the Board is able to justify the changes. The key objective of the evaluation exercise is to obtain constructive feedback from each Director to continually improve the performance of the Board and Board Committees against short-term, long-term financial and non-financial performance indicators, identify areas for improvement and to implement appropriate action. The NC has reviewed the overall performance and effectiveness of the Board and the Board Committees for FY2021 and is of the view that the performance and effectiveness of the Board as a whole and the Board Committees have been satisfactory.

The NC will, at the relevant time, look into adopting guidelines for annual assessment of the contribution of the Executive Chairman and CEO, as well as of each Director, to the performance and effectiveness of the Board and Board Committees.

The NC may engage an external facilitator in conducting the assessment of the performance of the Board and the Board Committees. For FY2021, the NC did not engage any external facilitator.

Principle 6: Procedures for Developing Remuneration Policies

The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

The RC comprises 3 members all of whom, including the chairman of the RC, are Independent Directors.

Chairman: Mr. Foo Say Tun

Members: Mr. Ng Cher Yan
Mr. Khua Kian Kheng Ivan

The principal responsibilities of the RC are to review and recommend, for the endorsement of the Board, the following:

- The framework of the remuneration packages for each Director and key management personnel. The framework covers all aspects of remuneration, including but not limited to, Directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards and benefits-in-kind;
- The specific remuneration packages for each Director and key management personnel so as to ensure that the packages are competitive and sufficient to attract, retain and motivate the Directors and key management personnel to ensure the long-term success of the Group;



- The remuneration of employees related to the Directors, CEO and/or controlling Shareholders to ensure that their remuneration packages are in line with the Group's staff remuneration guidelines and commensurate with their respective job scope and level of responsibility; and
- The Group's obligations arising in the event of termination of the Executive Director and key management personnel's contracts of service to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

The RC is guided by its written terms of reference which clearly set out its authority and duties.

Each member of the RC shall abstain from voting on any resolution in respect of his own remuneration package.

The RC may seek expert professional advice on remuneration matters as and when necessary. The expenses of such services shall be borne by the Company. For FY2021, the RC did not engage any external remuneration consultant.

Principle 7: Level and Mix of Remuneration

The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

The Group's remuneration structure for the Executive Chairman and CEO and key management personnel comprised both fixed and variable components. The fixed component is in the form of a monthly base salary. Any adjustment to the fixed monthly base salary takes into consideration the key management personnel's performance against key performance indicators, general economic environment conditions and prevailing inflation rates, among others. The variable component is in the form of a variable bonus that is linked to the Group's performance as well as the individual's performance. This is designed to align remuneration with the interests of Shareholders and link rewards to corporate and individual performance so as to promote the long-term success of the Group and ensure that the remuneration is appropriate to attract, retain and motivate the Directors to provide good stewardship of the Company and key management personnel to successfully manage the Company for the long term.

Performance conditions such as the financial performance and operations of the Group, as well as any other business objectives such as quality of service and adherence to corporate values and principles which may from time to time be determined by the Board are used to determine the variable component of the remuneration of the Executive Chairman and CEO and key management personnel.

For FY2021, the RC has reviewed the performance conditions for the Executive Chairman and CEO and key management personnel and has determined them to have been met.

All employees of the Group and the Directors are eligible to participate in the Company's performance share plan known as the "MoneyMax Performance Share Plan" ("PSP"). As at the date of this annual report, no awards have been granted under the PSP.

Directors' fees are payable to the Non-Executive Directors, taking into account factors such as the level of contribution, effort and time spent and their scope of responsibilities. The Non-Executive Directors are not over-compensated to the extent that their independence may be compromised. Directors' fees are recommended by the Board for approval of Shareholders at the AGM. The Group proposes that the Executive Chairman and CEO continues to receive an annual director fee from its Malaysian subsidiary in accordance with Malaysian law. Save for the above, the Executive Chairman and CEO does not receive any Directors' fees.

No Director is involved in deciding his own remuneration package.

There are no termination or retirement benefits that are granted to the Directors. The Company does not intend to use contractual provisions to allow the Company to reclaim incentive components of remuneration from the Executive Chairman and CEO and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Group. The RC is of the view that the Executive Chairman and CEO owes a fiduciary duty and interest to the Company. The Company should be able to avail itself to remedies against the Executive Chairman and CEO in the event of such breach of fiduciary duties.



Principle 8: Disclosure on Remuneration

The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

The Company's remuneration policy is one that seeks to attract, retain and motivate talent to achieve the Company's business vision and create sustainable value for its stakeholders. Total compensation is pegged to the achievement of organisational and individual performance objectives, and is benchmarked against relevant and comparative compensation in the market.

The remuneration (including salary, directors' fee, variable bonus and benefits-in-kind) of each of the Directors and key management personnel is linked to the financial performance of the Group and the individual's performance so as to promote long-term sustainability of the Group.

Short-term incentive scheme includes salary and variable bonus and are subject to annual review by the RC and to be approved by the Board. The long-term incentive scheme would be covered under the PSP.

Details on the remuneration of Directors and key management personnel for FY2021 are presented below.

Remuneration of Directors for FY2021

Remuneration band	Directors' fee	Salary ⁽¹⁾	Benefits-in-kind	Variable bonus ⁽¹⁾	Total
S\$1,750,000 to S\$2,000,000					
Dato' Sri Dr. Lim Yong Guan	6.5%	26.3%	1.1%	66.1%	100.0%
Up to S\$250,000					
Mr. Lim Yong Sheng	100.0%	-	-	-	100.0%
Mr. Ng Cher Yan	100.0%	-	-	-	100.0%
Mr. Khua Kian Kheng Ivan	100.0%	-	-	-	100.0%
Mr. Foo Say Tun	100.0%	-	-	-	100.0%

Remuneration of key management personnel for FY2021

Remuneration band	Salary ⁽¹⁾	Benefits-in-kind	Variable bonus ⁽¹⁾	Total
S\$1,000,000 to S\$1,250,000				
Mdm. Tan Yang Hong	28.0%	2.9%	69.1%	100.0%
Up to S\$250,000				
Mdm. Chong Chit Bien ⁽²⁾	100.0%	-	-	100.0%
Mdm. Lim Liang Soh	71.0%	6.3%	22.7%	100.0%
Mr. Lim Chun Seng	75.0%	5.0%	20.0%	100.0%

Note:

- (1) Inclusive of employer provident funds. Variable bonus for the Executive Chairman and CEO included profit sharing in accordance with the terms of his service agreement with the Company.
- (2) Mdm. Chong Chit Bien was appointed as CFO on 1 November 2021.

The aggregate remuneration paid to the Group's key management personnel (who are not Directors or the CEO) in FY2021 was approximately S\$1,402,000.



No compensation was paid or is to be paid in the form of share awards. There were no termination, retirement or post-employment benefits granted to the Directors and key management personnel in FY2021.

In considering the disclosure of remuneration of the Directors and key management personnel, the Board has regarded the industry conditions in which the Group operates as well as the sensitive nature of such information. The Board believes that full detailed disclosure of the remuneration of each Director and each key management personnel as recommended by the Code would be prejudicial to the Group's interest and hamper its ability to retain and nurture the Group's talent pool. The Board has instead presented such information in remuneration bands.

The Board is of the opinion that the information as disclosed above would be sufficient for Shareholders to have an adequate appreciation of the Group's compensation policies and practices and therefore does not intend to issue a separate remuneration report, the contents of which would be largely similar.

The names and breakdown of the total remuneration of employees who are Substantial Shareholders of the Company, or are immediate family members of a Director, the CEO or a Substantial Shareholder of the Company and whose remuneration exceeds S\$100,000 in FY2021 is set out below:

Name	Remuneration for FY2021
Mdm. Tan Yang Hong ⁽¹⁾	Between S\$1,000,001 and S\$1,050,000
Mdm. Lim Liang Soh ⁽²⁾	Between S\$150,001 and S\$200,000
Mdm. Lim Liang Keng ⁽³⁾	Between S\$100,001 and S\$150,000
Ms. Lau Wan Lin Elim ⁽⁴⁾	Between S\$100,001 and S\$150,000
Mr. Lim Chun Seng ⁽⁵⁾	Between S\$100,001 and S\$150,000
Ms. Lim Mei Ying ⁽⁶⁾	Between S\$100,001 and S\$150,000

Notes:

- (1) Mdm. Tan Yang Hong is the spouse of Dato' Sri Dr. Lim Yong Guan (Executive Chairman and CEO) and sister-in-law of Mr. Lim Yong Sheng (Non-Executive Director) and Mdm. Lim Liang Eng (Substantial Shareholder).
- (2) Mdm. Lim Liang Soh is the sister of Dato' Sri Dr. Lim Yong Guan (Executive Chairman and CEO), Mr. Lim Yong Sheng (Non-Executive Director) and Mdm. Lim Liang Eng (Substantial Shareholder).
- (3) Mdm. Lim Liang Keng is the sister of Dato' Sri Dr. Lim Yong Guan (Executive Chairman and CEO), Mr. Lim Yong Sheng (Non-Executive Director) and Mdm. Lim Liang Eng (Substantial Shareholder).
- (4) Ms. Lau Wan Lin Elim is the daughter of Mdm. Lim Liang Eng (Substantial Shareholder) and niece of Dato' Sri. Dr. Lim Yong Guan (Executive Chairman and CEO) and Mr. Lim Yong Sheng (Non-Executive Director).
- (5) Mr. Lim Chun Seng is the son of Dato' Sri Dr. Lim Yong Guan (Executive Chairman and CEO), and nephew of Mr. Lim Yong Sheng (Non-Executive Director) and Mdm. Lim Liang Eng (Substantial Shareholder).
- (6) Ms. Lim Mei Ying is the daughter of Dato' Sri Dr. Lim Yong Guan (Executive Chairman and CEO), and niece of Mr. Lim Yong Sheng (Non-Executive Director) and Mdm. Lim Liang Eng (Substantial Shareholder).

Save as disclosed above, there is no other employee who is related to the Directors, the CEO or Substantial Shareholder and whose remuneration exceeded S\$100,000 in FY2021.

The Company has implemented the PSP which is employed as a long-term incentive in the remuneration of the Executive Chairman and CEO, the Directors and employees, and forms an integral component of the Group's compensation scheme. It is designed to reward, retain and motivate employees and Directors to achieve superior performance to align the interests of employees and Directors with that of Shareholders. The PSP is administered by the RC. The performance conditions used to determine the entitlements of the Executive Chairman and CEO, the Directors and employees under the PSP include specific performance targets imposed by the Group, taking into account factors such as (i) the business strategies, plans and directions of the Company and the Group; (ii) the job scope and responsibilities of the employees and Directors; and (iii) the prevailing economic conditions. Please refer to the Company's offer document dated 25 July 2013 ("**Offer Document**") for details of the PSP. Since the inception of the PSP, no awards have been granted.



Principle 9: Risk Management and Internal Controls

The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

The Board determines the nature and extent of the significant risks that it is prepared to accept in achieving the Group's strategic objectives and value creation. In this regard, major strategic decisions are deliberated by the Board to ensure that identifiable risks are adequately managed.

The Board is responsible for the governance of risk and recognises the importance of maintaining a sound system of internal controls and risk management to safeguard Shareholders' interests and the Group's assets. It therefore acknowledges that it is responsible for reviewing the adequacy and effectiveness of the Group's internal controls (including financial, operational, compliance and information technology ("IT") controls) and risk management systems.

The management is responsible to the Board for the design, implementation and monitoring of the Group's internal controls and risk management systems and providing the Board with a basis to determine the Group's level of risk exposure, risk tolerance and risk policies.

The AC will ensure that a review of the effectiveness of the Group's internal controls (including financial, operational, compliance and IT controls) and risk management systems is conducted annually. In this respect, the AC will review the audit plans and the findings of the External Auditor and the Internal Auditor, and will ensure that the management follows up on the recommendations raised by the External Auditor and the Internal Auditor, if any, during the audit process.

Based on the internal control policies and procedures established and maintained by the Group, work performed by the External Auditor and the Internal Auditor and reviews performed by the AC and the management, the Board confirms that the internal controls (including financial, operational, compliance and IT controls) and risk management systems are adequate and effective for FY2021. The AC concurs with the Board's comments.

The Board has also received assurances from the Executive Chairman and CEO and the CFO that the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances, and the Group's internal controls (including financial, operational, compliance and IT controls) and risk management systems are adequate and effective.

The Board notes that the internal controls and risk management systems established by the Company provide reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen. Furthermore, the Board also acknowledge that no internal controls and risk management systems can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgement in decision making, human errors, losses, fraud or other irregularities.

Principle 10: Audit Committee

The Board has an Audit Committee ("AC") which discharges its duties objectively.

The AC comprises 3 members all of whom, including the chairman of the AC, are Independent Directors.

Chairman: Mr. Ng Cher Yan

Members: Mr. Khua Kian Kheng Ivan
Mr. Foo Say Tun

The AC is guided by its terms of reference which stipulate that its principal functions include, *inter alia*, reviewing the Group's annual audit plans (internal and external), its internal controls and risk management systems, reviewing the assurance from the CEO and CFO on the financial records and financial statements, the adequacy, effectiveness, independence, scope and results of its external audit and its internal audit function which is currently outsourced to an external professional firm, Nexia TS Risk Advisory Pte. Ltd., regulatory compliance matters, interested person transactions and financial results announcements. The AC is also responsible for making recommendations to the Board on the appointment, re-appointment or removal of the External Auditor and the Internal Auditor and their remuneration. The AC meets at least on a half-yearly basis to review any significant reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance.



The Board considers Mr. Ng Cher Yan, a fellow member with the Institute of Singapore Chartered Accountants and member of the Institute of Chartered Accountants in Australia and New Zealand, and who has extensive and practical financial knowledge and experience, well-qualified to chair the AC. The Board is of the view that the members of the AC are appropriately qualified in that they have sufficient accounting or related financial management expertise and experience to discharge the duties and responsibilities of the AC. No former partner or director of the External Auditor and the Internal Auditor is a member of the AC.

The AC meets with the External Auditor and the Internal Auditor, without the presence of the management at least once a year, and is not aware of any materially adverse findings for FY2021.

The role of the Internal Auditor is to assist the AC in ensuring that the controls are effective and functioning as intended, to undertake investigations as directed by the AC, to conduct regular audits of high risk areas and to report its findings to the AC for review by both the AC and the Board.

The Internal Auditor is a company of Nexia TS Public Accounting Corporation, which is recognised as an established mid-tier accounting firm for more than 25 years. The Internal Auditor possesses vast experience in providing internal audits, risk management services and advisory services in the region. The current engagement team comprises 4 members and is led by Ms Pamela Chen who has more than 15 years performing audits for listed companies. The primary reporting line of the Internal Auditor is to the AC. The AC also decides on the appointment, termination and remuneration of the Internal Auditor.

The Internal Auditor has confirmed its independence to the AC. The AC is satisfied that the Internal Auditor is independent, effective and adequately resourced and is staffed with persons with the relevant qualifications and experience. The internal audit is carried out in accordance to the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors.

The Internal Auditor reports directly to the AC and has unrestricted access to documents, records, properties and personnel of the Group. The Internal Auditor plans its internal audit schedules in consultation with the management and its plans are reviewed and approved by the AC. The results of the internal audit will be presented to and reviewed by the AC and the Board. The Internal Auditor had conducted a review of the effectiveness of the Group's internal controls and noted no material internal control weaknesses in FY2021.

The Board recognises that it is responsible for maintaining a system of internal controls to safeguard Shareholders' interests and the Group's businesses and assets while the management is responsible for establishing and implementing the internal control procedures in a timely and appropriate manner.

The AC reviews the independence of the External Auditor annually and evaluates the performance of the External Auditor, taking into consideration the Audit Quality Indicators disclosure provided by the External Auditor. The AC is satisfied that based on the nature and extent of non-audit services provided to the Group by the External Auditor in FY2021, it would not prejudice the independence and objectivity of the External Auditor and has recommended the External Auditor's re-appointment as external auditor of the Company to the Board for the financial year ending 31 December 2022. A breakdown of the fees for audit and non-audit services payable to the External Auditor in respect of FY2021 is set out in the Notes to the Financial Statements on page 76 of this annual report. The non-audit fees relate to tax advisory fees.

The Company confirms that it is in compliance with Rules 712 and 715 or 716 of the Catalist Rules.

The Group has put in place a whistle-blowing framework (the "**Whistle Blowing Policy**"), endorsed by the AC where the employees of the Group or any other person may, in confidence, raise concerns about possible corporate improprieties on matters of financial reporting or other matters. A dedicated secured email address has been set up to allow whistle-blowers to contact the Chairman of the AC directly.

Details of the Whistle Blowing Policy and arrangements have been made available to all employees of the Group. It has a well-defined process which ensures independent investigation of issues or concerns raised; appropriate follow-up action, and provides assurance that whistle blowers will be protected from reprisal within the limits of the law.

The AC reports to the Board on such matters at the Board meetings. Should the AC receive reports relating to serious offences and/or criminal activities relating to the Group, the AC and the Board have access to appropriate external advice where necessary.

There were no reported incidents pertaining to whistle blowing during FY2021.



Principle 11: Shareholder Rights and Conduct of General Meetings

The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Shareholders are invited to participate effectively in and vote at the annual general meeting held by the Company. Shareholders are informed of general meetings through notices published in the Company's announcements and press releases via SGXNET and website as well as through reports/circulars sent to all Shareholders. Voting procedures are clearly explained to Shareholders at the general meetings of the Company before the resolutions are put to vote.

The Company will, to the best of its abilities, arrange the general meetings at the most convenient time to encourage Shareholders' participation. If needed, the Company will consider the use of other avenues of engaging Shareholders including webcasting meetings. The Company publishes minutes of general meetings of Shareholders on its corporate website as soon as practicable. The minutes record substantial and relevant comments or queries from Shareholders relating to the agenda of the general meeting, and responses from the Board and management.

The Board ensures that there are separate resolutions at general meetings on each distinct issue. Separate resolutions are proposed for substantially separate issues at Shareholders' meetings for approval. "Bundling" of resolutions is done only where the resolutions are interdependent and linked so as to form one significant proposal. Where the resolutions are "bundled", the Company explains the reasons and material implications in the notice of the meeting.

The Constitution allows a Shareholder to appoint up to 2 proxies to attend and vote instead of the Shareholder. A Shareholder who is a relevant intermediary may appoint more than 2 proxies to attend and vote at the general meetings of the Company.

Voting in absentia such as voting via email, electronic mail or facsimile at the general meetings may only be possible following careful study to ensure that integrity of the information and authentication of the identity of Shareholders through the web is not compromised.

All Directors, including the chairpersons of the Board, the AC, the NC and the RC, attend all general meetings to address issues raised by Shareholders. The External Auditor is also invited to attend the AGM and is available to assist the Directors in addressing any relevant queries raised by Shareholders relating to the conduct of the audit and the preparation of the contents of the External Auditor's report. All Directors have attended the AGM held in FY2021.

In line with the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 ("**Order**"), all listed issuers have the option to conduct general meetings by electronic means, even where the issuers are permitted under the COVID-19 safe distancing regulations to hold physical meetings, to help minimise physical interactions and COVID-19 transmission risks. Accordingly, the Company will conduct its forthcoming AGM by way of electronic means.

Further information regarding the arrangements for the forthcoming AGM are set out in the Notice of AGM on pages 110 to 115 of this annual report.

Currently, the Company does not have a fixed dividend policy. Any declaration and payment of dividends in the future will depend on, *inter alia*, the Group's operating results, financial conditions, other cash requirements including capital expenditures, and other factors deemed relevant by the Directors. The Company is proposing a final tax exempt one-tier dividend of 0.95 Singapore cents per share in respect of FY2021 for the approval of Shareholders at the forthcoming AGM.

The Company will publish the minutes of general meeting of Shareholders on its corporate website as soon as practicable. The minutes record substantial and relevant comments or queries from Shareholders relating to the agenda of the general meeting, and responses from the Board and management.



Principle 12: Engagement with Shareholders

The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

The Board informs Shareholders of all major developments that may have a material impact on the Group on a timely basis. All of the Company's announcements are released via SGXNET, including the financial results, annual reports, distribution of dividends, notices, press releases, analyst briefings, presentations, announcements on acquisitions and other material developments. The Company does not practise selective disclosure of material information and price sensitive information is publicly released as soon as is practicable as required by the Catalist Rules.

General meetings are the principal forum for dialogue with Shareholders. To promote a better understanding of Shareholders' views, the Board encourages Shareholders to participate during the Company's general meetings. At these meetings, Shareholders are able to engage the Board and the management on the Group's business activities, financial performance and other business-related matters. The Company could also gather views and address Shareholders' concerns at general meetings. The Company also maintains a corporate website, <http://www.moneymax.com.sg>, to provide Shareholders and potential investors' access to the Company's corporate announcements, press releases, annual reports and corporate information. In addition, the Company has designated the Customer Service department to facilitate all investor relations communications with Shareholders, analysts and media as well as to keep the investing public informed of the Group's corporate developments and financial performance.

Principle 13: Engagement with Stakeholders

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

The Company engages stakeholders through various channels to understand and address stakeholder concerns and feedback to manage stakeholder expectations and align the Company's interests.

The Company has identified our key stakeholders as its customers, investors, employees, business partners, regulatory authorities and community. The Company has identified material environmental, social and governance factors which are assessed to have significance on the Company's business processes. The Board reviews these factors annually. Further details will be disclosed in a sustainability report to be published by the Company by the end of May 2022 which will address these factors.

The Company welcomes feedback from its stakeholders with regards to the Company's sustainability efforts. The stakeholders may send feedback to the Company at: ir@moneymax.com.sg.

DEALING IN SECURITIES

The Group has adopted a policy whereby the Directors and employees of the Group are prohibited from dealing in the securities of the Company while in possession of price-sensitive information as well as during the period commencing 1 month before the announcement of the Company's half year and full year results. The Directors and employees of the Group are to refrain from dealing in the Company's securities on short-term considerations.

The Directors and employees of the Group are also required to adhere to the provisions of the Securities and Futures Act, the Companies Act, the Catalist Rules and any other relevant regulations with regard to their securities transactions.

Directors and employees of the Group are also expected to observe insider trading laws at all times even when dealing with securities within the permitted trading period.

NON-SPONSOR FEES

There were no non-sponsor fees paid to the Company's sponsor, United Overseas Bank Limited, in FY2021.



INTERESTED PERSON TRANSACTIONS

The Group has established internal control policies to ensure that transactions with interested persons are properly reviewed and approved, and are conducted at arm's length commercial terms basis. Any Director, CEO and/or controlling Shareholder who is interested in a transaction will abstain and refrain from deliberating, discussing, making recommendations and approving the transaction. The Group does not have a general mandate from Shareholders for interested person transactions pursuant to Rule 920 of the Catalyst Rules.

However, pursuant to Rule 905 of the Catalyst Rules, the aggregate value of interested person transactions entered into during FY2021 is as follows:

	Aggregate value of all interested person transactions during the year under review (excluding transactions less than S\$100,000 and transactions conducted under Shareholders' mandate pursuant to Rule 920 of the Catalyst Rules)
Name of Interested Person	FY2021 S\$'000
Purchases of products	
SK Jewellery Group Pte. Ltd. and its subsidiaries (the "SK Group of Companies")	435
Sales of products	
SK Group of Companies	17
Central support and payroll services	
SK Group of Companies	328
Lease of premises	
SK Group of Companies	378
SK Properties Pte. Ltd.	383
Loan interest	
SK Group of Companies	359
Money Farm Pte. Ltd.	71
Lim Yong Guan	609
Lim Yong Sheng	169
	2,749

MATERIAL CONTRACTS

Save for those previously disclosed in the Offer Document and the service agreement entered into between the Company and the Executive Chairman and CEO, there are no other material contracts of the Company and its subsidiaries involving the interests of the CEO, any Director or controlling Shareholder which is either subsisting at the end of FY2021 or, if not then subsisting, entered into since the end of FY2020.



CORPORATE SOCIAL RESPONSIBILITY

The Group has a firm belief that we should give back to the society. In FY2021, the Group continued to contribute back to society by means of monetary donations to charitable organisations, including Bukit Timah Seu Teck Sean Tong Medical Institution Limited (a charitable organisation registered with the Ministry of Health and Ministry of Culture, Community & Youth, which offers traditional Chinese medicine treatment and provides free medical care to the local community), Jamiyah Singapore (also known as Muslim Missionary Society Singapore) and Radin Mas Citizens' Consultative Committee Community Development and Welfare Fund.

The Group is also delighted to be a part of the Habuan Distribution on 24 and 25 April 2021 where employees of the Group lent a helping hand to pack and distribute food and essentials to the Muslim families living in rental blocks around Radin Mas housing estates.

SUSTAINABILITY REPORTING

The Group firmly believes that our commitment to embrace the tenets of corporate sustainability as a driving force to creating value for our stakeholders at large. The Group adopts the principles of sustainability throughout its value chain and continue to build sustainable practices in every aspect of the Group's business in achieving high levels of integrity and excellence in its activities. For FY2021, the Group focused its efforts on anti-corruption and anti-money laundering policies, energy management, diversity and equal opportunity, training and education and customers' privacy. The Company will publish its sustainability report for FY2021 by the end of May 2022.



Information on the Directors who are (i) retiring and being eligible, offer themselves for re-election at the forthcoming AGM and/or (ii) seeking their continued appointment as an Independent Director in accordance with Rule 406(3)(d)(iii) of the Catalist Rules at the forthcoming AGM, as required under Rule 720(5) of the Catalist Rules:

Details	Name of Director	Name of Director
	Lim Yong Sheng	Ng Cher Yan
Date of appointment	9 October 2008	27 June 2013
Date of last re-appointment (if applicable)	30 April 2019	26 June 2020
Age	54	63
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	Having reviewed his qualifications, work experience, attendance during meetings, board review evaluation, and contributions to the Company, the Board, with the recommendation of the NC, approves the re-appointment of Mr. Lim Yong Sheng as the Non-Executive Director of the Company	Having reviewed his qualifications, work experience, attendance during meetings, board review evaluation, and contributions to the Company, the Board, with the recommendation of the NC, approves the re-appointment of Mr. Ng Cher Yan as the Lead Independent Director of the Company
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive
- Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	- Non-Executive Director	- Lead Independent Director - Chairman, AC - Member, RC - Member, NC
Professional qualifications	- Bachelor of Science in Electrical Engineering degree from the National University of Singapore	- Bachelor of Accountancy degree from the National University of Singapore - Chartered Accountant, Australia and New Zealand - Fellow member of the Institute of Singapore Chartered Accountants - Member of the Chartered Accountants Australia and New Zealand
Working experience and occupation(s) during the past 10 years	2012 to present - Executive Director and Group CEO of SK Jewellery Group Pte. Ltd.	1990 to present - Partner with Plus LLP
Shareholding interest in the listed issuer and its subsidiaries	Direct interest of 47,850,000 shares in the Company Deemed interest of 269,431,035 shares in the Company • <i>By virtue of section 4 of the Securities & Futures Act, Mr. Lim Yong Sheng is deemed to be interested in the shares in the Company held by Money Farm Pte. Ltd.</i>	Direct interest of 31,250 shares in the Company



Details	Name of Director	Name of Director
	Lim Yong Sheng	Ng Cher Yan
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	<ul style="list-style-type: none"> - Brother of Dato Sri' Dr. Lim Yong Guan (Executive Chairman and CEO), Mdm. Lim Liang Soh (Deputy General Manager - Pawnbroking and Retail) and Mdm. Lim Liang Eng (Controlling Shareholder of the Company) - Brother-in-law of Mdm. Tan Yang Hong (Chief Operating Officer) - Uncle of Mr. Lim Chun Seng (General Manager - MoneyMax Leasing and MoneyMax Malaysia) - Controlling shareholder and director of Money Farm Pte. Ltd. (Controlling Shareholder of the Company) 	None
Conflict of interest (including any competing business)	None	None
Undertaking (in the format set out in Appendix 7H) under Catalist Rule 704(6) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments Including Directorships	<p><u>Present:</u> Director of:</p> <ul style="list-style-type: none"> (1) SK Jewellery Group Pte. Ltd. (2) MoneyMax Properties Pte. Ltd. (3) Guan Sheng Capital Pte. Ltd. (4) Love & Co. Pte. Ltd. (5) MoneyMax Leasing Pte. Ltd. (6) Money Farm Pte. Ltd. (7) MoneyMax Holdings Pte. Ltd. (8) MoneyMax Capital Pte. Ltd. (9) MoneyMax Group Ltd. (10) MoneyMax Jewellery Pte. Ltd. (11) MoneyMax Pawnshop Pte. Ltd. (12) MoneyMax Pte. Ltd. (13) MoneyMax Express Pte. Ltd. (14) SG e-Auction Pte. Ltd. (15) SK Jewellery Pte. Ltd. (16) SK Properties Pte. Ltd. (17) SKJ Group Pte. Ltd. (18) Soo Kee Capital Pte. Ltd. (19) Soo Kee Investment Pte. Ltd. (20) Love & Co. International Pte. Ltd. (21) Sin Wang Jewellery Pte. Ltd. (22) S.E. Investment Pte. Ltd. (23) Orogreen Investment Pte. Ltd. (24) MoneyMax Credit Pte. Ltd. (25) MoneyMax Pawnshop Sdn Bhd (26) MoneyMax Jewellery Sdn Bhd (27) Cash Online Sdn Bhd (28) Easimine Group Sdn Bhd 	<p><u>Present:</u> Non-Executive and Independent Director of:</p> <ul style="list-style-type: none"> (1) Samko Timber Limited (2) Vicplas International Limited (3) Serial Systems Limited <p><u>Past (for the last 5 years):</u> Non-Executive and Independent Director of:</p> <ul style="list-style-type: none"> (1) Mermaid Maritime Public Co Ltd (2) Bull Will Co., Ltd <p>Director of:</p> <ul style="list-style-type: none"> (1) Mermaid Drilling (Singapore) Pte Ltd (2) MTR-1 (Singapore) Pte Ltd (3) MTR-3 (Singapore) Pte Ltd (4) MTR-4 (Singapore) Pte Ltd (5) Mermaid Offshore Services Pte. Ltd.



Details		Name of Director	Name of Director
		Lim Yong Sheng	Ng Cher Yan
		(29) Easigram Group Sdn Bhd (30) MS1 Infinite Sdn Bhd (31) MS2 Infinite Sdn Bhd (32) MS3 Infinite Sdn Bhd (33) MS4 Infinite Sdn Bhd (34) MS5 Infinite Sdn Bhd (35) MS10 Infinite Sdn Bhd (36) Easigram (Pandan) Sdn Bhd (37) Easigram (Batu Pahat) Sdn Bhd (38) Easigold Group Sdn Bhd (39) Yong Mei Group Sdn Bhd (40) Guan Sang Group Sdn Bhd (41) Citipath Sdn Bhd (42) Bedok Land Sdn. Bhd. (43) Ez Path Sdn Bhd (44) Love & Co Sdn. Bhd. (45) Kedai Emas Prett Gold Sdn Bhd (46) Moneymax (Southern) Sdn Bhd (47) Moneymax Malaysia Sdn Bhd (48) SK Jewellery Sdn. Bhd. (49) Soo Kee Jewellery Sdn. Bhd. <u>Past (for the last 5 years):</u> Director of: (1) Jewelfest Pte. Ltd. (2) Watch Bazaar Pte. Ltd. (3) Asta Diamond Pte. Ltd. (4) Adoriel Pte. Ltd. (5) Lovita Pte. Ltd. (6) SK Bullion Pte. Ltd.	
a.	Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
b.	Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
c.	Whether there is any unsatisfied judgment against him?	No	No



Details		Name of Director	Name of Director
		Lim Yong Sheng	Ng Cher Yan
d.	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
e.	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
f.	Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	Yes In February 2017, a civil suit (" Suit ") was initiated by the Securities and Futures Investors Protection Centre of Taiwan (" SFIPC ") against amongst others, Bull Will Co., Ltd (" Bull Will "), its directors, supervisors, accounting supervisors, legal shareholder and external auditors. Please refer to the announcement dated 23 February 2017 made by Serial System Ltd for further details on the Suit. Mr. Ng Cher Yan was a Non-Executive Director of Bull Will from June 2015 to April 2020. In June 2021, the Suit was dismissed by the Taiwan Shilin District Court on the basis that the alleged charges were without merit. An appeal was subsequently filed by SFIPC with the Taiwan High Court and as at the date hereof, the appeal is currently in progress.
g.	Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	Yes On 7 July 2000, a summon was issued by Registry of Companies and Businesses against Mr. Ng Cher Yan in his capacity as a nominee director of SFL-Boiler Installation Pte Ltd (" SFL "), in relation to a failure by SFL to file its annual return within the requisite period. The foregoing was concluded upon payment of a fine by Mr. Ng Cher Yan.



Details		Name of Director	Name of Director
		Lim Yong Sheng	Ng Cher Yan
h.	Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
i.	Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
j.	Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of :-		
	i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No
	ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No
	iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
	iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
k.	Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No



Information on the Directors who are (i) retiring and being eligible, offer themselves for re-election at the forthcoming AGM and/or (ii) seeking their continued appointment as an Independent Director in accordance with Rule 406(3)(d)(iii) of the Catalist Rules at the forthcoming AGM, as required under Rule 720(5) of the Catalist Rules (con't):

Details	Name of Director	Name of Director
	Foo Say Tun	Khua Kian Kheng Ivan
Date of Appointment	27 June 2013	27 June 2013
Date of last re-appointment (if applicable)	26 June 2020	27 April 2021
Age	56	47
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	Having reviewed his qualifications, work experience, attendance during meetings, board review evaluation, and contributions to the Company, the Board, with the recommendation of the NC, approves the re-appointment of Mr. Foo Say Tun as an Independent Director of the Company	Having reviewed his qualifications, work experience, attendance during meetings, board review evaluation, and contributions to the Company, the Board, with the recommendation of the NC, approves the re-appointment of Mr. Khua Kian Kheng Ivan as an Independent Director of the Company
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive
- Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	- Independent Director - Chairman, RC - Member, NC - Member, AC	- Independent Director - Chairman, NC - Member, RC - Member, AC
Professional qualifications	- Bachelor of Law degree from the University of East Anglia (UK) - Admission to Middle Temple (UK) as a Barrister-at-Law	- Bachelor's degree in Building Construction Management (First Class Honors) from the University of New South Wales, Australia
Working experience and occupation(s) during the past 10 years	1998 - 2013 - Partner in Litigation Department of Wee, Tay & Lim LLP Jan 2020 - Mar 2022 - CEO of ZWEEC Analytics Pte Ltd	2010 to present - Executive Director, Hock Leong Enterprises Pte. Ltd.
Shareholding interest in the listed issuer and its subsidiaries	Direct interest of 31,250 shares in the Company	Direct interest of 31,250 shares in the Company
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	None	None
Conflict of interest (including any competing business)	None	None
Undertaking (in the format set out in Appendix 7H) under Catalist Rule 704(6) has been submitted to the listed issuer	Yes	Yes



Details		Name of Director	Name of Director
		Foo Say Tun	Khua Kian Kheng Ivan
Other Principal Commitments Including Directorships		<p><u>Present:</u> Non-Executive and Independent Director of: (1) Eurosports Global Limited (2) Aquapro Solutions Pte Ltd (3) Dynagen Power Systems Pte Ltd (4) M Grade Services Pte Ltd</p> <p><u>Past (for the last 5 years):</u> Non-Executive and Independent Director of: (1) Jubilee Industries Holdings Ltd. (2) Qingmei Group Holdings Limited (3) Sino Techfibre Limited (4) Fu Yu Corporation Limited (5) Ioni Water Pte Ltd</p>	<p><u>Present:</u> Non-Executive and Independent Director of: (1) Hock Leong Private Limited (2) Hock Leong Holdings (Private) Limited (3) Syntecom International Pte. Ltd. (4) Tuanle Corporation Pte. Ltd. (5) Touchstone HL Capital Pte. Ltd. (6) KSH Holdings Limited (7) Blue Sky Power (Singapore) Pte Limited (8) Centennial Harvest Limited (9) Iapps Health Group Pte Ltd (10) Specialist Care Group Pte Ltd</p> <p><u>Past (for the last 5 years):</u> Non-Executive and Independent Director of: (1) HL Energy Limited (2) Guan Yu Holdings Pte. Ltd. (3) No Signboard Holdings Ltd</p>
a.	Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
b.	Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
c.	Whether there is any unsatisfied judgment against him?	No	No



Details		Name of Director	
		Foo Say Tun	Khua Kian Kheng Ivan
d.	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
e.	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
f.	Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
g.	Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
h.	Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
i.	Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
j.	Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-		



Details		Name of Director	Name of Director
		Foo Say Tun	Khua Kian Kheng Ivan
i.	any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	Yes Mr. Foo Say Tun was previously an independent director and a member of the audit committee of Sino Techfibre Limited ("STFL") from December 2009 to February 2020. In May 2011, STFL had appointed KPMG Services Pte Ltd to conduct a special audit on STFL. However, Mr. Foo Say Tun was not a subject matter of the special audit conducted.	No
ii.	any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No
iii.	any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
iv.	any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
k.	Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No



FINANCIAL STATEMENTS

CONTENTS

43	STATEMENT BY DIRECTORS
46	INDEPENDENT AUDITOR'S REPORT
51	CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
52	STATEMENTS OF FINANCIAL POSITION
53	STATEMENTS OF CHANGES IN EQUITY
55	CONSOLIDATED STATEMENT OF CASH FLOWS
56	NOTES TO THE FINANCIAL STATEMENTS



The directors of the company are pleased to present the accompanying financial statements of the company and of the group for the reporting year ended 31 December 2021.

1. Opinion of the directors

In the opinion of the directors,

- (a) the accompanying financial statements and the consolidated financial statements are drawn up so as to give a true and fair view of the financial position and performance of the company and, of the financial position and performance of the group for the reporting year covered by the financial statements or consolidated financial statements; and
- (b) at the date of the statement, there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

The board of directors approved and authorised these financial statements for issue.

2. Directors

The directors of the company in office at the date of this statement are:

Lim Yong Guan
 Lim Yong Sheng
 Ng Cher Yan
 Kua Kian Kheng Ivan
 Foo Say Tun

3. Directors' interests in shares and debentures

The directors of the company holding office at the end of the reporting year had no interest in shares in or debentures of the company or other related body corporate as recorded in the register of directors' shareholdings kept by the company under section 164 of the Singapore Companies Act 1967 (the "Act") except as follows:

Name of directors and companies in which interests are held	Direct Interest		Deemed Interest	
	At beginning of the reporting year	At end of the reporting year	At beginning of the reporting year	At end of the reporting year
<u>The company</u>	<u>Number of shares of no par value</u>			
Lim Yong Guan	44,370,000	55,462,500	221,954,300	273,389,370
Lim Yong Sheng	38,280,000	47,850,000	220,454,300	269,431,035
Ng Cher Yan	25,000	31,250	-	-
Kua Kian Kheng Ivan	25,000	31,250	-	-
Foo Say Tun	25,000	31,250	-	-

By virtue of section 7 of the Act, Mr Lim Yong Guan and Mr Lim Yong Sheng are deemed to have an interest in the company and in all the related body corporate of the company.

The directors' interests as at 21 January 2022 were the same as those at the end of the reporting year.



4. Arrangements to enable directors to acquire benefits by means of the acquisition of shares and debentures

Neither at the end of the reporting year nor at any time during the reporting year did there subsist arrangements to which the company is a party, being arrangements whose objects are, or one of whose objects is, to enable directors of the company to acquire benefits by means of the acquisition of shares in or debentures of the company or any other body corporate.

5. Options

During the reporting year, no option to take up unissued shares of the company or other body corporate in the group was granted.

During the reporting year, there were no shares of the company or other body corporate in the group issued by virtue of the exercise of an option to take up unissued shares.

At the end of the reporting year, there were no unissued shares under option.

6. Report of audit committee

The members of the Audit Committee at the date of this statement are as follows:

Ng Cher Yan (Chairman)	(Independent and non-executive director)
Khua Kian Kheng Ivan	(Independent and non-executive director)
Foo Say Tun	(Independent and non-executive director)

The Audit Committee performs the functions specified by section 201B (5) of the Act, Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST") and the Code of Corporate Governance. Among other functions, it performed the following:

- Reviewed with the internal auditor, the scope of the internal audit plan and results of the internal audit procedures (including those relating to financial, operational and compliance controls and risk management);
- Reviewed with the company's independent auditor, the audit plan, the results of the external audit procedures conducted, and internal control recommendations, if any, arising from the statutory audit;
- Reviewed the assistance provided by the company's officers to the internal and external auditors;
- Reviewed the financial information and annual financial statements of the group and the company prior to their submission to the Board of Directors of the company for adoption; and
- Reviewed the interested person transactions (as defined in Chapter 9 of the SGX-ST's Listing Manual Section B: Rules of Catalist).

Other functions performed by the Audit Committee are described in the Report on Corporate Governance included in the Annual Report of the company. It also includes an explanation of how the independent auditor's objectivity and independence are safeguarded where the independent auditor provides non-audit services.

The Audit Committee has recommended to the board of directors that the independent auditor, RSM Chio Lim LLP, be nominated for re-appointment as the independent auditor at the next annual general meeting of the company.



7. Independent auditor

RSM Chio Lim LLP has expressed willingness to accept re-appointment.

8. Directors' opinion on the adequacy of internal controls

Based on the internal controls established and maintained by the group, work performed by the internal and external auditors, and reviews performed by management, other committees of the board and the board, the board, with the concurrence of the Audit Committee, is of the opinion that the group's internal controls, (including financial, operational, compliance and information technology controls), and risk management systems were adequate and effective as at the reporting year end to address the risks that the company considers relevant and material to its operations.

9. Subsequent developments

There are no significant developments subsequent to the release of the group's and the company's preliminary financial statements, as announced on 24 February 2022, which would materially affect the group's and the company's operating and financial performance as of the date of this report.

On behalf of the directors

.....
Lim Yong Guan
Director

.....
Lim Yong Sheng
Director

8 April 2022



Report on the audit of the financial statements

We have audited the accompanying financial statements of MoneyMax Financial Services Ltd. (the "company") and its subsidiaries (the "group"), which comprise the consolidated statement of financial position of the group and the statement of financial position of the company as at 31 December 2021, and the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the group, and statement of changes in equity of the company for the reporting year then ended, and notes to the financial statements, including accounting policies.

In our opinion, the accompanying consolidated financial statements of the group and the statement of financial position and statement of changes in equity of the company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS (I)") so as to give a true and fair view of the consolidated financial position of the group and the financial position of the company as at 31 December 2021 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the group and the changes in equity of the company for the reporting year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters ("KAMs")

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current reporting year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

(a) Impairment and existence of pledged loan receivables

Refer to Notes 2A and 2C for the relevant accounting policy and key estimates used in the valuation of pledged loan receivables respectively, and Note 20 for the pledged loan receivables balance for the reporting year end.

The carrying amount of pledged loan receivables amounted to \$231,382,000 which accounted for approximately 45% of the group's total assets as at the reporting year end. Pledged loan receivables are collateralised loans, whose value are secured by items such as gold, jewellerys, watches and bags. The carrying amount of pledged loan receivables may not be recoverable in full in the event that a customer does not renew or redeem a pledged article within the agreed redemption period from the grant date of the loan, and the market value of the pledged article declines. Management applies judgement in determining the appropriate allowance for expected credit loss on pledged loan receivables based upon an assessment of the collateral concerned, considering the authenticity of collateral and articles, historical renewal / redemption rate and the fluctuation of gold market prices.

Our procedures include:

- (i) obtained an understanding of the internal controls with respect to the physical safeguards over pledged loan receivables;
- (ii) on a sampling basis, matched details on the open pawn tickets of pledged loan receivables to the physical pledged items during the year-end count of pledged items;
- (iii) assessed the independence, qualifications and competence of the gemologist and the watch valuer;
- (iv) on a sampling basis, compared the carrying values of selected non-gold pledges to their fair values assessed by the gemologist and the watch valuer;

**Key audit matters (cont'd)****(a) Impairment and existence of pledged loan receivables (cont'd)**

- (v) reviewed the gold price index for the reporting year and compared the average value of gold pledges as at the reporting year end to the latest practicable market gold price subsequent to the reporting year end;
- (vi) compared the carrying values of collaterals to their subsequent forfeiture selling prices;
- (vii) reviewed the historical data on the renewal / redemption rate and historical default patterns; and
- (viii) assessed the adequacy of disclosures made in the financial statements.

(b) Assessment of expected credit loss on lease payment receivables

Refer to Notes 2A and 2C for the relevant accounting policy and key estimates used in the assessment of ECL of lease payment receivables respectively, and Note 17 and Note 20 for the lease payment receivables balance for the reporting year end.

The carrying amount of lease payment receivables amounted to \$134,758,000 which accounted for approximately 26% of the group's total assets as at the reporting year end. Lease payment receivables are mainly motor loans, whose value are secured by collateral of leased vehicles. The carrying amount of lease payment receivables may not be recoverable in full in the event that a customer defaults during the loan term. Management applies judgement in determining the appropriate allowance for expected credit loss on lease payment receivables based upon an assessment of historical default rates, past experience at collecting receipts, and forward looking information such as forecasts of future economic conditions (including the impact of the Covid-19 pandemic).

Our procedures include:

- (i) obtained an understanding of management's process over the recoverability of outstanding lease payment receivables and evaluated management's assumptions used to estimate the allowance for impairment of lease payment receivables;
- (ii) on a sampling basis, reviewed hire purchase agreements entered into with hirees;
- (iii) assessed the reasonableness of lease payment receivables balance based on recomputation;
- (iv) assessed the adequacy of disclosures made in the financial statements.

(c) Impairment and existence of inventories

Refer to Notes 2A and 2C for the relevant accounting policy and key estimates used in the valuation of inventories respectively, and Note 19 for the breakdown of inventory for the reporting year end.

The carrying amount of inventories amounted to \$73,242,000 which accounted for approximately 14% of the group's total assets as at the reporting year end. Inventories comprise mainly of gold, jewellery, watches and bags. The cost of inventories may not be recoverable in full if their selling prices have declined. Management applies judgement in determining the appropriate allowance for inventories based upon an assessment of inventories concerned, considering the authenticity of inventories, future demand, future selling prices, rework cost and fluctuation of gold market prices and ageing analysis of inventories.

Our procedures include:

- (i) obtained an understanding of the internal controls with respect to the physical safeguards over inventories;
- (ii) on a sampling basis, attended and observed the year-end inventory count;
- (iii) assessed the independence, qualifications and competence of the gemologist and the watch valuer;



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MONEYMAX FINANCIAL SERVICES LTD.

Key audit matters (cont'd)

(c) Impairment and existence of inventories (cont'd)

- (iv) compared the carrying value of selected non-gold inventories to their fair values assessed by the gemologist and watch valuer;
- (v) compared the carrying value of gold inventories for retails to their subsequent selling prices;
- (vi) reviewed the gold price index for the reporting year and compared the average cost of gold items as at the reporting year end to latest practicable market gold price subsequent to the reporting year end;
- (vii) reviewed the assumptions used in computing the rework cost for aged products; and
- (viii) assessed the adequacy of disclosures made in the financial statements.

(d) Valuation of investment in equity interests of an unquoted entity

Refer to Notes 2A and 2C for the relevant accounting policy and key estimates used in the fair value assessment of other financial assets respectively, and Note 18 for the balance for the reporting year end.

The carrying amount of other financial assets amounted to \$6,867,000 which relates mainly to the company's 12.5% equity interests in Chongqing Zongshen Financial Leasing Company Limited (the "Investment"). As part of the investment arrangement, the company was also granted an option by the major shareholder of the Investment whereby the company has the right to sell to the major shareholder its equity interests in the Investment (the "Option").

The exercise price of the Option shall be based on the higher of the company's original capital contribution of approximately \$5,192,000 and the agreed market value at the time of exercise of the Option.

The company accounted for the Investment and the Option together as a hybrid instrument measured at fair value through profit or loss. To this end, management has engaged an external valuer to perform an independent valuation of this financial asset as at 31 December 2021. The fair value of \$5,853,000 was determined based on the adjusted net assets approach. As the Investment is an unquoted entity, the valuation involved significant management judgements.

Our procedures include:

- (i) assessed the independence, qualifications, and competence of the external valuer;
- (ii) with the assistance of our internal valuation specialists, assessed the appropriateness of the external valuer's valuation methodology, valuation models and the unobservable inputs of those models;
- (iii) performed cross-check of fair value against other valuation approaches to determine whether it is within the acceptable range; and
- (iv) assessed the adequacy of disclosures made in the financial statements.

(e) Impairment of goodwill

Refer to Notes 2A and 2C for the relevant accounting policy and key estimates used in impairment assessment of goodwill respectively and Note 15A for the key assumptions used in impairment testing of goodwill.

The group had goodwill of \$3,982,000 (via acquisitions of subsidiaries in Malaysia) allocated to several cash generating units ("CGUs") as at the reporting year end. Refer to Note 15A for the list of CGUs. Goodwill are tested for impairment annually. Management uses the value-in-use method to determine the recoverable amount of each CGU. The value-in-use calculation, which is based on discounted cash flows of each CGU, requires management to exercise significant judgement in projecting each CGU's pledges growth rate, forfeiture rates, growth rate of gross profit margin of forfeiture sales, operating expenses growth rates, discount rate and terminal value. Any shortfall of the recoverable amounts against the carrying amounts would be recognised as impairment losses.

**Key audit matters (cont'd)****(e) Impairment of goodwill (cont'd)**

Our procedures include:

- (i) challenged management's estimates used in the value-in-use model through our knowledge of the CGU's operations, their past performance, management's growth strategies and cost initiatives;
- (ii) with the assistance of our internal valuation specialists, assessed the appropriateness of management's valuation methodology, valuation models and the unobservable inputs of those models;
- (iii) compared inputs to the discount rates to regional indices and industry benchmarks; and
- (iv) assessed the adequacy of disclosures made in the financial statements.

Other information

Management is responsible for the other information. The other information comprises the information included in the annual report and statement by directors, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and the financial reporting standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the group's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MONEYMAX FINANCIAL SERVICES LTD.

Auditor's responsibilities for the audit of the financial statements (cont'd)

- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Lee Mong Sheong.

RSM Chio Lim LLP
Public Accountants and
Chartered Accountants
Singapore

8 April 2022

Engagement partner - effective from year ended 31 December 2021

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME



REPORTING YEAR ENDED 31 DECEMBER 2021

	Notes	Group	
		2021 \$'000	2020 \$'000
Revenue	5	199,217	197,147
Other income and gains	6	2,702	2,977
Material costs		(128,991)	(134,596)
Employee benefits expense	7	(19,532)	(16,467)
Depreciation and amortisation expense	13,14 & 15B	(12,092)	(10,386)
Other losses	6	(551)	(122)
Finance costs	8	(9,461)	(8,180)
Other expenses	9	(5,845)	(3,609)
Profit before income tax		25,447	26,764
Income tax expense	10	(4,321)	(4,515)
Profit for the year		21,126	22,249
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translating foreign operations, net of tax	24A	(123)	(15)
Cash flow hedges, net of tax	24B	288	164
Other comprehensive income for the year, net of tax		165	149
Total comprehensive income		21,291	22,398
Profit for the year attributable to:			
Owners of the parent		19,805	20,379
Non-controlling interests		1,321	1,870
		21,126	22,249
Total comprehensive income attributable to:			
Owners of the parent		19,970	20,528
Non-controlling interests		1,321	1,870
		21,291	22,398
Earnings per share			
		2021	2020
		Cents	Cents
Basic and diluted	11	4.48	4.61

The accompanying notes form an integral part of these financial statements.



STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

	Notes	Group		Company	
		2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
ASSETS					
<u>Non-current assets</u>					
Property, plant and equipment	13	20,386	20,044	-	-
Right-of-use assets	14	17,933	13,688	-	-
Intangible assets	15	4,488	4,147	-	-
Investments in subsidiaries	16	-	-	65,376	58,930
Deferred tax assets	10	33	63	-	-
Other financial assets	18	6,867	6,500	5,853	5,471
Trade and other receivables, non-current	20	108,102	56,369	-	-
Other assets, non-current	21	2,316	1,068	-	-
Total non-current assets		160,125	101,879	71,229	64,401
<u>Current assets</u>					
Inventories	19	73,242	42,407	-	-
Trade and other receivables, current	20	260,617	219,855	37,941	30,185
Other assets, current	21	5,108	4,490	78	62
Cash and cash equivalents	22	19,772	15,328	1,347	251
Total current assets		358,739	282,080	39,366	30,498
Total assets		518,864	383,959	110,595	94,899
EQUITY AND LIABILITIES					
<u>Equity</u>					
Share capital	23	56,144	56,144	56,144	56,144
Retained earnings		57,329	41,699	7,639	8,092
Other reserves	24	(98)	(263)	-	-
Equity attributable to owners of the parent		113,375	97,580	63,783	64,236
Non-controlling interests		7,900	6,579	-	-
Total equity		121,275	104,159	63,783	64,236
<u>Non-current liabilities</u>					
Other financial liabilities, non-current	25	112,522	60,308	2,438	-
Lease liabilities, non-current	26	8,936	6,531	-	-
Deferred tax liabilities	10	113	88	-	-
Total non-current liabilities		121,571	66,927	2,438	-
<u>Current liabilities</u>					
Income tax payable		4,182	4,178	-	85
Trade and other payables	27	39,488	23,474	40,812	29,078
Other financial liabilities, current	25	218,679	175,053	3,562	1,500
Lease liabilities, current	26	10,373	7,445	-	-
Other liabilities	28	3,296	2,723	-	-
Total current liabilities		276,018	212,873	44,374	30,663
Total liabilities		397,589	279,800	46,812	30,663
Total equity and liabilities		518,864	383,959	110,595	94,899

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY



REPORTING YEAR ENDED 31 DECEMBER 2021

Group:	Share capital	Retained earnings	Other reserves	Attributable to parent sub-total	Non-controlling interests	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Current year:						
Opening balance at 1 January 2021	56,144	41,699	(263)	97,580	6,579	104,159
Total comprehensive income for the year	-	19,805	165	19,970	1,321	21,291
Dividends paid (Note 12)	-	(4,175)	-	(4,175)	-	(4,175)
Closing balance at 31 December 2021	56,144	57,329	(98)	113,375	7,900	121,275
Previous year:						
Opening balance at 1 January 2020	56,144	23,089	(412)	78,821	4,709	83,530
Total comprehensive income for the year	-	20,379	149	20,528	1,870	22,398
Dividends paid (Note 12)	-	(1,769)	-	(1,769)	-	(1,769)
Closing balance at 31 December 2020	56,144	41,699	(263)	97,580	6,579	104,159

The accompanying notes form an integral part of these financial statements.



STATEMENTS OF CHANGES IN EQUITY

REPORTING YEAR ENDED 31 DECEMBER 2021

<u>Company:</u>	Share capital \$'000	Retained earnings \$'000	Total equity \$'000
Current year:			
Opening balance at 1 January 2021	56,144	8,092	64,236
Total comprehensive income for the year	-	3,722	3,722
Dividends paid (Note 12)	-	(4,175)	(4,175)
Closing balance at 31 December 2021	56,144	7,639	63,783
Previous year:			
Opening balance at 1 January 2020	56,144	5,317	61,461
Total comprehensive income for the year	-	4,544	4,544
Dividends paid (Note 12)	-	(1,769)	(1,769)
Closing balance at 31 December 2020	56,144	8,092	64,236

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS



REPORTING YEAR ENDED 31 DECEMBER 2021

	Group	
	2021 \$'000	2020 \$'000
<u>Cash flows from operating activities</u>		
Profit before income tax	25,447	26,764
Adjustments for:		
Interest expense	9,461	8,180
Dividend income	-	(307)
Depreciation of property, plant and equipment	1,924	1,747
Depreciation of right-of-use assets	10,082	8,494
Amortisation of intangible assets	86	145
Fair value gain on other financial assets at FVTPL	(382)	-
Loss on disposal of property, plant and equipment	-	15
(Reversal of) / allowance for inventory obsolescence	(37)	37
Net effect of exchange rate changes in consolidating foreign operations	127	81
Operating cash flows before changes in working capital	46,708	45,156
Inventories	(30,798)	(9,255)
Trade and other receivables	(92,495)	(42,882)
Other assets	(1,866)	(1,528)
Trade and other payables	15,979	(2,095)
Other liabilities	449	830
Net cash flows used in operations	(62,023)	(9,774)
Income taxes paid	(4,287)	(2,715)
Net cash flows used in operating activities	(66,310)	(12,489)
<u>Cash flows from investing activities</u>		
Purchase of property, plant and equipment (Notes 13 and 22B)	(2,155)	(3,427)
Purchase of other financial assets at FVTPL	-	(1,029)
Acquisition of intangible asset (Note 15)	(480)	-
Dividend from other financial assets at FVTPL	-	307
Net cash flows used in investing activities	(2,635)	(4,149)
<u>Cash flows from financing activities</u>		
Increase in loans and borrowings	141,475	72,192
Loans and borrowings paid	(46,428)	(31,242)
Payments of principal portion of lease liabilities	(8,963)	(8,623)
Repayments of finance lease liabilities	(11)	(9)
Interest expense paid	(9,461)	(8,180)
Dividends paid (Note 12)	(4,175)	(1,769)
Net cash flows from financing activities	72,437	22,369
Net increase in cash and cash equivalents	3,492	5,731
Cash and cash equivalents, beginning balance	14,372	8,641
Cash and cash equivalents, ending balance (Note 22A)	17,864	14,372

The accompanying notes form an integral part of these financial statements.



31 DECEMBER 2021

1. General

The company is incorporated in Singapore with limited liability. The financial statements are presented in Singapore Dollar and they cover the company (referred to as "parent") and the subsidiaries. All financial information in these financial statements are rounded to the nearest thousand ("'\$'000") except when otherwise indicated.

The board of directors approved and authorised these financial statements for issue on the date of the statement by directors. The directors have the power to amend and reissue the financial statements.

The principal activity of the company is that of investment holding. The principal activities of the subsidiaries are described in Note 34 to the financial statements.

The company is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited ("SGX-ST").

The registered office is: 7 Changi Business Park Vista, #01-01, SOOKEE HQ, Singapore 486042. The company is situated in Singapore.

The Covid-19 pandemic

Management has not identified any material uncertainties resulting from the Covid-19 pandemic and the aftermath of the pandemic surrounding the group's business, and accordingly none is disclosed in these financial statements.

Statement of compliance with financial reporting standards

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards International ("SFRS(I)") and the related interpretations to SFRS(I) ("SFRS(I) INT") as issued by the Singapore Accounting Standards Council. They are in compliance with the provisions of the Singapore Companies Act 1967 and with the International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB").

Accounting convention

The financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in the financial reporting standards may not be applied when the effect of applying them is not material. The disclosures required by financial reporting standards may not be provided if the information resulting from that disclosure is not material.

Basis of preparation of the financial statements

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Apart from those involving estimations, management has made judgements in the process of applying the entity's accounting policies. The areas requiring management's most difficult, subjective or complex judgements, or areas where assumptions and estimates are significant to the financial statements, are disclosed at the end of this footnote, where applicable.



1. General (cont'd)

Basis of presentation

The consolidated financial statements include the financial statements made up to the end of the reporting year of the company and all of its subsidiaries. The consolidated financial statements are the financial statements of the group (the parent and its subsidiaries) presented as those of a single economic entity and are prepared using uniform accounting policies for like transactions and other events in similar circumstances. All significant intragroup balances and transactions are eliminated on consolidation. Subsidiaries are consolidated from the date the reporting entity obtains control of the investee. They are de-consolidated from the date that control ceases.

Changes in the group's ownership interest in a subsidiary that do not result in the loss of control are accounted for within equity as transactions with owners in their capacity as owners. The carrying amounts of the group's and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. When the group loses control of a subsidiary, it derecognises the assets and liabilities and related equity components of the former subsidiary. Any gain or loss is recognised in profit or loss. Any investment retained in the former subsidiary is measured at fair value at the date when control is lost and is subsequently accounted for as equity investments financial assets in accordance with the financial reporting standard on financial instruments.

The company's separate financial statements have been prepared on the same basis, and as permitted by the Singapore Companies Act 1967, the company's separate statement of profit or loss and other comprehensive income is not presented.

2. Significant accounting policies and other explanatory information

2A. Significant accounting policies

Revenue recognition

The financial reporting standard on revenue from contracts with customers establishes a five-step model to account for revenue arising from contracts with customers. Revenue is recognised at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer (which excludes estimates of variable consideration that are subject to constraints, such as right of return exists, trade discounts, volume rebates and changes to the transaction price arising from modifications), net of any related sales taxes and excluding any amounts collected on behalf of third parties. An asset (goods or services) is transferred when or as the customer obtains control of that asset. As a practical expedient, the effects of any significant financing component is not adjusted if the payment for the good or service will be within one year.

Revenue from the sales of pre-owned luxury items comprising unredeemed pledges is recognised at a point in time when the performance obligation is satisfied upon the transfer of the goods to the buyer, which generally coincides with delivery and acceptance of the pledged articles sold. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

Interest income from collateral loan services is recognised on a time-proportion basis using the effective interest method.

Interest income from hire purchases is recognised over the term of the hire purchases using the Rule 78 (sum of digits) method which approximates the effective interest method. The balance of such charges at the end of the reporting year is carried forward as unearned charges.

Other income

Rental income is recognised on a time-proportion basis that takes into account the effective yield on the assets on a straight-line basis over the lease term.



31 DECEMBER 2021

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Government grants

Government grants are recognised at fair value when there is reasonable assurance that the conditions attaching to them will be complied with and that the grants will be received. Grants in recognition of specific expenses are recognised in profit or loss on a systematic basis over the periods necessary to match them with the related costs that they are intended to compensate.

Employee benefits

Contributions to a defined contribution retirement benefit plan are recorded as an expense as they fall due. The entity's legal or constructive obligation is limited to the amount that it is obligated to contribute for the Singapore employees to an independently administered fund (such as the Central Provident Fund in Singapore, a government managed defined contribution retirement benefit plan). Certain subsidiaries overseas have defined contribution retirement benefit plans in which employees are entitled to join upon fulfilling certain conditions. The assets of the fund may or may not be held separately from those of the entity in an independently administered fund. The entity contributes an amount equal to a fixed percentage of the salary of each participating employee. For employee leave entitlement the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.

Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds and are recognised as an expense in the period in which they are incurred. Interest expense is calculated using the effective interest rate method.

Foreign currency transactions

The functional currency is the Singapore Dollar as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the reporting year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the reporting year and fair value measurement dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss except when a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. The presentation is in the functional currency.

Translation of financial statements of other entities

Each company in the group determines the appropriate functional currency as it reflects the primary economic environment in which the relevant reporting entity operates. In translating the financial statements of such a company for incorporation in the consolidated financial statements in the presentation currency, the assets and liabilities denominated in other currencies are translated at end of the reporting year rates of exchange and the income and expense items for each statement presenting profit or loss and other comprehensive income are translated at average rates of exchange for the reporting year. The resulting translation adjustments (if any) are recognised in other comprehensive income and accumulated in a separate component of equity until the disposal of that relevant reporting company.



2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Income tax

The income taxes are accounted using the asset and liability method that requires the recognition of taxes payable or refundable for the current year and deferred tax liabilities and assets for the future tax consequence of events that have been recognised in the financial statements or tax returns. The measurements of current and deferred tax liabilities and assets are based on provisions of the enacted or substantially enacted tax laws; the effects of future changes in tax laws or rates are not anticipated. Tax expense (tax income) is the aggregate amount included in the determination of profit or loss for the reporting year in respect of current tax and deferred tax. Current and deferred income taxes are recognised as income or as an expense in profit or loss unless the tax relates to items that are recognised in the same or a different period outside profit or loss. For such items recognised outside profit or loss, the current tax and deferred tax are recognised (a) in other comprehensive income if the tax is related to an item recognised in other comprehensive income and (b) directly in equity if the tax is related to an item recognised directly in equity. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same income tax authority. The carrying amount of deferred tax assets is reviewed at each end of the reporting year and is reduced, if necessary, by the amount of any tax benefits that, based on available evidence, are not expected to be realised. A deferred tax amount is recognised for all temporary differences, unless the deferred tax amount arises from the initial recognition of an asset or liability in a transaction which (i) is not a business combination; and (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss). A deferred tax liability or asset is recognised for all taxable temporary differences associated with investments in subsidiaries except where the reporting entity is able to control the timing of the reversal of the taxable temporary difference and it is probable that the taxable temporary difference will not reverse in the foreseeable future or for deductible temporary differences, they will not reverse in the foreseeable future and they cannot be utilised against taxable profits.

Property, plant and equipment

Property, plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight-line method to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets. The annual rates of depreciation are as follows:

Properties	-	2.5%
Leasehold improvements	-	Over lease term
Plant, fixture and fittings	-	20% to 100%

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle. Fully depreciated assets still in use are retained in the financial statements.

The gain or loss arising from the derecognition of an item of property, plant and equipment is recognised in profit or loss. The residual value and the useful life of an asset is reviewed at least at each end of the reporting year and, if expectations differ significantly from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted.

Cost includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss when they are incurred.

Cost also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period. See Note 28 on provisions.



31 DECEMBER 2021

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Right-of-use assets

The right-of-use assets are accounted and presented as if they were owned such as property, plant and equipment. The annual rate of depreciation is as follows:

Retail outlets - Over lease term

Leases of lessee

A lease conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. A right-of-use asset is capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. A liability corresponding to the capitalised right-of-use asset is also recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. The right-of-use asset is depreciated over the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. An interest expense is recognised on the lease liability (included in finance costs). For short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office equipment) where an accounting policy choice exists under the lease standard, the lease payments are expensed to profit or loss as incurred on a straight line basis over the remaining lease term.

Leases of lessor

For a lessor each of lease is classified as either an operating lease or a finance lease. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is representative of the time pattern of the user's benefit, even if the payments are not on that basis. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset and it is presented in its statement of financial position as a receivable at an amount equal to the net investment in the lease. For a finance lease the finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

Intangible assets

An identifiable non-monetary asset without physical substance is recognised as an intangible asset at acquisition cost if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. After initial recognition, an intangible asset with finite useful life is carried at cost less any accumulated amortisation and any accumulated impairment losses. An intangible asset with an indefinite useful life is not amortised. An intangible asset is regarded as having an indefinite useful life when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the entity.

The amortisable amount of an intangible asset with finite useful life is allocated on a systematic basis over the best estimate of its useful life from the point at which the asset is ready for use. The useful lives are as follows:

Lease assignment fees - Over lease term
Customer lists - 5 years
License - Not amortised

Identifiable intangible assets acquired as part of a business combination are initially recognised separately from goodwill if the asset's fair value can be measured reliably, irrespective of whether the asset had been recognised by the acquiree before the business combination. An intangible asset is considered identifiable only if it is separable or if it arises from contractual or other legal rights, regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.



2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Subsidiaries

A subsidiary is an entity including unincorporated and special purpose entity that is controlled by the group and the group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The existence and effect of substantive potential voting rights that the group has the practical ability to exercise (that is, substantive rights) are considered when assessing whether the group controls another entity. In the company's separate financial statements, an investment in a subsidiary is accounted for at cost less any allowance for impairment in value. Impairment loss recognised in profit or loss for a subsidiary is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying value and the net book value of the investment in a subsidiary are not necessarily indicative of the amount that would be realised in a current market exchange.

Business combinations

A business combination is a transaction or other event which requires that the assets acquired and liabilities assumed constitute a business. It is accounted for by applying the acquisition method of accounting. The cost of a business combination includes the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the acquirer, in exchange for control of the acquiree. The acquisition-related costs are expensed in the periods in which the costs are incurred and the services are received except for any costs to issue debt or equity securities are recognised in accordance with the financial reporting standard on financial instruments.

As of the acquisition date, the acquirer recognises, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree measured at acquisition date fair values as defined in and that meet the conditions for recognition under the financial reporting standard on business combinations. If there is gain on bargain purchase, for the gain on bargain purchase a reassessment is made of the identification and measurement of the acquiree's identifiable assets, liabilities and contingent liabilities and the measurement of the cost of the business combination and any excess remaining after this reassessment is recognised immediately in profit or loss.

Business combinations are initially accounted for on a provisional basis until they are finalised within one year from the acquisition date. The fair value of assets acquired, liabilities and contingent liabilities assumed are initially estimated by management by taking into consideration all available information at the reporting date. Fair value adjustments on the finalisation of the business combination accounting is retrospective to the period the combination occurred and may have an impact on the assets and liabilities, depreciation and amortisation reported.

Goodwill and fair value adjustments resulting from the application of purchase accounting at the date of acquisition are treated as assets and liabilities of the foreign entity and are recorded at the exchange rates prevailing at the acquisition date and are subsequently translated at the period end exchange rate.

Non-controlling interests

The non-controlling interest is equity in a subsidiary not attributable, directly or indirectly, to the group as the parent. The non-controlling interest is presented in the consolidated statement of financial position within equity, separately from the equity of the owners of the parent. For each business combination, any non-controlling interest in the acquiree (subsidiary) is initially measured either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Where the non-controlling interest is measured at fair value, the valuation techniques and key model inputs used are disclosed in the relevant note. Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.



31 DECEMBER 2021

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Goodwill

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognised. Goodwill is recognised as of the acquisition date measured as the excess of (a) over (b); (a) being the aggregate of: (i) the consideration transferred which generally requires acquisition date fair value; (ii) the amount of any non-controlling interest in the acquiree measured in accordance with the financial reporting standard on business combinations (measured either at fair value or as the non-controlling interest's proportionate share of the acquiree's net identifiable assets); and (iii) in a business combination achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree; and (b) being the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed measured in accordance with the financial reporting standard on business combinations.

After initial recognition, goodwill acquired in a business combination is measured at cost less any accumulated impairment losses. Goodwill is not amortised. Irrespective of whether there is any indication of impairment, goodwill and also any intangible asset with an indefinite useful life or any intangible asset not yet available for use are tested for impairment at least annually. Goodwill impairment is not reversed in any circumstances.

For the purpose of impairment testing and since the acquisition date of the business combination, goodwill is allocated to each cash-generating unit, or groups of cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree were assigned to those units or groups of units. Each unit or group of units to which the goodwill is so allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes and is not larger than a segment.

Inventories

Inventories are measured at the lower of cost (specific identification method) and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. A write down on cost is made where the cost is not recoverable or if the selling prices have declined. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Carrying amounts of non-financial assets

Irrespective of whether there is any indication of impairment, an annual impairment test is performed at about the same time every year on an intangible asset with an indefinite useful life or an intangible asset not yet available for use. The carrying amount of other non-financial assets is reviewed at each end of the reporting year for indications of impairment and where an asset is impaired, it is written down through profit or loss to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is recognised in profit or loss. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. When the fair value less costs of disposal method is used, any available recent market transactions are taken into consideration. When the value in use method is adopted, in assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

At each end of the reporting year non-financial assets other than goodwill with impairment loss recognised in prior periods are assessed for possible reversal of the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been measured, net of depreciation or amortisation, if no impairment loss had been recognised.



2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Financial instruments

Recognition and derecognition of financial instruments:

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the entity becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting or settlement date accounting. A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. A financial liability is removed from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires.

At initial recognition, the financial asset or financial liability is measured at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Classification and measurement of financial assets:

- #1. Financial asset classified as measured at amortised cost: A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss ("FVTPL"), that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Typically trade and other receivables, bank and cash balances are classified in this category.
- #2. Financial asset that is a debt asset instrument classified as measured at fair value through other comprehensive income ("FVTOCI"): There were no financial assets classified in this category at reporting year end date.
- #3. Financial asset that is an equity investment measured at FVTOCI: There were no financial assets classified in this category at reporting year end date.
- #4. Financial asset classified as measured at FVTPL: All other financial assets are classified as measured at FVTPL. In addition, on initial recognition, management may irrevocably designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Classification and measurement of financial liabilities:

Financial liabilities are classified as at FVTPL in either of the following circumstances: (1) the liabilities are managed, evaluated and reported internally on a fair value basis; or (2) the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise. All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted.

Cash and cash equivalents

Cash and cash equivalents include bank and cash balances, on demand deposits and any highly liquid debt instruments purchased with an original maturity of three months or less. For the statement of cash flows the item includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management.



31 DECEMBER 2021

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Derivative financial instruments

A derivative financial instrument is a financial instrument with all three of the following characteristics (a) its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices, credit ratings or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract; (b) it requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors; and (c) it is settled at a future date. The derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently classified as measured at FVTPL unless the derivative is designated and effective as a hedging instrument.

Derivatives held for risk management purposes and hedge accounting

Certain derivatives held for risk management as well as certain non-derivative financial instruments may be designated as hedging instruments in qualifying hedging relationships. Hedge accounting is used only when the following conditions at the inception of the hedge are satisfied: (a) The hedging instrument and the hedged item are clearly identified. (b) Formal designation and documentation of the hedging relationship is in place. Such hedge documentation includes the hedge strategy, the method used to assess the hedge's effectiveness. (c) The hedge relationship is expected to be highly effective throughout the life of the hedge based on the principle of an economic relationship. Hedge effectiveness is the extent to which changes in the fair value or the cash flows of the hedging instrument offset changes in the fair value or the cash flows of the hedged item (for example, when the hedged item is a risk component, the relevant change in fair value or cash flows of an item is the one that is attributable to the hedged risk). The above documentation is subsequently updated at each end of the reporting year in order to assess whether the hedge is still expected to be highly effective over the remaining life of the hedge. Hedge accounting is used for (1) Fair value hedge; (2) Cash flow hedge; and (3) Hedge of a net investment in a foreign operation.

If the hedge is terminated, no longer meets the criteria for hedge accounting or is revoked, the adjusted carrying amount of a hedged financial instrument for which the effective interest method is used is amortised to profit or loss. The applicable derivatives and other hedging instruments used are described in the notes to the financial statements.

Fair value measurement

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, market observable data to the extent possible is used. If the fair value of an asset or a liability is not directly observable, an estimate is made using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (e.g. by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset / liability that market participants would take into account. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value.

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety: Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Transfers between levels of the fair value hierarchy are recognised at the end of the reporting period during which the change occurred.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements.

**2. Significant accounting policies and other explanatory information (cont'd)****2B. Other explanatory information****Provisions**

A liability or provision is recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A provision is made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Changes in estimates are reflected in profit or loss in the reporting year they occur.

Segment reporting

The group discloses financial and descriptive information about its consolidated reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing the performance. Generally, financial information is reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments.

2C. Critical judgements, assumptions and estimation uncertainties

The critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements and the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities currently or within the next reporting year are discussed below. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

Impairment of inventories:

A review is made on inventory for decline in net realisable value below cost and an allowance is recorded against the inventory balance for any such decline. The review requires management to consider the future demand for the products. In any case, the realisable value represents the best estimate of the recoverable amount and is based on the acceptable evidence available at the end of the reporting year and inherently involves estimates regarding the future expected realisable value. The usual consideration in determining the realisable value includes authenticity of inventories, age of the inventories, future demand and future selling prices of inventories, rework cost and fluctuation of gold market prices. In general, such an evaluation process requires significant management judgement and may materially affect the carrying amount of inventories at the end of the reporting year. Possible changes in these estimates could result in revisions to the stated value of the inventories. The carrying amount of inventories at the end of the reporting year is disclosed in Note 19.

Impairment of pledged loan receivables:

The group assesses at the end of each reporting year whether there is any objective evidence that the pledged loan receivables are impaired. Pledged loan receivables are secured by pledges of goods and chattels. The carrying amount of the pledged loan receivables may not be recoverable in full in the event that a customer does not renew or redeem a pledged article within the agreed redemption period from the grant date of the loan, and the market value of the pledged article has declined. The determination of the appropriate allowance for expected credit loss on pledged loan receivables requires management to consider factors such as the significant decline in values of collaterals, the authenticity of the collaterals or probabilities of default or significant delay in payments by pledgers. The carrying amounts of the pledged loan receivables at the end of the reporting year are disclosed in Note 20.



31 DECEMBER 2021

2. Significant accounting policies and other explanatory information (cont'd)

2C. Critical judgements, assumptions and estimation uncertainties (cont'd)

Impairment of lease payment receivables:

The group assesses at the end of each reporting year whether there is any objective evidence that the lease payment receivables are impaired. Lease payment receivables are secured by pledges of hire purchase assets. The carrying amount of the pledged loan receivables may not be recoverable in full in the event that a customer defaults the hire purchase payments and the market value of the hire purchase assets has declined. The determination of the appropriate allowance for expected credit loss on lease payment receivables requires management to consider factors such as the significant decline in values of collaterals, probabilities of default or significant delay in payments by customers. The carrying amounts of the lease payment receivables at the end of the reporting year are disclosed in Note 20.

Assessment of impairment of goodwill:

Goodwill is assessed annually for impairment. This assessment is complex and requires significant management's judgement in determining the forecasted revenue growth and profit margins for each cash generating unit ("CGU"), taking into account their knowledge of the local market conditions, economic and legal environment in which the CGUs operate, as well as changes to the market interest rates. The disclosures about goodwill are included in Note 15A on intangible assets, which explains that small changes in the key assumptions used could give rise to an impairment of the goodwill balance in the future. Actual outcomes could vary from these estimates.

Measurement of impairment of investments in subsidiaries:

Where a subsidiary is in net equity deficit and or has suffered losses, a test is made whether the investment has suffered any impairment. This measurement requires significant judgement. An estimate is made for the future profitability of the subsidiaries, and the financial health of and near-term business outlook of the subsidiaries, including factors such as industry and sector performance, and operational and financing cash flow. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions could require a material adjustment to the carrying amount of the investment. The carrying amount of the investments in subsidiaries as at the end of the reporting year is disclosed in Note 16.

Fair value of other financial assets:

Other financial assets comprising unquoted equity shares in a corporation, stated at fair value, are not based on quoted prices in active markets, and therefore there is significant measurement uncertainty involved in this measurement of fair value. Management has determined it is necessary to use a model to value these instruments based on their structure and terms and to make any adjustments where necessary to the output of the model to reflect the assumptions that marketplace participants would use in similar circumstances. The assumptions involved in the fair value measurement are disclosed in Note 18 to the financial statements.

De facto control of subsidiary:

The group entered into an agreement with a third party, which the group and the third party owns 51% and 49% of the voting shares, to establish and operate SG e-Auction Pte. Ltd. ("SG e-Auction"). According to this agreement and the fact that the group has power to govern the financial and operational matters of SG e-Auction, rights to variable returns and the ability to affect amount of returns, the group recognises SG e-Auction as a subsidiary. Accordingly, the results of SG e-Auction are consolidated within the group.

Assessment of impairment of right-of-use assets:

Significant judgment is applied by management when determining impairment of the right-of-use asset. Impairment is assessed for separable parts of leased buildings that have been or will be vacated in the near future. The impairment is sensitive to changes in estimated future expected sub-lease income and sub-lease period. Judgement is also involved when determining whether sub-lease contracts are financial or operational, as well as when determining lease term for contracts that has extension or termination options. The amount at the end of the reporting year are disclosed in Note 14 to the financial statements.



3. 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.

3A. Members of a group

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

Related companies in these financial statements include the member of the above group of companies.

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

3B. 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 consolidated financial statements are not disclosed as related party transactions and balances below.

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

Significant related party transactions:

	Group	
	2021 \$'000	2020 \$'000
<u>Parent company</u>		
Interest expense	(53)	(74)
<u>Other related parties</u>		
Sales of pre-owned luxury items	17	4
Purchase of pre-owned luxury items	(435)	(14)
Purchase of plant and equipment	-	(2)
Rental expense	(2,326)	(1,416)
Central support services	(312)	(312)
Interest expense	(106)	(54)
Outsourced payroll services	(8)	(16)
<u>Directors</u>		
Interest expense	(545)	(496)

The related parties and the group have common directors.



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2021

3. Related party relationships and transactions (cont'd)

3C. Key management compensation

	Group	
	2021	2020
	\$'000	\$'000
Salaries and other short-term employee benefits	3,448	3,049

The above amounts are included under employee benefits expense. Included in the above amounts are the following items:

	Group	
	2021	2020
	\$'000	\$'000
Remuneration of directors of the company	1,739	1,749
Fees to directors of the company ^(a)	307	307

^(a) Included in fees to directors of the company is an amount of \$122,000 (2020: \$122,000) paid by a subsidiary.

Further information about the remuneration of individual directors is provided in the Report on Corporate Governance.

Key management personnel include the directors and those persons having authority and responsibility for planning, directing and controlling the activities of the group, directly or indirectly. The above amounts do not include compensation, if any, of certain key management personnel and directors of the company received compensation from related parties in their capacity as directors and or executives of those related parties.

3D. Other receivables from and other payables to related parties

The trade transactions and the related trade receivables and payables balances arising from sales and purchases of goods and services are disclosed elsewhere in the notes to the financial statements.

The movements in other receivables from and (other payables to) related parties are as follows:

	Group and Company	
	2021	2020
	\$'000	\$'000
<u>Other payables to parent company:</u>		
Balance at beginning of the year	(1,000)	(1,700)
Amounts paid out and settlement of liabilities on behalf of the parent company	-	700
Amounts paid in and settlement of liabilities on behalf of the group	(400)	-
Balance at end of the year (Note 27)	(1,400)	(1,000)

	Group and Company	
	2021	2020
	\$'000	\$'000
<u>Other payables to directors:</u>		
Balance at beginning of the year	(8,490)	(9,868)
Amounts paid out and settlement of liabilities on behalf of directors	-	3,878
Amounts paid in and settlement of liabilities on behalf of the group	(8,800)	(2,500)
Balance at end of the year (Note 27)	(17,290)	(8,490)



3. Related party relationships and transactions (cont'd)

3D. Other receivables from and other payables to related parties (cont'd)

	Group	
	2021	2020
	\$'000	\$'000
<u>Other related parties:</u>		
Balance at beginning of the year	(2,957)	(4,766)
Amounts paid out and settlement of liabilities on behalf of other related parties - net	-	1,809
Amounts paid in and settlement of liabilities on behalf of the group - net	(7,849)	-
Balance at end of the year	<u>(10,806)</u>	<u>(2,957)</u>

Presented in the statement of financial position as follows:

Other receivables (Note 20)	398	367
Other payables (Note 27)	(11,204)	(3,324)
	<u>(10,806)</u>	<u>(2,957)</u>

Subsidiaries:

	Company	
	2021	2020
	\$'000	\$'000
Balance at beginning of the year	6,665	13,164
Amounts paid out and settlement of liabilities on behalf of subsidiaries - net	7,730	-
Amounts paid in and settlement of liabilities on behalf of the company - net	-	(10,499)
Dividend receivable	4,000	4,000
Balance at end of the year	<u>18,395</u>	<u>6,665</u>

Presented in the statement of financial position as follows:

Other receivables (Note 20)	31,361	24,026
Other payables (Note 27)	(12,966)	(17,361)
	<u>18,395</u>	<u>6,665</u>

Other payables to other related parties:

	Company	
	2021	2020
	\$'000	\$'000
Balance at beginning of the year	-	(1,300)
Amounts paid out and settlement of liabilities on behalf of other related parties - net	-	1,300
Amounts paid in and settlement of liabilities on behalf of the company - net	(7,000)	-
Balance at end of the year (Note 27)	<u>(7,000)</u>	<u>-</u>



31 DECEMBER 2021

4. 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; and
- 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 actually 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.



31 DECEMBER 2021

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

Information about reportable segment profit or loss, assets and liabilities (cont'd)

Segment information about these businesses is presented below:

	Pawn broking \$'000	Retail and trading of gold and luxury items \$'000	Secured lending \$'000	Others \$'000	Elimination \$'000	Note	Group \$'000
2021:							
Revenue by segment							
Revenue from external customers	38,604	147,291	11,139	2,183	-		199,217
Inter-segment sales	27,983	-	2	7	(27,992)	A	-
Results							
Segment results	18,009	8,591	8,861	3,566	(4,119)	B	34,908
Finance costs	(4,475)	(538)	(3,636)	(1,021)	209		(9,461)
Profit before income tax	13,534	8,053	5,225	2,545	(3,910)	B	25,447
Income tax expense	(2,051)	(1,350)	(873)	(47)	-		(4,321)
Profit, net of tax	11,483	6,703	4,352	2,498	(3,910)	B	21,126
Segment assets	298,027	90,155	140,003	47,692	(57,046)	C	518,831
Unallocated assets							33
Total group assets							518,864
Segment liabilities	189,642	62,491	130,091	80,464	(69,394)		393,294
Unallocated liabilities							4,295
Total group liabilities							397,589
Capital expenditure	576	1,673	13	17	-		2,279
Depreciation and amortisation	6,063	5,412	39	578	-		12,092
Loss on collateral loan services	11	-	-	-	-		11



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2021

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

Information about reportable segment profit or loss, assets and liabilities (cont'd)

	Pawn broking \$'000	Retail and trading of gold and luxury items \$'000	Secured lending \$'000	Others \$'000	Elimination \$'000	Note	Group \$'000
2020:							
Revenue by segment							
Revenue from external customers	35,322	156,816	4,660	349	-		197,147
Inter-segment sales	21,261	-	1	8	(21,270)	A	-
Results							
Segment results	17,604	12,626	4,085	4,690	(4,061)	B	34,944
Finance costs	(5,325)	(508)	(1,567)	(926)	146		(8,180)
Profit before income tax	12,279	12,118	2,518	3,764	(3,915)	B	26,764
Income tax expense	(1,920)	(2,046)	(350)	(199)	-		(4,515)
Profit, net of tax	10,359	10,072	2,168	3,565	(3,915)	B	22,249
Segment assets	253,010	58,953	72,888	37,499	(38,454)	C	383,896
Unallocated assets							63
Total group assets							383,959
Segment liabilities	149,738	40,313	69,208	71,350	(55,075)	D	275,534
Unallocated liabilities							4,266
Total group liabilities							279,800
Capital expenditure	197	558	5	18,529	-		19,289
Depreciation and amortisation	5,390	4,425	14	557	-		10,386
Loss on disposal of property, plant and equipment	1	14	-	-	-		15
Loss on collateral loan services	14	-	-	-	-		14

Notes

A. Inter-segment revenues are eliminated.

B. The following items are deducted from segment profit to arrive at profit before tax presented in the consolidated statement of profit or loss and other comprehensive income:

	2021 \$'000	2020 \$'000
Profit from inter-segment sales	4,119	4,061

4. Financial information by operating segments (cont'd)
Notes (cont'd)

- C. The following items are deducted from segment assets to arrive at total assets reported in the consolidated statements of financial position:

	2021 \$'000	2020 \$'000
Inter-segment balances	56,997	38,424
Unrealised profit on unsold inventories	49	30
	<u>57,046</u>	<u>38,454</u>

- D. The following items are deducted from segment liabilities to arrive at total liabilities reported in the consolidated statements of financial position:

	2021 \$'000	2020 \$'000
Inter-segment balances	<u>69,394</u>	<u>55,075</u>

Geographical information

	Revenue		Non-current assets	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Singapore	187,073	184,904	154,923	96,548
Malaysia	12,144	12,243	5,169	5,268
	<u>199,217</u>	<u>197,147</u>	<u>160,092</u>	<u>101,816</u>

Revenues are attributed to countries on the basis of the customer's location, irrespective of the origin of the goods and services.

The non-current assets are analysed by the geographical area in which the assets are located. The non-current assets exclude deferred tax assets.

Information about major customers

	2021 \$'000	2020 \$'000
Top 1 customer	35,131	60,395
Top 2 customers	<u>35,873</u>	<u>85,068</u>

The major customers are from wholesale trading of gold and luxury items segment.



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2021

5. Revenue

5A. Classification by type of goods or services

	Group	
	2021 \$'000	2020 \$'000
Interest income - collateral loan services	34,975	31,454
Interest income - motor loans	9,247	3,649
Retail and trading of luxury items	152,642	160,684
Others	2,353	1,360
	<u>199,217</u>	<u>197,147</u>

5B. Classification by duration of contracts

	Group	
	2021 \$'000	2020 \$'000
Short-term contracts - less than 12 months	189,722	193,384
Long-term contracts - over 12 months	9,495	3,763
	<u>199,217</u>	<u>197,147</u>

5C. Classification by timing of revenue recognition

	Group	
	2021 \$'000	2020 \$'000
Point in time	154,726	161,930
Over time	44,491	35,217
	<u>199,217</u>	<u>197,147</u>

The customers are mainly individuals and wholesalers based in Singapore and Malaysia.



31 DECEMBER 2021

6. Other income and gains and (other losses)

	Group	
	2021 \$'000	2020 \$'000
Dividend income	-	307
Rental income (Note 30)	318	439
Foreign exchange losses	(295)	(78)
Government grants #a	1,659	1,986
Fair value gain on other financial assets at FVTPL	382	-
Loss on disposal of property, plant and equipment	-	(15)
Provision for doubtful debts (Note 20)	(234)	-
Miscellaneous income	343	245
Other minor losses	(22)	(29)
Net	<u>2,151</u>	<u>2,855</u>
Presented in profit or loss as:		
Other income and gains	2,702	2,977
Other losses	(551)	(122)
Net	<u>2,151</u>	<u>2,855</u>

#a Included in the amount of government grants is the Job Support Scheme amounting to \$1,046,000 (2020: \$1,547,000), which is to provide wage support to employers to help them retain their local employees during this period of economic uncertainty amid Covid-19 for 19 months from April 2020 to October 2021. However, for certain sectors, the support was for 14 months from April 2020 to May 2021. Such sectors include financial services in which the group's pawnbroking business is categorised.

7. Employee benefits expense

	Group	
	2021 \$'000	2020 \$'000
Short term employee benefits expense	17,976	15,132
Contributions to defined contribution plan	1,556	1,335
	<u>19,532</u>	<u>16,467</u>

8. Finance costs

	Group	
	2021 \$'000	2020 \$'000
Interest expense on loans and borrowings	8,974	7,692
Interest on lease liabilities	487	488
	<u>9,461</u>	<u>8,180</u>



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2021

9. Other expenses

The major components include the following:

	Group	
	2021	2020
	\$'000	\$'000
Advertisement and promotions	419	491
Central support services	312	312
Credit card and NETS commission	749	358
Insurance	545	538
Telephone and utility charges	654	489
Audit fees to the independent auditor of the company	219	196
Audit fees to the other independent auditors	70	66
Other fees to the independent auditor of the company	49	18

10. Income tax

10A. Components of income tax expense recognised in profit or loss include:

	Group	
	2021	2020
	\$'000	\$'000
<u>Current income tax expense:</u>		
Current income tax expense	4,647	4,878
Over adjustments in respect of prior periods	(366)	(507)
Withholding tax	35	66
Subtotal	4,316	4,437
 <u>Deferred tax expense:</u>		
Deferred tax expense	5	78
Subtotal	5	78
Total income tax expense	4,321	4,515



10. Income tax (cont'd)

10A. Components of income tax expense recognised in profit or loss include: (cont'd)

The income tax in profit or loss varied from the amount of income tax amount determined by applying the Singapore income tax rate of 17.0% (2020: 17.0%) to profit or loss before income tax as a result of the following differences:

	Group	
	2021 \$'000	2020 \$'000
Profit before income tax	25,447	26,764
Income tax expense at the above rate	4,326	4,550
Effect of different tax rates in different country	234	324
Income not subject to tax	(178)	(262)
Expenses not deductible for tax purposes	377	449
Tax exemptions and rebates	(107)	(105)
Withholding tax	35	66
Over adjustments in respect of prior periods	(366)	(507)
Total income tax expense	4,321	4,515

There are no income tax consequences of dividends to owners of the company.

10B. Deferred tax expense recognised in profit or loss includes:

	Group	
	2021 \$'000	2020 \$'000
Difference between book value over tax value of property, plant and equipment	21	(131)
Intangible assets	-	(10)
Provision	(16)	(25)
Tax losses carryforwards	-	244
Total deferred income tax expense recognised in profit or loss	5	78



31 DECEMBER 2021

10. Income tax (cont'd)

10C. Deferred tax balance in the statement of financial position:

	Group	
	2021 \$'000	2020 \$'000
Difference between book value over tax value of property, plant and equipment	(113)	(134)
Provisions	(11)	5
Tax losses carryforwards	42	42
Subtotal	<u>(82)</u>	<u>(87)</u>
<i>Deferred tax assets recognised in other comprehensive income:</i>		
Cash flow hedges	2	62
Net balance	<u>(80)</u>	<u>(25)</u>
Presented in the statement of financial position as follows:		
Deferred tax assets	33	63
Deferred tax liabilities	(113)	(88)
Net balance	<u>(80)</u>	<u>(25)</u>

It is impracticable to estimate the amount expected to be settled or used within one year.

The realisation of the future income tax benefits from tax loss carryforwards and temporary differences from capital allowance is available for an unlimited future period subject to the conditions imposed by law including the retention of majority shareholders as defined. Tax losses carried forward amounted to \$247,000 (2020: \$247,000).

11. Earnings per share

The following table illustrates the numerators and denominators used to calculate basic and diluted earnings per share of no par value:

	Group	
	2021 \$'000	2020 \$'000
Numerators: earnings attributable to equity		
Profit attributable to owners of the parent, net of tax	<u>19,805</u>	<u>20,379</u>
Denominators: weighted average number of equity shares	<u>No.: '000</u>	<u>No.: '000</u>
Basic and diluted	<u>442,250</u>	<u>442,250</u>

The weighted average number of equity shares refers to shares in issue outstanding during the reporting period.

The basic earnings per share ratio is based on the weighted average number of ordinary shares outstanding during each reporting year. Both basic and diluted earnings per share are the same as there are no dilutive potential ordinary shares outstanding during the reporting period.

The weighted average number of ordinary shares outstanding during the period and for all periods presented are adjusted for events that have changed the number of ordinary shares outstanding without a corresponding change in resources. The number of ordinary shares outstanding before the event is adjusted for the proportionate change in the number of ordinary shares outstanding as if the event had occurred at the beginning of the earliest period presented. The disclosures for last year have been revised accordingly. Because the bonus issue was without consideration, it is treated as if it had occurred before the beginning of 2020, the earliest period presented.



31 DECEMBER 2021

12. Dividends on equity shares

	Rate per share - cents		Company	
	2021	2020	2021 \$'000	2020 \$'000
Declared and paid during the financial year:				
First and final tax exempt (one-tier) dividend	1.18	0.50	4,175	1,769
Proposed but not recognised as a liability as at 31 December:				
First and final tax exempt (one-tier) dividend	0.95	1.18	4,201	4,175

13. Property, plant and equipment

Group:	Properties	Leasehold	Plant, fixture	Total
	\$'000	improvements \$'000	and fittings \$'000	\$'000
<u>Cost:</u>				
At 1 January 2020	-	9,487	7,913	17,400
Foreign exchange adjustments	-	(3)	(64)	(67)
Additions	18,529	434	326	19,289
Disposals	-	(25)	(33)	(58)
At 31 December 2020	18,529	9,893	8,142	36,564
Foreign exchange adjustments	-	(31)	(20)	(51)
Additions	183	1,551	545	2,279
Disposals	-	(190)	(50)	(240)
At 31 December 2021	18,712	11,223	8,617	38,552
<u>Accumulated depreciation:</u>				
At 1 January 2020	-	8,369	6,472	14,841
Foreign exchange adjustments	-	(23)	(4)	(27)
Depreciation for the year	390	702	655	1,747
Disposals	-	(18)	(23)	(41)
At 31 December 2020	390	9,030	7,100	16,520
Foreign exchange adjustments	-	(21)	(17)	(38)
Depreciation for the year	463	721	740	1,924
Disposals	-	(190)	(50)	(240)
At 31 December 2021	853	9,540	7,773	18,166
<u>Carrying amount:</u>				
At 1 January 2020	-	1,118	1,441	2,559
At 31 December 2020	18,139	863	1,042	20,044
At 31 December 2021	17,859	1,683	844	20,386

Certain items are under finance lease agreements (Note 26).

A fixed and floating charge has been placed on property, plant and equipment with a carrying amount of \$20,351,000 (2020: \$19,820,000) as security for bank borrowings (Note 25).



31 DECEMBER 2021

14. Right-of-use assets

The right-of-use assets in the statement of financial position are as follows:

	Retail outlets
	\$'000
<u>Group:</u>	
<u>Cost:</u>	
At 1 January 2020	21,460
Foreign exchange adjustments	(2)
Additions	10,197
Re-measurement	(57)
Disposals	(359)
At 31 December 2020	31,239
Foreign exchange adjustments	1
Additions	14,106
Re-measurement	231
At 31 December 2021	45,577
 <u>Accumulated depreciation:</u>	
At 1 January 2020	9,444
Foreign exchange adjustments	(28)
Depreciation for the year	8,494
Disposals	(359)
At 31 December 2020	17,551
Foreign exchange adjustments	11
Depreciation for the year	10,082
At 31 December 2021	27,644
 <u>Carrying amount:</u>	
At 1 January 2020	12,016
At 31 December 2020	13,688
At 31 December 2021	17,933

15. Intangible assets

	Group	
	2021	2020
	\$'000	\$'000
Goodwill (Note 15A)	3,982	4,035
License	480	-
Other intangible assets (Note 15B)	26	112
Total	4,488	4,147



31 DECEMBER 2021

15. Intangible assets (cont'd)
15A. Goodwill

	Group	
	2021	2020
	\$'000	\$'000
<u>Cost:</u>		
Balance at beginning of the year	4,035	4,044
Foreign currency translation adjustments	(53)	(9)
Balance at end of the year	3,982	4,035

Goodwill is allocated to cash-generating units ("CGU") or groups of CGUs for the purpose of impairment testing. Each of those CGU represents the group's investment in subsidiaries as follows:

Name of CGUs	Group	
	2021	2020
	\$'000	\$'000
Easimine group of companies ^(a)	940	953
Kedai Pajak Heng Soon Sdn. Bhd.	389	394
Pajak Gadai T&M Sdn. Bhd.	193	195
Pajak Gadai Money Mine Sdn. Bhd.	195	197
Pajak Gadai Malim Maju Sdn. Bhd.	108	110
Pajak Gadai Semabok Sdn. Bhd.	171	173
Pajak Gadai Hen Teck Sdn. Bhd.	107	109
Pajak Gadai Pasir Gudang Sdn. Bhd.	147	149
Pajak Gadai Rengit Sdn. Bhd.	143	145
Pajak Gadai Simpang Renggam Sdn. Bhd.	139	141
Pajak Gadai Bukit Mertajam Sdn. Bhd.	158	160
Pajak Gadai Bukit Gambir Sdn. Bhd.	146	148
Pajak Gadai Senai Sdn. Bhd.	194	197
Pajak Gadai Pagoh Sdn. Bhd.	166	168
Pajak Gadai Kulai Sdn. Bhd.	193	195
Pajak Gadai Masai Sdn. Bhd.	178	180
Pajak Gadai Sungai Petani Sdn. Bhd.	196	200
Pajak Gadai Butterworth Sdn. Bhd.	187	189
Various subsidiaries ^(b)	32	32
	3,982	4,035

^(a) This relates to subsidiaries, MS 1 Infinite Sdn. Bhd., MS 2 Infinite Sdn. Bhd., MS 3 Infinite Sdn. Bhd., MS 4 Infinite Sdn. Bhd., MS 5 Infinite Sdn. Bhd., MS 10 Infinite Sdn. Bhd., Easigram (Pandan) Sdn. Bhd., Easigram (Batu Pahat) Sdn. Bhd., Pajak Gadai Pure Merit Sdn. Bhd. and Pajak Gadai Aeon Fountain Sdn. Bhd.

^(b) This relates to various subsidiaries, Pajak Gadai Poh San Sdn. Bhd., Pajak Gadai Poh Guan Sdn. Bhd., Pajak Gadai Poh Fook Sdn. Bhd. and Pajak Gadai Poh Mei Sdn. Bhd.



31 DECEMBER 2021

15. Intangible assets (cont'd)

15A. Goodwill (cont'd)

The goodwill was tested for impairment at the end of the reporting year except for various subsidiaries. An impairment loss is the amount by which the carrying amount of an asset or a CGU exceeds its recoverable amount. The recoverable amount of an asset or a CGU is the higher of its fair value less costs of disposal or its value in use. The recoverable amounts of CGUs have been measured based on value in use method.

The value in use was measured by management. The key assumptions for the value in use calculations are discount rates and pledged loan growth rates as follows. The value in use is a recurring fair value measurement (Level 3). The quantitative information about the value in use measurement using significant unobservable inputs for the CGU are consistent with those used for the measurement last performed and is analysed as follows:

Valuation technique and unobservable inputs Discounted cash flow method:	Range (weighted average)	
	2021	2020
Pledged loan growth rates ⁽ⁱ⁾	Refer below	Refer below
Terminal growth rates ⁽ⁱⁱ⁾	2.3%	2.3%
Pre-tax cost of debts ⁽ⁱ⁾	7.0%	7.0%
Debts to pledged loans ratio ⁽ⁱ⁾	80.0%	80.0%
Pre-tax discount rates ⁽ⁱⁱⁱ⁾	16.1%	16.1%
Operating expenses growth rates ⁽ⁱ⁾	2% - 5%	2% - 5%
Cash flow forecasts ⁽ⁱ⁾	5 years	5 years

⁽ⁱ⁾ Estimated based on most recent financial budgets and plans approved by management that derived from historical trend.

⁽ⁱⁱ⁾ Estimated based on industry growth forecasts and not exceeding the average long-term growth rate for the relevant markets.

⁽ⁱⁱⁱ⁾ Management's estimated discount rates using pre-tax discount rates that reflect current market assessments at the risks specific to the CGUs.

Name of the CGUs	2021	2020
<u>Pledged loan growth rates (per annum)</u>		
Easimine group of companies	1.0% - 5.0%	1.0% - 5.0%
Kedai Pajak Heng Soon Sdn. Bhd.	5.0%	0.0%
Pajak Gadai T&M Sdn. Bhd.	15.0%	15.0%
Pajak Gadai Money Mine Sdn. Bhd.	15.0%	15.0%
Pajak Gadai Malim Maju Sdn. Bhd.	15.0%	15.0%
Pajak Gadai Semabok Sdn. Bhd.	15.0%	15.0%
Pajak Gadai Hen Teck Sdn. Bhd.	5.0%	5.0%
Pajak Gadai Pasir Gudang Sdn. Bhd.	10.0%	10.0%
Pajak Gadai Rengit Sdn. Bhd.	15.0%	15.0%
Pajak Gadai Simpang Renggam Sdn. Bhd.	10.0%	10.0%
Pajak Gadai Bukit Mertajam Sdn. Bhd.	10.0%	10.0%
Pajak Gadai Bukit Gambir Sdn. Bhd.	5.0%	5.0%
Pajak Gadai Senai Sdn. Bhd.	15.0%	15.0%
Pajak Gadai Pagoh Sdn. Bhd.	10.0%	10.0%
Pajak Gadai Kulai Sdn. Bhd.	5.0%	5.0%
Pajak Gadai Masai Sdn. Bhd.	5.0%	5.0%
Pajak Gadai Sungai Petani Sdn. Bhd.	5.0%	5.0%
Pajak Gadai Butterworth Sdn. Bhd.	5.0%	5.0%


15. Intangible assets (cont'd)
15A. Goodwill (cont'd)

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the CGUs as of the end of the reporting year, assuming if all other assumptions were held constant.

If the estimated pledged loan and terminal growth rates at the end of the reporting year had been 10% less favourable than management's estimates at the end of the reporting year, no impairment allowance would be recognised because the carrying amount of all CGUs was lower than their revised estimated recoverable amount. For the year ended 31 December 2020, the carrying value of goodwill would be reduced by \$14,000 for Pajak Gadai Money Mine Sdn. Bhd.

If the debts to pledged loan ratio at the end of the reporting year had been revised from 80% to 70% at the end of the reporting year, no impairment allowance would be recognised because the carrying amount of all CGUs was lower than their revised estimated recoverable amount. For the year ended 31 December 2020, the carrying value of goodwill would be reduced by \$14,000 for Pajak Gadai Money Mine Sdn. Bhd.

If the estimated pre-tax discount rate applied to the discounted cash flows had been revised from 16.10% to 17.10%, no impairment allowance would be recognised because the carrying amount of all CGUs was lower than their revised estimated recoverable amount. For the year ended 31 December 2020, the carrying value of goodwill would be reduced by \$14,000 for Pajak Gadai Money Mine Sdn. Bhd.

No impairment allowance was recognised because the carrying amount of all CGUs was lower than their recoverable amount.

15B. Other intangible assets

	Lease assignment fees \$'000	Customer lists \$'000	Total \$'000
<u>Group:</u>			
<u>Cost:</u>			
At 1 January 2020	1,500	786	2,286
Foreign exchange adjustments	-	(1)	(1)
At 31 December 2020	1,500	785	2,285
Foreign exchange adjustments	-	(11)	(11)
At 31 December 2021	1,500	774	2,274
<u>Accumulated amortisation:</u>			
At 1 January 2020	1,311	719	2,030
Amortisation for the year	120	25	145
Foreign exchange adjustments	-	(2)	(2)
At 31 December 2020	1,431	742	2,173
Amortisation for the year	69	17	86
Foreign exchange adjustments	-	(11)	(11)
At 31 December 2021	1,500	748	2,248
<u>Carrying amount:</u>			
At 1 January 2020	189	67	256
At 31 December 2020	69	43	112
At 31 December 2021	-	26	26



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2021

16. Investments in subsidiaries

	Company	
	2021 \$'000	2020 \$'000
<u>Unquoted equity shares at cost:</u>		
Balance at beginning of the year	58,930	57,930
Additions during the year	6,446	1,000
Balance at the end of the year	<u>65,376</u>	<u>58,930</u>

The listing of and information on the subsidiaries are given in Note 34.

17. Lease payment receivables

	Minimum payments \$'000	Finance charges \$'000	Present value \$'000
<u>Group:</u>			
<u>2021:</u>			
Minimum lease payments receivable:			
Due within 1 year	35,672	(9,016)	26,656
Due within 2 to 5 years	107,140	(16,890)	90,250
Due over 5 years	18,646	(794)	17,852
Total	<u>161,458</u>	<u>(26,700)</u>	<u>134,758</u>
<u>2020:</u>			
Minimum lease payments receivable:			
Due within 1 year	18,153	(4,849)	13,304
Due within 2 to 5 years	54,507	(9,480)	45,027
Due over 5 years	11,867	(525)	11,342
Total	<u>84,527</u>	<u>(14,854)</u>	<u>69,673</u>

The average lease term ranges from less than 1 year to 7 years (2020: 2 to 7 years). The interest rate inherent in the lease is fixed at the contract date for the lease terms. The weighted average interest rate is 1.88% - 6.00% (2020: 2.00% - 5.95%) per annum. The carrying amount is a reasonable approximation of fair value (Level 2).

All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental receipts. The obligations under hire purchase agreements are secured by the lessee's charge over the leased assets.

18. Other financial assets

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
<u>Unquoted equity shares:</u>				
Investment at fair value through profit or loss	6,867	6,500	5,853	5,471
<u>Movements during the year:</u>				
Fair value at beginning of the year	6,500	5,471	5,471	5,471
Additions	-	1,029	-	-
Increase in fair value through profit or loss (Note 6)	382	-	382	-
Exchange differences	(15)	-	-	-
Fair value at end of the year	<u>6,867</u>	<u>6,500</u>	<u>5,853</u>	<u>5,471</u>



18. Other financial assets (cont'd)

In 2016, the company entered into an agreement with three outside parties to establish Chongqing Zongshen Financial Leasing Company Limited ("Chongqing Zongshen Financial Leasing"), a company incorporated in the People's Republic of China ("PRC"), for the purpose of undertaking a financial leasing business. Pursuant to the agreement, the company will subscribe for 12.5% of the equity interests (unquoted) in Chongqing Zongshen Financial Leasing for RMB25,000,000 (the "Investment").

As part of this arrangement, the company also entered into a supplementary agreement with all the above parties pursuant to which the major shareholder of Chongqing Zongshen Financial Leasing granted a put option to the company whereby the company has the right to sell to the major shareholder of Chongqing Zongshen Financial Leasing, at their sole discretion, all or part of their equity interests in Chongqing Zongshen Financial Leasing (the "Option"). The Option is exercisable on 1 January 2021 and shall be valid for as long as the company holds the equity interests in Chongqing Zongshen Financial Leasing, and the exercise price shall be based on the higher of the company's original capital contribution and the agreed market value at the time of exercise.

The company has designated this entire hybrid (combined) instrument as at fair value through profit or loss. The fair value of the financial asset (Level 3) was determined by an independent external valuer based on the adjusted net asset approach. There is no transfer between Level 2 to Level 3 during the year. Significant increases (decreases) in adjusted net asset in isolation would result in a significantly lower (higher) fair value measurement.

In 2020, the group entered into an agreement with an outside party vendor to acquire 3% equity interest of Link Gold Tec & Co. Ltd. ("Link Gold") for a cash consideration of RMB5,000,000. Link Gold is a company incorporated in the PRC, whose principal business activities are those of R&D and supply of automated gold self-recovery machine which uses automated intelligence technology in place of the traditional modes of gold collection and direct dealing with refineries, and functions as a collection point for used gold. The group is of the view that the cost of the investment approximates its fair value (Level 3).

19. Inventories

	Group	
	2021 \$'000	2020 \$'000
Finished goods	73,242	42,407
Inventories are stated after movements in allowance as follows:		
Balance at beginning of the year	45	8
(Reversed from) / charged to profit or loss included in other income and gains and (other losses)	(37)	37
Balance at end of the year	8	45

A fixed and floating charge has been placed on inventories with a carrying value of \$73,242,000 (2020: \$42,407,000) as security for bank borrowings (Note 25).



31 DECEMBER 2021

20. Trade and other receivables

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
<u>Trade receivables:</u>				
Pledged loans receivables ^(a)	231,382	202,991	-	-
Lease payment receivables (Note 17)	134,758	69,673	-	-
Outside parties	1,777	1,243	-	-
Less allowance for impairment	(234)	-	-	-
Subsidiaries	-	-	6,578	6,151
Related parties	-	218	-	-
Sub-total	<u>367,683</u>	<u>274,125</u>	<u>6,578</u>	<u>6,151</u>
<u>Other receivables:</u>				
Outside parties	530	1,614	2	8
Subsidiaries (Note 3)	-	-	31,361	24,026
Related parties (Note 3)	398	367	-	-
Advances	108	118	-	-
Sub-total	<u>1,036</u>	<u>2,099</u>	<u>31,363</u>	<u>24,034</u>
Total trade and other receivables	<u>368,719</u>	<u>276,224</u>	<u>37,941</u>	<u>30,185</u>
Presented in statement of financial position as:				
Current	260,617	219,855	37,941	30,185
Non-current	108,102	56,369	-	-
	<u>368,719</u>	<u>276,224</u>	<u>37,941</u>	<u>30,185</u>
Movements in above allowance on trade receivables:				
Balance at beginning of the year	-	-	-	-
Charged for trade receivables to profit or loss included in other losses	234	-	-	-
Balance at end of the year	<u>234</u>	<u>-</u>	<u>-</u>	<u>-</u>

^(a) Pledged loans receivables are secured by pledges of goods and chattels. The quantum of loans granted to customers is based on a portion of the value of articles pledged. In the event that a customer does not renew or redeem a pledged article within the agreed redemption period from the grant date of the loan, the pledged article will be disposed of by a sale by auction or forfeited, in accordance with the provisions of the Pawnbrokers Act in the local jurisdictions.

The pledged loans receivables bear fixed interest ranging from 0.95% to 2.00% (2020: 0.95% to 1.50%) per month.

A fixed and floating charge has been placed on trade and other receivables with a carrying value of \$365,062,000 (2020: \$221,118,000) as security for bank borrowings (Note 25).

Pledged loan receivables, which are secured by pledges of goods and chattels, are assessed for impairment based on the estimated market value of the pledged goods and chattels. The group also assess probability of default based on historical non-renewal and non-redemption and adjusts for forward-looking macroeconomic data obtained from the monitoring process of the volatility of market prices of gold.

Lease payment receivables amounting to \$133,883,000 (2020: \$69,595,000) are secured by collateral of the leased assets. Receivables from related parties of Nil (2020: \$218,000) are secured by personal guarantee from shareholders of the related parties.

For the remaining trade receivables, they are subject to the expected credit loss model under the financial reporting standard on financial instruments. These trade receivables are considered to have low credit risk individually. At the end of the reporting year, no loss allowance is considered necessary.



31 DECEMBER 2021

20. Trade and other receivables (cont'd)

Other receivables are normally with no fixed terms and therefore there is no maturity. Other receivables are subject to the expected credit loss model under the financial reporting standard on financial instruments. These receivables can be graded as low risk individually and are considered to have low credit risk. At the end of the first reporting period, a loss allowance is recognised at an amount equal to 12 month expected credit losses because there has not been a significant increase in credit risk since initial recognition. No loss allowance is necessary. At each subsequent reporting date, an evaluation is made whether there is a significant change in credit risk by comparing the debtor's credit risk at initial recognition (based on the original, unmodified cash flows) with the credit risk at the reporting date (based on the modified cash flows). Adjustment to the loss allowance is made for any increase or decrease in credit risk.

21. Other assets

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
<i>Non-current:</i>				
Deferred commission expenses ^(a)	2,316	1,068	-	-
Sub-total	2,316	1,068	-	-
<i>Current:</i>				
Prepayments	1,231	1,382	46	46
Deposits	3,117	2,872	32	16
Deferred commission expenses ^(a)	546	236	-	-
Others	214	-	-	-
Sub-total	5,108	4,490	78	62
Total	7,424	5,558	78	62

^(a) The deferred commission expenses pertain to the commission expenses paid for securing the hire purchase arrangements. The deferred commission expenses are amortised over contract tenor.

22. Cash and cash equivalents

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
<i>Not restricted in use</i>				
Cash on hand and in bank	19,772	15,328	1,347	251

The interest earning balances are not significant.

A fixed and floating charge has been placed on cash and bank balances with a carrying value at \$14,933,000 (2020: \$12,613,000) as security for bank borrowings (Note 25).

22A. Cash and cash equivalents in the statement of cash flows:

	Group	
	2021 \$'000	2020 \$'000
Amount as shown above	19,772	15,328
Bank overdrafts (Note 25)	(1,908)	(956)
Cash and cash equivalents for statement of cash flows purposes at end of the year	17,864	14,372



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2021

22. Cash and cash equivalents (cont'd)

22B. Non-cash transactions:

- Included in additions to leasehold improvements (Note 13) is an amount of \$124,000 (2020: \$33,000) being provision for restoration costs capitalised (Note 28).
- The additions and re-measurement to right-of-use assets (Note 14) relating to retail outlets with a total cost of \$14,337,000 (2020: \$10,140,000) were recognised with corresponding increase in lease liabilities (Note 26).

22C. Reconciliation of liabilities arising from financing activities:

	At beginning of year \$'000	Cash flows \$'000	Non-cash changes \$'000	At end of year \$'000
2021:				
Lease liabilities	13,965	(8,963)	14,307	19,309
Bank loans	209,872	76,614	188 ^(a)	286,674
Term loans	24,165	18,433	-	42,598
Finance lease liabilities	11	(11)	-	-
Derivative financial instruments	368	-	(347) ^(b)	21
Total liabilities from financing activities	<u>248,381</u>	<u>86,073</u>	<u>14,148</u>	<u>348,602</u>
2020:				
Lease liabilities	12,404	(8,623)	10,184	13,965
Bank loans	165,285	44,557	30 ^(a)	209,872
Term loans	13,372	(3,607)	14,400	24,165
Finance lease liabilities	20	(9)	- ^(a)	11
Derivative financial instruments	567	-	(199) ^(b)	368
Total liabilities from financing activities	<u>191,648</u>	<u>32,318</u>	<u>24,415</u>	<u>248,381</u>

^(a) Foreign exchange movements.

^(b) Unrealised fair value gains of derivative financial instruments.

23. Share capital

	Group and Company			
	Number of shares issued		Share capital	
	2021 '000	2020 '000	2021 \$'000	2020 \$'000
Ordinary shares of no par value:				
Balance at beginning of the reporting year	353,800	353,800	56,144	56,144
Issuance of new ordinary shares ^(a)	88,450	-	-	-
Balance at end of the reporting year	<u>442,250</u>	<u>353,800</u>	<u>56,144</u>	<u>56,144</u>

^(a) On 13 October 2021, 88,449,999 new ordinary shares in the capital of the Company ("Bonus Shares") were allotted and issued by the Company pursuant to a bonus issue.

The ordinary shares of no par value are fully paid, carry one vote each and have no right to fixed income. The company is not subject to any externally imposed capital requirements.



31 DECEMBER 2021

23. Share capital (cont'd)

Capital management:

The objectives when managing capital are: to safeguard the reporting entity's ability to continue as a going concern, so that it can continue to provide returns for owners and benefits for other stakeholders, and to provide an adequate return to owners by pricing the sales commensurately with the level of risk. The management sets the amount of capital to meet its requirements and the risk taken. There were no changes in the approach to capital management during the reporting year. The management manages the capital structure and makes adjustments to it where necessary or possible in the light of changes in conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the management may adjust the amount of dividends paid to owners, return capital to owners, issue new shares, or sell assets to reduce debt. Adjusted capital comprises all components of equity (that is, share capital and reserves) less other amounts recognised in the statement of equity relating to cash flow hedges.

In order to maintain its listing on the Singapore Stock Exchange, the company has to have share capital with a free float of at least 10% of the shares. The company met the capital requirement on its initial listing and the rules limiting treasury share purchases mean it will continue to satisfy that requirement, as it did throughout the reporting year. Management receives a report from the share registrars frequently on substantial share interests showing the non-free float to ensure continuing compliance with the 10% limit throughout the reporting year.

The management monitors the capital on the basis of the debt-to-capital ratio. This ratio is calculated as net debt / adjusted capital (as shown below). Net debt is calculated as total borrowings less cash and cash equivalents.

	2021 \$'000	2020 \$'000
<u>Group:</u>		
Net debt:		
All current and non-current borrowings including lease liabilities	350,489	248,969
Less: cash and cash equivalents (Note 22)	(19,772)	(15,328)
Net debt	<u>330,717</u>	<u>233,641</u>
Adjusted capital:		
Total equity	121,275	104,159
Less: amounts accumulated in equity relating to cash flow hedges (Note 24B)	(18)	(306)
Balance at end of the year	<u>121,257</u>	<u>103,853</u>
Debt-to-capital ratio	<u>273%</u>	<u>225%</u>

There are significant borrowings but these are secured by specific assets. The unfavourable change in 2021 as shown by the increase in the debt-to-capital ratio for the reporting year resulted primarily due to increased borrowings and other lease liabilities recognised during the year.

24. Other reserves

	Group	
	2021 \$'000	2020 \$'000
Foreign currency translation reserve (Note 24A)	(80)	43
Hedging reserve (Note 24B)	(18)	(306)
Total at the end of the year	<u>(98)</u>	<u>(263)</u>

All reserves classified on the face of the statements of financial position as retained earnings represent past accumulated earnings and are distributable. The other reserves are not available for cash dividends unless realised.



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2021

24. Other reserves (cont'd)

24A. Foreign currency translation reserve

	Group	
	2021	2020
	\$'000	\$'000
At beginning of the year	43	58
Exchange differences on translating foreign operations	(123)	(15)
At end of the year	<u>(80)</u>	<u>43</u>

The foreign currency translation reserve accumulates all foreign exchange differences.

24B. Hedging reserve

	Group	
	2021	2020
	\$'000	\$'000
At beginning of the year	(306)	(470)
Cash flow hedge gains from interest rate swaps	347	198
Deferred tax thereon	(59)	(34)
At end of the year	<u>(18)</u>	<u>(306)</u>

The hedging reserve accumulates after tax gains / (losses) on cash flow hedges.

25. Other financial liabilities

	Group		Company	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<u>Non-current:</u>				
Financial instruments with floating interest rates:				
Bank loans (secured) (Note 25A)	90,410	44,534	2,438	-
Term loans (secured) (Note 25B)	22,112	15,774	-	-
Subtotal	<u>112,522</u>	<u>60,308</u>	<u>2,438</u>	<u>-</u>
<u>Current:</u>				
Financial instruments with floating interest rates:				
Bank overdrafts (secured) (Note 25A)	1,908	956	-	-
Bank loans (secured) (Note 25A)	196,264	165,338	3,562	1,500
Term loans (secured) (Note 25B)	20,486	8,391	-	-
	218,658	174,685	3,562	1,500
Derivative financial instruments (Note 29)	21	368	-	-
Subtotal	<u>218,679</u>	<u>175,053</u>	<u>3,562</u>	<u>1,500</u>
Total	<u>331,201</u>	<u>235,361</u>	<u>6,000</u>	<u>1,500</u>



25. Other financial liabilities (cont'd)

The non-current portion is repayable as follows:

	Group	
	2021	2020
	\$'000	\$'000
Due within 2 - 5 years	94,574	52,601
Due over 5 years	17,948	7,707
	112,522	60,308

The range of floating interest rates paid were as follows:

	Group		Company	
	2021	2020	2021	2020
	%	%	%	%
Bank overdrafts (secured)	5.00 - 6.32	5.00 - 6.32	-	-
Bank loans and term loans (secured)	1.20 - 4.40	1.52 - 5.07	3.25 - 3.52	3.30 - 4.97

25A. Bank overdrafts and bank loans (secured)

The bank loans comprises of money market loans and revolving loans with maturities between one month to six months or any other period agreed by the banks.

Both the money market loans and revolving loans are at floating rates of interest. However, as described in Note 29, interest rate swaps have been entered into with the objective to convert some of these loans to fixed rates.

The carrying amounts approximate their fair values due to their short term nature or that they are floating rate instruments that are frequently re-priced to market interest rates.

The bank agreements for the bank loans and overdrafts provide among other matters for the following:

1. Debenture incorporating a fixed and floating charge over present and future assets of certain subsidiaries;
2. Corporate guarantee from the company and certain subsidiaries;
3. Assignment of insurance policies;
4. An all monies facilities agreement of a subsidiary;
5. Subordination of advances from a subsidiary and a director of certain subsidiaries;
6. Personal guarantee granted by a non-controlling shareholder; and
7. Master and recourse block discounting agreement and assignment of hire purchase agreements.

25B. Term loans (secured)

The term loans are at floating rates of interest and will be matured between 2022 to 2040. The carrying amounts of the term loans approximate their fair values due to their short term nature or that they are floating rate instruments that are frequently re-priced to market interest rates. The bank agreements for the term loans provide among other matters for the following:

1. Debenture incorporating a fixed and floating charge over present and future assets of certain subsidiaries;
2. Corporate guarantee from the company;
3. Assignment of insurance policies; and
4. Mortgage over properties.



31 DECEMBER 2021

26. Lease liabilities

Lease liabilities are presented in the statement of financial position as follows:

	Group	
	2021	2020
	\$'000	\$'000
<u>Non-current:</u>		
Other lease liabilities	8,936	6,531
Sub-total	<u>8,936</u>	<u>6,531</u>
<u>Current:</u>		
Finance lease liability	-	11
Other lease liabilities	10,373	7,434
Sub-total	<u>10,373</u>	<u>7,445</u>
Total	<u>19,309</u>	<u>13,976</u>

A summary of the maturity analysis of lease liabilities is disclosed in Note 31E. Total cash outflows from leases are shown in the statement of cash flows. The related right-of-use-assets are disclosed in Note 14.

Other information relating to the right-of-use assets are summarised as follows:

	Retail outlets	
	2021	2020
Number of right-of-use assets	81	70
Remaining term - range	0.1 - 8.0 years	0.9 - 9.0 years
Remaining term - average	1.9 years	1.7 years
Incremental borrowing rate applied to lease liabilities	<u>2.00% - 5.95%</u>	<u>2.00% - 5.95%</u>

Movements of other lease liabilities for the reporting year are as follows:

	Group	
	2021	2020
	\$'000	\$'000
Total lease liabilities at beginning of the year	13,965	12,404
Additions	14,106	10,197
Accretion of interests	487	488
Remeasurement	231	(57)
Lease payments - principal portion paid	(8,963)	(8,623)
Lease payments - interest portion paid	(487)	(488)
Foreign exchange adjustments	(30)	44
Total lease liabilities at end of the year	<u>19,309</u>	<u>13,965</u>

There are restrictions or covenants imposed by the leases to sublet the asset to another party. Unless permitted by the owner, the right-of-use asset can only be used by the lessee. Typically the leases are non-cancellable. Some leases contain an option to extend the lease for a further term. For leases over properties the leases require those properties in a good state of repair and return the properties in their original condition at the end of the lease. Insurance and maintenance fees on right-of-use assets are usually required under the lease contracts.



26. Lease liabilities (cont'd)

The lease liability above does not include the short-term leases of less than 12 months and leases of low-value underlying assets. Variable lease payments which do not depend on an index or a rate or based on a percentage of revenue are not included from the initial measurement of the lease liability and the right-of-use assets.

Lease liabilities under operating leases are secured by the right-of-use assets because these will revert to the lessor in the event of default. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Certain leases of Nil (2020: \$11,000) are secured by a legal charge over the leased assets. The obligations under finance leases are secured by a legal charge over the leased assets. The effective interest for finance lease is about 4.88% (2020: 4.88%) per annum. Finance leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments. The carrying amounts of the finance lease liabilities approximate their fair values.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes to in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

There were no future cash outflows to which the lessee is potentially exposed that are not reflected in the measurement of lease liabilities above.

Apart from the disclosures made in other Notes to the financial statements, amounts relating to leases include the following:

	Group	
	2021 \$'000	2020 \$'000
Income from subleasing right-of-use assets	184	206

27. Trade and other payables

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
<u>Trade payables:</u>				
Surplus payable ^(a)	1	1	-	-
Outside parties and accrued liabilities	4,858	8,292	2,126	2,108
Related parties (Note 3)	-	232	-	-
Sub-total	4,859	8,525	2,126	2,108
<u>Other payables:</u>				
Outside parties	4,735	2,135	30	119
Parent company (Note 3) ^(e)	1,400	1,000	1,400	1,000
Subsidiaries (Note 3)	-	-	12,966	17,361
Related parties (Note 3) ^{(b)(c)}	11,204	3,324	7,000	-
Directors (Note 3) ^(d)	17,290	8,490	17,290	8,490
Sub-total	34,629	14,949	38,686	26,970
Total trade and other payables	39,488	23,474	40,812	29,078

^(a) This represents surplus realised at sale of unredeemed pledges by auction. They are to be settled with (i) the holders of the pawn tickets on demand within 4 months after the sale and, when no demand is made, (ii) the Accountant-General of Malaysia within 14 days after the expiration of the period of 4 months.



31 DECEMBER 2021

27. Trade and other payables (cont'd)

- (b) Included in the balance is an amount of \$3,230,000 (2020: \$2,795,000) owing to the non-controlling interest which is unsecured, non-interest bearing and repayable on demand.
- (c) Included in the balance is a loan from a related party of \$7,000,000 (2020: Nil) which bears interest 4.5% (2020: Nil) per annum and is repayable on demand.
- (d) Advances from directors are interest bearing at 4.5% (2020: 4.5%) per annum and are repayable on demand.
- (e) Included in the balance is a loan from parent company of \$1,400,000 (2020: \$1,000,000) which bears interest 4.5% (2020: 4.5%) per annum and is repayable on demand.

28. Other liabilities

	Group	
	2021 \$'000	2020 \$'000
Deposits received	2,081	1,591
Provision for restoration costs ^(a)	1,213	1,130
Other liabilities	2	2
Total	3,296	2,723
Movements in above provision:		
At beginning of the year	1,130	1,111
Additions	124	33
Utilisation	(44)	(14)
Foreign exchange adjustments	3	-
At end of the year	1,213	1,130

- (a) The provision is based on the present value of costs to be incurred to remove leasehold improvements from leased properties. The estimate is based on quotations from external contractors. The unexpired lease terms range from less than 1 year to 8 years. The unwinding of discount is not significant.

29. Derivative financial instruments

	Group	
	2021 \$'000	2020 \$'000
<i>Liabilities - Contracts with negative fair values:</i>		
<u>Derivatives designated as hedging instruments:</u>		
Cash flow hedges - Interest rate swaps	21	368

The notional amount of the interest rate swaps was \$25,000,000 (2020: \$20,000,000). They are designed to convert floating rate borrowings at 1.88% to 2.11% per annum (2020: 1.85% to 3.39%) to fixed rate exposure for the next two to three years at 0.90% to 2.59% per annum (2020: 4.09%). Information on the maturities of the loans is provided in Note 25.

The gross amount of all notional values for contracts that have not yet been settled or cancelled, is not necessarily a measure or indication of market risk, as the exposure of certain contracts may be offset by that of other contracts.

The interest rate swaps are not traded in an active market. As a result, their fair values are based on valuation model provided by financial institutions using market observable inputs (Level 3).



30. Operating lease income commitments - as lessor

At the end of the reporting year, the total of future minimum lease receivables committed under non-cancellable operating leases are not significant.

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Not later than one year	294	212	-	-
Later than one year and not later than five years	664	-	-	-
Rental income for the year	318	439	54	50

Operating lease income commitments are for sub-lease rental receivables from outside parties and a subsidiary for the retail outlet premises and office premise respectively. The lease rental terms range from one to five years and are not subject to an escalation clause.

31. Financial instruments: information on financial risks

31A. Categories of financial assets and liabilities

The following table categorises the carrying amount of financial assets and liabilities recorded at the end of the reporting year:

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
<u>Financial assets:</u>				
Financial assets at amortised costs	388,491	291,552	39,288	30,436
Financial assets at fair value through profit or loss	6,867	6,500	5,853	5,471
	395,358	298,052	45,141	35,907
<u>Financial liabilities:</u>				
Financial liabilities at amortised costs	389,977	272,443	46,812	30,578
Financial liabilities at fair value through other comprehensive income	21	368	-	-
	389,998	272,811	46,812	30,578

Further quantitative disclosures are included throughout these financial statements.



31 DECEMBER 2021

31. Financial instruments: information on financial risks (cont'd)

31B. Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate, currency risk and price risk exposures. Management has certain practices for the management of financial risks. However these are not formally documented in written form. The guidelines include the following:

1. Minimise interest rate, currency, credit and market risks for all kinds of transactions.
2. Maximise the use of "natural hedge": favouring as much as possible the natural off-setting of sales and costs and payables and receivables denominated in the same currency and therefore put in place hedging strategies only for the excess balance (if necessary). The same strategy is pursued with regard to interest rate risk.
3. All financial risk management activities are carried out and monitored by senior management staff.
4. All financial risk management activities are carried out following acceptable market practices.
5. When appropriate consideration is given to entering into derivatives or any other similar instruments solely for hedging purposes.

There have been no changes to the exposures to risk; the objectives, policies and processes for managing the risk and the methods used to measure the risk.

The chief executive officer who monitors the procedures reports to the board.

31C. Fair values of financial instruments

The analyses of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include both the significant financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

31D. Credit risk on financial assets

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner. These arise principally from cash balances with banks, cash equivalents, receivables and other financial assets. The maximum exposure to credit risk is the total of the fair value of the financial assets at the end of the reporting year. Credit risk on cash balances with banks and any other financial instruments is limited because the counter-parties are entities with acceptable credit ratings. For expected credit losses ("ECL") on financial assets, the general approach (three-stage approach) in the financial reporting standard on financial instruments is applied to measure the impairment allowance. Under this general approach the financial assets move through the three stages as their credit quality changes. On initial recognition, a day-1 loss is recorded equal to the 12 month ECL unless the assets are considered credit impaired. However, the simplified approach (that is, to measure the loss allowance at an amount equal to lifetime ECL at initial recognition and throughout its life) permitted by the financial reporting standards on financial instruments is applied for financial assets that do not have a significant financing component, such as trade receivables.

For credit risk on trade receivables and other financial assets an ongoing credit evaluation is performed on the financial condition of the debtors and an impairment loss is recognised in profit or loss. Reviews and assessments of credit exposures in excess of designated limits are made. Renewals and reviews of credits limits are subject to the same review process.

Cash and cash equivalents as disclosed in Note 22 are amounts with less than 90 days maturity. Cash and cash equivalents are also subject to the impairment requirements of the standard on financial instruments. There was no identified impairment loss.



31 DECEMBER 2021

31. Financial instruments: information on financial risks (cont'd)
31E. Liquidity risk - financial liabilities maturity analysis

The following table analyses the non-derivative financial liabilities by remaining contractual maturity (contractual and undiscounted cash flows):

<u>Group:</u>	Less than 1 year \$'000	1 - 5 years \$'000	Over 5 years \$'000	Total \$'000
<u>Non-derivative financial liabilities:</u>				
<u>2021:</u>				
Gross borrowing commitments	227,350	102,281	19,213	348,844
Gross lease liabilities	10,454	9,338	85	19,877
Trade and other payables	39,488	-	-	39,488
At end of the year	<u>277,292</u>	<u>111,619</u>	<u>19,298</u>	<u>408,209</u>
<u>2020:</u>				
Gross borrowing commitments	177,579	55,784	13,962	247,325
Gross lease liabilities	7,728	6,557	134	14,419
Gross finance lease liabilities	12	-	-	12
Trade and other payables	23,474	-	-	23,474
At end of the year	<u>208,793</u>	<u>62,341</u>	<u>14,096</u>	<u>285,230</u>
<u>Company:</u>				
<u>Non-derivative financial liabilities:</u>				
<u>2021:</u>				
Gross borrowing commitments		3,754	2,603	6,357
Trade and other payables		40,812	-	40,812
At end of the year		<u>44,566</u>	<u>2,603</u>	<u>47,169</u>
<u>2020:</u>				
Gross borrowing commitments		1,574	-	1,574
Trade and other payables		29,078	-	29,078
At end of the year		<u>30,652</u>	<u>-</u>	<u>30,652</u>

The undiscounted amounts on the borrowings with fixed and floating interest rates are determined by reference to the conditions existing at the reporting date.



31 DECEMBER 2021

31. Financial instruments: information on financial risks (cont'd)

31E. Liquidity risk - financial liabilities maturity analysis (cont'd)

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be settled at their contractual maturity. The average credit period taken to settle trade payables is about 60 days (2020: 60 days). The classification of the financial assets is shown in the statement of financial position as they may be available to meet liquidity needs and no further analysis is deemed necessary. In order to meet such cash commitments the operating activity is expected to generate sufficient cash inflows. In addition, the financial assets are held for which there is a liquid market and that are readily available to meet liquidity needs.

The following table analyses the derivative financial liabilities by remaining contractual maturity (contractual undiscounted cash flows):

<u>Group:</u>	1 - 3 years \$'000
<u>Non-derivative financial liabilities:</u>	
<u>2021:</u>	
Net settled:	
Interest rate swaps	<u>21</u>
<u>2020:</u>	
Net settled:	
Interest rate swaps	<u>368</u>

The above amounts disclosed in the maturity analysis are the contractual undiscounted cash flows and such undiscounted cash flows differ from the amount included in the statement of financial position. When the counterparty has a choice of when an amount is paid, the liability is included on the basis of the earliest date on which it can be required to pay.

31F. Interest rate risk

Interest rate risk arises on interest-bearing financial instruments recognised in the statement of financial position and on some financial instruments not recognised in the statement of financial position. The interest from financial assets including cash balances is not significant. The following table analyses the breakdown of the significant financial instruments by type of interest rate:

	<u>Group</u>	
	<u>2021 \$'000</u>	<u>2020 \$'000</u>
<u>Financial liabilities with interest:</u>		
Fixed rate	162,979	13,976
Floating rate	213,200	234,993
Total at end of the year	<u>376,179</u>	<u>248,969</u>

The floating rate debt instruments are with interest rates that are re-set at regular intervals. The interest rates are disclosed in Note 25. When considered appropriate, in order to manage the interest rate risk, interest rate swaps are entered into to mitigate the fair value risk relating to fixed-interest assets or liabilities and the cash flow risk related to variable interest rate assets and liabilities.

Sensitivity analysis:

	<u>Group</u>	
	<u>2021 \$'000</u>	<u>2020 \$'000</u>
<u>Financial liabilities with floating rate:</u>		
A hypothetical variation in interest rates by 100 basis points with all other variables held constant, would have a change in pre-tax profit for the year by	<u>2,132</u>	<u>2,350</u>



31. Financial instruments: information on financial risks (cont'd)

31F. Interest rate risk (cont'd)

The analysis has been performed for fixed interest rate and floating interest rate over a year for financial instruments. The impact of a change in interest rates on fixed interest rate financial instruments has been assessed in terms of changing of their fair values. The impact of a change in interest rates on floating interest rate financial instruments has been assessed in terms of changing of their cash flows and therefore in terms of the impact on profit or loss. The hypothetical changes in basis points are not based on observable market data (unobservable inputs).

31G. Foreign currency risk

Foreign exchange risk arises on financial instruments that are denominated in a foreign currency, i.e. in a currency other than the functional currency in which they are measured. For the purpose of this financial reporting standard on financial instruments: disclosures, currency risk does not arise from financial instruments that are non-monetary items or from financial instruments denominated in the functional currency.

The group and the company is not exposed to significant foreign currency risk.

32. Changes and adoption of financial reporting standards

For the current reporting year new or revised financial reporting standards were issued by the Singapore Accounting Standards Council. Those applicable to the reporting entity are listed below. Those applicable new or revised standards did not require any significant modification of the measurement methods or the presentation in the financial statements.

SFRS (I) No.	Title
SFRS (I) 16	Covid-19 Related Rent Concessions - Amendment to (effective from 30 June 2020)

33. New or amended standards in issue but not yet effective

For the future reporting years certain new or revised financial reporting standards were issued by the Singapore Accounting Standards Council and these will only be effective for future reporting years. Those applicable to the reporting entity for future reporting years are listed below. The transfer to the applicable new or revised standards from the effective dates is not expected to result in any significant modification of the measurement methods or the presentation in the financial statements for the following year from the known or reasonably estimable information relevant to assessing the possible impact that application of the new or revised standards may have on the entity's financial statements in the period of initial application.

SFRS (I) No.	Title	Effective date for periods beginning on or after
SFRS (I) 1-1	Presentation of Financial Statements - amendment relating to Classification of Liabilities as Current or Non-current	1 Jan 2023
SFRS (I) 1-12, SFRS (I) 1	Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to	1 Jan 2023
SFRS (I) 1-16	Property, Plant and Equipment: Proceeds before Intended Use - Amendments to	1 Jan 2022
SFRS (I) 1-37	Onerous Contracts - Costs of Fulfilling a Contract - Amendments to	1 Jan 2022
SFRS (I) 3	Definition of a Business - Reference to the Conceptual Framework - Amendments to	1 Jan 2022
SFRS (I) 9	Financial Instruments - Fees in the "10 per cent" test for derecognition of financial liabilities (Annual Improvement Project)	1 Jan 2022
SFRS (I) 16	Covid-19-Related Rent Concessions - Amendments to	1 Jun 2021
Various	Amendments to SFRS (I) 1-1 and SFRS (I) Practice Statement 2: Disclosure of Accounting Policies	1 Jan 2023
Various	Annual Improvements to FRSs 2018-2020	1 Jan 2022



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2021

34. Listing of and information on subsidiaries

The listing of and information on the subsidiaries are given below.

Name of subsidiaries, country of incorporation, place of operations and principal activities and independent auditors	Cost in books of company		Effective percentage of equity held	
	2021	2020	2021	2020
	\$'000	\$'000	%	%
<u>Held by the company:</u>				
MoneyMax Pawnshop Pte. Ltd. ^(a) Singapore Pawn brokerage	19,014	18,014	100	100
MoneyMax Group Pte. Ltd. ^(a) Singapore Pawn brokerage	19,477	18,477	100	100
MoneyMax Pte. Ltd. ^(a) Singapore Pawn brokerage	11,618	11,618	100	100
MoneyMax Express Pte. Ltd. ^(a) Singapore Pawn brokerage	6,725	6,725	100	100
MoneyMax Jewellery Pte. Ltd. ^(a) Singapore Retail of luxury items	3,542	2,542	100	100
MoneyMax Credit Pte. Ltd. ^(a) Singapore Dormant	29	29	100	100
MoneyMax Holdings Pte. Ltd. ^(a) Singapore Investment holding	+	+	100	100
MoneyMax Leasing Pte. Ltd. ^(a) Singapore Finance leasing	3,000	1,500	100	100
MoneyMax Assurance Pte. Ltd. ^(a) Singapore Insurance agency services	25	25	100	100
MoneyMax Capital Pte. Ltd. ^(b) Singapore Investment holding (Verity Partners)	+	+	100	100
Sin Wang Jewellery Pte. Ltd. ^(b) Singapore Dormant (Verity Partners)	+	-	100	-



31 DECEMBER 2021

34. Listing of and information on subsidiaries (cont'd)

Name of subsidiaries, country of incorporation, place of operations and principal activities and independent auditors	Cost in books of company		Effective percentage of equity held	
	2021	2020	2021	2020
	\$'000	\$'000	%	%
<u>Held by the company: (cont'd)</u>				
SE Investment Pte. Ltd. ^(b) Singapore Dormant (Unity Assurance PAC)	480	-	100	-
MoneyMax Pawnshop Sdn. Bhd. ^(b) Malaysia Dormant (FS Wong & Co., Malaysia)	+	+	100	100
MoneyMax Jewellery Sdn. Bhd. ^(b) Malaysia Dormant (FS Wong & Co., Malaysia)	+	+	100	100
Cash Online Sdn. Bhd. ^(c) Malaysia Investment holding	1,466	+	100	100
Lady Paris Sdn. Bhd. ^(f) Malaysia Dormant (FS Wong & Co., Malaysia)	-	+	-	100
<u>Held by MoneyMax Holdings Pte. Ltd.</u>				
SG e-Auction Pte. Ltd. ^{(a)(d)} Singapore Online auction platform			51	51
<u>Held by Cash Online Sdn. Bhd.</u>				
Easimine Group Sdn. Bhd. ^(c) Malaysia Investment holding			51	51
Yong Mei Group Sdn. Bhd. ^(c) Malaysia Investment holding			51	51
Guan Sang Group Sdn. Bhd. ^(c) Malaysia Investment holding			51	51
MoneyMax (Southern) Sdn. Bhd. ^(e) Malaysia Investment holding			100	100



31 DECEMBER 2021

34. Listing of and information on subsidiaries (cont'd)

Name of subsidiaries, country of incorporation, place of operations and principal activities and independent auditors	Effective percentage of equity held	
	2021 %	2020 %
<u>Held by Cash Online Sdn. Bhd. (cont'd)</u>		
Kedai Emas Prett Gold Sdn. Bhd. ^(e) Malaysia Retail and wholesale of gold and jewellery items	100	-
<u>Held by Easimine Group Sdn. Bhd.</u>		
Easigram Group Sdn. Bhd. ^(c) Malaysia Investment holding	51	51
Easigold Group Sdn. Bhd. ^(c) Malaysia Investment holding	51	51
<u>Held by Easigram Group Sdn. Bhd.</u>		
MS 1 Infinite Sdn. Bhd. ^(c) Malaysia Pawn brokerage	51	51
MS 2 Infinite Sdn. Bhd. ^(c) Malaysia Pawn brokerage	51	51
MS 3 Infinite Sdn. Bhd. ^(c) Malaysia Pawn brokerage	51	51
MS 4 Infinite Sdn. Bhd. ^(c) Malaysia Pawn brokerage	51	51
MS 5 Infinite Sdn. Bhd. ^(c) Malaysia Pawn brokerage	51	51
MS 10 Infinite Sdn. Bhd. ^(c) Malaysia Pawn brokerage	51	51
Easigram (Pandan) Sdn. Bhd. ^(c) Malaysia Pawn brokerage	51	51
Easigram (Batu Pahat) Sdn. Bhd. ^(c) Malaysia Pawn brokerage	51	51



31 DECEMBER 2021

34. Listing of and information on subsidiaries (cont'd)

Name of subsidiaries, country of incorporation, place of operations and principal activities and independent auditors	Effective percentage of equity held	
	2021 %	2020 %
<u>Held by Easigold Group Sdn. Bhd.</u> Pajak Gadai Pure Merit Sdn. Bhd. ^(c) Malaysia Pawn brokerage	51	51
Pajak Gadai Aeon Fountain Sdn. Bhd. ^(c) Malaysia Pawn brokerage	51	51
Kedai Pajak Heng Soon Sdn. Bhd. ^(c) Malaysia Pawn brokerage	51	51
Pajak Gadai Poh Heng Sdn. Bhd. ^(c) Malaysia Pawn brokerage	51	51
Pajak Gadai T&M Sdn. Bhd. ^(c) Malaysia Pawn brokerage	51	51
Pajak Gadai Money Mine Sdn. Bhd. ^(c) Malaysia Pawn brokerage	51	51
Pajak Gadai Malim Maju Sdn. Bhd. ^(c) Malaysia Pawn brokerage	51	51
Pajak Gadai Semabok Sdn. Bhd. ^(c) Malaysia Pawn brokerage	51	51
<u>Held by Yong Mei Group Sdn. Bhd.</u> Pajak Gadai Pagoh Sdn. Bhd. ^(c) Malaysia Pawn brokerage	51	51
Pajak Gadai Hen Teck Sdn. Bhd. ^(c) Malaysia Pawn brokerage	51	51
Pajak Gadai Pasir Gudang Sdn. Bhd. ^(c) Malaysia Pawn brokerage	51	51
Pajak Gadai Rengit Sdn. Bhd. ^(c) Malaysia Pawn brokerage	51	51



31 DECEMBER 2021

34. Listing of and information on subsidiaries (cont'd)

Name of subsidiaries, country of incorporation, place of operations and principal activities and independent auditors	Effective percentage of equity held	
	2021 %	2020 %
<u>Held by Yong Mei Group Sdn. Bhd. (cont'd)</u>		
Pajak Gadai Simpang Renggam Sdn. Bhd. ^(c) Malaysia Pawn brokerage	51	51
Pajak Gadai Senai Sdn. Bhd. ^(c) Malaysia Pawn brokerage	51	51
Pajak Gadai Masai Sdn. Bhd. ^(c) Malaysia Pawn brokerage	51	51
Pajak Gadai Kulai Sdn. Bhd. ^(c) Malaysia Pawn brokerage	51	51
Pajak Gadai Bukit Gambir Sdn. Bhd. ^(c) Malaysia Pawn brokerage	51	51
<u>Held by Guan Sang Group Sdn. Bhd.</u>		
Pajak Gadai Bukit Mertajam Sdn. Bhd. ^(c) Malaysia Pawn brokerage	51	51
Pajak Gadai Poh San Sdn. Bhd. ^(b) Malaysia Pawn brokerage (FS Wong & Co., Malaysia)	51	51
Pajak Gadai Poh Guan Sdn. Bhd. ^(b) Malaysia Pawn brokerage (FS Wong & Co., Malaysia)	51	51
Pajak Gadai Poh Fook Sdn. Bhd. ^(b) Malaysia Pawn brokerage (FS Wong & Co., Malaysia)	51	51
Pajak Gadai Poh Mei Sdn. Bhd. ^(b) Malaysia Pawn brokerage (FS Wong & Co., Malaysia)	51	51



31 DECEMBER 2021

34. Listing of and information on subsidiaries (cont'd)

Name of subsidiaries, country of incorporation, place of operations and principal activities and independent auditors

Effective percentage of equity held

	2021 %	2020 %
<u>Held by Guan Sang Group Sdn. Bhd. (cont'd)</u>		
Pajak Gadai Sungai Petani Sdn. Bhd. ^(c) Malaysia Pawn brokerage	51	51
Pajak Gadai Butterworth Sdn. Bhd. ^(c) Malaysia Pawn brokerage	51	51
<u>Held by MoneyMax (Southern) Sdn. Bhd.</u>		
Pajak Gadai MoneyMax (Taman Daya Sagu) Sdn. Bhd. ^(e) Malaysia Wholesale of goods	100	-
Pajak Gadai MoneyMax (Larkin) Sdn. Bhd. ^(e) Malaysia Wholesale of goods	100	-
Pajak Gadai MoneyMax (Skudai) Sdn. Bhd. ^(e) Malaysia Wholesale of goods	100	-
Pajak Gadai MoneyMax (Kulai) Sdn. Bhd. ^(e) Malaysia Wholesale of goods	100	-
Pajak Gadai MoneyMax (Bandar Baru Uda) Sdn. Bhd. ^(e) Malaysia Wholesale of goods	100	-
Pajak Gadai MoneyMax (Masai) Sdn. Bhd. ^(e) Malaysia Wholesale of goods	100	-
Pajak Gadai Moneymax (Taman Daya) Sdn. Bhd. ^(e) Malaysia Wholesale of goods	100	-
MoneyMax (W3) Sdn. Bhd. ^(e) Malaysia Wholesale of goods	100	-
Pajak Gadai MoneyMax (Kluang) Sdn. Bhd. ^(e) Malaysia Wholesale of goods	100	-



31 DECEMBER 2021

34. Listing of and information on subsidiaries (cont'd)

Name of subsidiaries, country of incorporation, place of operations and principal activities and independent auditors	Effective percentage of equity held	
	2021 %	2020 %
<u>Held by MoneyMax (Southern) Sdn. Bhd. (cont'd)</u>		
Pajak Gadai MoneyMax (Batu Pahat) Sdn. Bhd. ^(e) Malaysia Wholesale of goods	100	-
MoneyMax (N1) Sdn. Bhd. ^(e) Malaysia Wholesale of goods	100	-
MoneyMax (N2) Sdn. Bhd. ^(e) Malaysia Wholesale of goods	100	-
MoneyMax (N3) Sdn. Bhd. ^(e) Malaysia Wholesale of goods	100	-
MoneyMax (N4) Sdn. Bhd. ^(e) Malaysia Wholesale of goods	100	-
MoneyMax (N5) Sdn. Bhd. ^(e) Malaysia Wholesale of goods	100	-
MoneyMax (S1) Sdn. Bhd. ^(e) Malaysia Wholesale of goods	100	-
MoneyMax (S2) Sdn. Bhd. ^(e) Malaysia Wholesale of goods	100	-
MoneyMax (S3) Sdn. Bhd. ^(e) Malaysia Wholesale of goods	100	-
MoneyMax (S4) Sdn. Bhd. ^(e) Malaysia Wholesale of goods	100	-
MoneyMax (S5) Sdn. Bhd. ^(e) Malaysia Wholesale of goods	100	-

**34. Listing of and information on subsidiaries (cont'd)**

- + Amount less than \$1,000.
- (a) Audited by RSM Chio Lim LLP in Singapore, a member firm of RSM International.
- (b) Audited by firms of accountants other than member firms of RSM International of which RSM Chio Lim LLP in Singapore is a member. Their names are indicated above.
- (c) Audited by RSM Malaysia, a member firm of RSM International.
- (d) The group recognises the company as a subsidiary as it has control over the financial and operational matters.
- (e) Not audited, as it was incorporated during the reporting year.
- (f) Struck-off during the reporting year.

As is required by Rule 716 of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Audit Committee and the Board of Directors of the company have satisfied themselves that the appointment of different auditor for certain of its overseas subsidiaries would not compromise the standard and effectiveness of the audit of the group.

35. Subsequent events

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



STATISTICS OF SHAREHOLDINGS

AS AT 15 MARCH 2022

Number of shares issued	:	442,249,999 shares
Class of shares	:	Ordinary shares
Voting rights	:	1 vote for each ordinary share
Number of treasury shares and subsidiary holdings	:	Nil

DISTRIBUTION OF SHAREHOLDINGS

Size of shareholdings	No. of shareholders	%	No. of shares	%
1 - 99	3	0.29	150	0.00
100 - 1,000	17	1.64	6,358	0.00
1,001 - 10,000	466	45.07	1,525,750	0.35
10,001 - 1,000,000	533	51.55	41,034,835	9.28
1,000,001 and above	15	1.45	399,682,906	90.37
Total	1,034	100.00	442,249,999	100.00

SHAREHOLDING HELD IN HANDS OF PUBLIC

As at 15 March 2022, approximately 12.18% of the issued ordinary shares of the Company is held in the hands of the public as defined in the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the "Catalist Rules"). Accordingly, Rule 723 of the Catalist Rules is complied with.

TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of shares	%
1	Money Farm Pte Ltd	269,431,035	60.92
2	Lim Yong Guan	55,462,500	12.54
3	Lim Yong Sheng	47,850,000	10.82
4	Lim Liang Eng	5,437,500	1.23
5	Tan Yang Hong	3,958,335	0.90
6	DBS Nominees Pte Ltd	3,405,000	0.77
7	Lim Liang Keng	2,083,335	0.47
8	Lim Liang Soh	2,083,335	0.47
9	Lim Liang Cheng	1,964,250	0.44
10	CGS-CIMB Securities (Singapore) Pte Ltd	1,640,141	0.37
11	Poh Boon Kher Melvin (Fu Wenke Melvin)	1,362,100	0.31
12	Lew Tuan Tat	1,361,375	0.31
13	Kok Sip Chon	1,276,250	0.29
14	Tan Yong Jin	1,276,250	0.29
15	Lee Mee Ing	1,091,500	0.25
16	Toh Ong Tiam	933,375	0.21
17	Chua Wee Kwang	883,125	0.20
18	Ng Siew Hwa	800,125	0.18
19	Tuah Pei Koon	783,625	0.18
20	Phillip Securities Pte Ltd	769,475	0.17
	Total	403,852,631	91.32



AS AT 15 MARCH 2022

SUBSTANTIAL SHAREHOLDERS

as recorded in the Register of Substantial Shareholders

Name of shareholder	Direct interest		Deemed interest	
	No. of shares	%	No. of shares	%
Money Farm Pte. Ltd. ⁽¹⁾	269,431,035	60.92	-	-
Lim Yong Guan ^{(2), (3), (4)}	55,462,500	12.54	273,389,370	61.82
Lim Yong Sheng ^{(3), (4)}	47,850,000	10.82	269,431,035	60.92
Lim Liang Eng ^{(3), (4)}	5,437,500	1.23	269,431,035	60.92

Notes:

- (1) Money Farm Pte. Ltd. is an investment holding company. All of the equity interest in Money Farm Pte. Ltd. is collectively held by Lim Yong Guan, Lim Yong Sheng and Lim Liang Eng.
- (2) Lim Yong Guan is deemed interested in the 3,958,335 shares held by his spouse, Tan Yang Hong by virtue of Section 164 (15) of the Companies Act 1967.
- (3) Lim Yong Guan, Lim Yong Sheng and Lim Liang Eng are siblings.
- (4) Lim Yong Guan, Lim Yong Sheng and Lim Liang Eng and their associates are entitled to exercise all the votes attached to the voting shares in Money Farm Pte. Ltd. As such, pursuant to Section 4 of the Securities and Futures Act 2001, each of them is deemed to be interested in the shares which Money Farm Pte. Ltd. holds in the Company.



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting ("**AGM**" or the "**Meeting**") of MoneyMax Financial Services Ltd. ("**Company**") will be held by way of electronic means on Wednesday, 27 April 2022 at 2.00 p.m. (Singapore time) to transact the following business:

ORDINARY BUSINESS

1. To receive and consider the directors' statement and the audited financial statements of the Company for the financial year ended 31 December 2021 ("**FY2021**") together with the independent auditors' report thereon. Resolution 1
2. To declare a final one-tier tax exempt dividend of 0.95 Singapore cents per ordinary share ("**Share**") for FY2021. Resolution 2
3. To re-elect Mr. Lim Yong Sheng, who is retiring pursuant to Regulation 89 of the constitution of the Company ("**Constitution**"), as a director of the Company ("**Director**"). Resolution 3
[See Explanatory Note (i)]
4. To re-elect Mr. Ng Cher Yan, who is retiring pursuant to Regulation 89 of the Constitution, as a Director. Resolution 4
[See Explanatory Note (ii)]
5. That contingent upon the passing of Ordinary Resolution 4 above, to approve Mr. Ng Cher Yan's continued appointment as an Independent Director in accordance with Rule 406(3)(d)(iii)(A) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist ("**Catalist Rules**"), and such Resolution shall remain in force until the earlier of the following: (i) Mr. Ng Cher Yan's retirement or resignation as a Director; or (ii) the conclusion of the third AGM of the Company following the passing of this Resolution. Resolution 5
[See Explanatory Note (ii)]
6. That contingent upon the passing of Ordinary Resolutions 4 and 5 above, shareholders of the Company ("**Shareholders**") (excluding the Directors and the Chief Executive Officer ("**CEO**") of the Company, and the respective associates of such Directors and CEO) to approve Mr. Ng Cher Yan's continued appointment as an Independent Director in accordance with Rule 406(3)(d)(iii)(B) of the Catalist Rules, and such Resolution shall remain in force until the earlier of the following: (i) Mr. Ng Cher Yan's retirement or resignation as a Director; or (ii) the conclusion of the third AGM following the passing of this Resolution. Resolution 6
[See Explanatory Note (ii)]
7. To approve Mr. Khua Kian Kheng Ivan's continued appointment as an Independent Director in accordance with Rule 406(3)(d)(iii)(A) of the Catalist Rules, and such Resolution shall remain in force until the earlier of the following: (i) Mr. Khua Kian Kheng Ivan's retirement or resignation as a Director; or (ii) the conclusion of the third AGM following the passing of this Resolution. Resolution 7
[See Explanatory Note (ii)]
8. That contingent upon the passing of Ordinary Resolution 7 above, Shareholders (excluding the Directors and the CEO of the Company, and the respective associates of such Directors and CEO) to approve Mr. Khua Kian Kheng Ivan's continued appointment as an Independent Director in accordance with Rule 406(3)(d)(iii)(B) of the Catalist Rules, and such Resolution shall remain in force until the earlier of the following: (i) Mr. Khua Kian Kheng Ivan's retirement or resignation as a Director; or (ii) the conclusion of the third AGM following the passing of this Resolution. Resolution 8
[See Explanatory Note (ii)]



9. To approve Mr. Foo Say Tun's continued appointment as an Independent Director in accordance with Rule 406(3)(d)(iii)(A) of the Catalist Rules, and such Resolution shall remain in force until the earlier of the following: (i) Mr. Foo Say Tun's retirement or resignation as a Director; or (ii) the conclusion of the third AGM following the passing of this Resolution. Resolution 9
- [See Explanatory Note (ii)]*
10. That contingent upon the passing of Ordinary Resolution 9 above, Shareholders (excluding the Directors and the CEO of the Company, and the respective associates of such Directors and CEO) to approve Mr. Foo Say Tun's continued appointment as an Independent Director in accordance with Rule 406(3)(d)(iii) (B) of the Catalist Rules, and such Resolution shall remain in force until the earlier of the following: (i) Mr. Foo Say Tun's retirement or resignation as a Director; or (ii) the conclusion of the third AGM of the Company following the passing of this Resolution. Resolution 10
- [See Explanatory Note (ii)]*
11. To approve the Directors' fees of S\$205,000 for the financial year ending 31 December 2022, payable quarterly in arrears. Resolution 11
12. To re-appoint Messrs RSM Chio Lim LLP as the independent auditor of the Company and to authorise the Directors to fix their remuneration. Resolution 12

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following Resolutions as Ordinary Resolutions, with or without amendments:

13. **Authority to allot and issue Shares** Resolution 13
- That pursuant to Section 161 of the Companies Act 1967 and Rule 806 of the Catalist Rules, authority be and is hereby given to the Directors to allot and issue Shares and convertible securities in the capital of the Company (whether by way of rights, bonus or otherwise) at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit provided that:
- (i) the aggregate number of Shares and convertible securities to be issued pursuant to this Resolution does not exceed 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (ii) below), of which the aggregate number of Shares and convertible securities to be issued other than on a pro rata basis to existing Shareholders does not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (ii) below);



- (ii) (subject to such manner of calculations as may be prescribed by the SGX-ST), for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (i) above, the percentage of the total number of issued Shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed after adjusting for:
 - (a) new Shares arising from the conversion or exercise of any convertible securities outstanding or subsisting at the time of the passing of this Resolution approving the mandate;
 - (b) new Shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time of the passing of this Resolution approving the mandate, provided that such options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and
 - (c) any subsequent bonus issue, consolidation or sub-division of Shares; and
- (iii) unless revoked or varied by the Company in a general meeting, the authority conferred by this Resolution shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier.

[See Explanatory Note (iii)]

14. **Authority to allot and issue Shares under the MoneyMax Performance Share Plan**

Resolution 14

That pursuant to Section 161 of the Companies Act 1967, approval be and is hereby given to the Directors to:

- i) offer and grant awards in accordance with the provisions of the MoneyMax Performance Share Plan ("**Plan**"); and
- ii) allot and issue from time to time such number of Shares as may be required to be allotted and issued pursuant to the vesting of awards under the Plan provided that the aggregate number of Shares to be allotted and issued pursuant to the Plan shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) from time to time;

and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (iv)]

15. To transact any other business which may be properly transacted at an AGM.

**Explanatory Notes:**

- (i) Mr. Mr. Lim Yong Sheng will, upon re-election as a Director, remain as the Non-Executive Director of the Company.

The information of the above-mentioned Director as required under Rule 720(5) of the Catalist Rules can be found under the section entitled "Corporate Governance Report" in the Company's annual report for FY2021.

- (ii) The proposed Resolutions 5, 6, 7, 8, 9 and 10 are to subject the continued appointment of Mr. Ng Cher Yan, Mr. Khua Kian Kheng Ivan and Mr. Foo Say Tun, each of whom will, with effect from 27 June 2022, had served as an Independent Director for a period of more than 9 years, to a two-tier voting process by Shareholders in accordance with Rule 406(3)(d)(iii) of the Catalist Rules.

For the purpose of Resolutions 6, 8 and 10, in accordance with Rule 406(3)(d)(iii) of the Catalist Rules, the Directors and the CEO of the Company, and their respective associates, must not accept appointment as proxies unless specific instructions as to voting are given.

In the event Resolutions 4, 5 and 6 are passed, Mr. Ng Cher Yan will remain as the Chairman of the Audit Committee of the Company, and as a member of the Nominating Committee and the Remuneration Committee of the Company. Mr. Ng Cher Yan will be considered independent for the purpose of Rule 704(7) of the Catalist Rules.

In the event Resolutions 7 and 8 are passed, Mr. Khua Kian Kheng Ivan will remain as the Chairman of the Nominating Committee of the Company, and as a member of the Audit Committee and the Remuneration Committee of the Company. Mr. Khua Kian Kheng Ivan will be considered independent for the purpose of Rule 704(7) of the Catalist Rules.

In the event Resolutions 9 and 10 are passed, Mr. Foo Say Tun will remain as the Chairman of the Remuneration Committee of the Company, and as a member of the Audit Committee and the Nominating Committee of the Company. Mr. Foo Say Tun will be considered independent for the purpose of Rule 704(7) of the Catalist Rules.

The information of the above-mentioned Directors as required under Rule 720(5) of the Catalist Rules can be found under the section entitled "Corporate Governance Report" in the Company's annual report for FY2021.

- (iii) The proposed Resolution 13, if passed, will empower the Directors from the date of the AGM until the date of the next AGM, to allot and issue Shares and convertible securities in the Company. The number of Shares and convertible securities, which the Directors may allot and issue under Resolution 13 shall not exceed 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time of passing of Resolution 13. For allotment and issuance of Shares and convertible securities other than on a pro rata basis to all Shareholders, the aggregate number of Shares and convertible securities to be allotted and issued shall not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time of passing of Resolution 13.
- (iv) The proposed Resolution 14, if passed, will empower the Directors to offer and grant awards and to issue and allot shares pursuant to the Plan. The grant of awards under the Plan will be made in accordance with the provisions of the Plan. The aggregate number of Shares which may be issued pursuant to the Plan is limited to 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) from time to time.



NOTICE OF RECORD DATE AND DIVIDEND PAYMENT DATE

NOTICE IS HEREBY GIVEN that, subject to Shareholders' approval for the proposed final one-tier tax exempt dividend of 0.95 Singapore cents per Share for FY2021 ("**Proposed Final Dividend**") at the forthcoming AGM to be held on 27 April 2022, the Share Transfer Books and Register of Members of the Company will be closed on 18 May 2022 for the purpose of determining members' entitlements to the Proposed Final Dividend.

Duly completed registrable transfers in respect of the Shares received up to the close of business at 5.00 p.m. on 17 May 2022 by the Company's Share Registrar, B.A.C.S Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, will be registered to determine members' entitlements to the Proposed Final Dividend. Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with Shares as at 5.00 p.m. on 17 May 2022 will be entitled to the Proposed Final Dividend.

Subject to the approval of Shareholders at the forthcoming AGM, payment of the Proposed Final Dividend will be made on or about 25 May 2022.

By Order of the Board

GOH HOI LAI
Company Secretary

Date: 12 April 2022

Notes:

- a) The AGM 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.
- b) This notice of AGM ("**Notice**"), the Company's annual report for FY2021 and the proxy form may be accessed at the Company's website at <https://moneymax.com.sg/investors-home/> and the SGX-ST's website at <http://www.sgx.com/securities/company-announcements>.
- c) Due to the current COVID-19 situation and the related safe distancing measures in Singapore, a member will not be able to attend the AGM in person. Instead, alternative arrangements have been put in place to allow Shareholders to participate at the AGM by:
 - (i) observing and/or listening to the AGM proceeding via "live" audio-visual;
 - (ii) submit questions in advance of the AGM; and/or
 - (iii) appointing the Chairman of the Meeting as proxy to attend, to speak and to vote on their behalf at the AGM.

Please refer to the Company's announcement dated 12 April 2022 for the details of the steps for pre-registration, pre-submission of questions and voting at the AGM (the "**Announcement**").



- d) Members who hold Shares through relevant intermediaries (as defined in Section 181 of the Companies Act 1967), including SRS investors, and who wish to participate in the AGM by:
- (i) observing and/or listening to the AGM proceedings via “live” audio-visual webcast;
 - (ii) submitting questions in advance of the AGM; and/or
 - (iii) appointing the Chairman of the Meeting as proxy to attend, speak and vote on their behalf at the AGM,

should contact the relevant intermediary (which would include, in the case of SRS investors, their respective SRS Approved Bank) through which they hold such shares as soon as possible in order for the necessary arrangements to be made for their participation in the AGM.

SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective SRS operators to submit their voting instructions not less than seven (7) working days before the date of the AGM (i.e. by 2.00 p.m. on 18 April 2022).

- e) A member who wishes to submit an instrument of proxy appointing the Chairman of the Meeting as proxy must first download, complete and sign the proxy form, before scanning and sending it by email to main@zicoholdings.com or submit by post to the address of the Company's Share Registrar, B.A.C.S Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, not less than 72 hours before the time appointed for holding the AGM (i.e. by 2.00 p.m. on 24 April 2022).

Members are strongly encouraged to submit completed proxy forms electronically via email to main@zicoholdings.com to ensure that they are received by the Company by the stipulated deadline.

Shareholders should refer to the Announcement for further details on the appointment of the Chairman of the Meeting as proxy.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representatives to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “Purposes”), (ii) 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), 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) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) 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.



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Important:

- Alternative arrangements relating to, amongst others, attendance, submission of questions in advance and voting by proxy at the annual general meeting of the Company ("AGM" or the "Meeting") are set out in the Company's announcement dated 12 April 2022 ("Announcement") which, together with the Notice of AGM dated 12 April 2022 have been uploaded on the SGX-ST's website on the same day. The Announcement and the Notice of AGM can also be accessed at the Company's website at <https://moneymax.com.sg/investors-home/>.
- Due to the current COVID-19 situation and the related safe distancing measure in Singapore, a member will not be able to attend the AGM in person. A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM.
- By submitting an instrument appointing a proxy(ies) and / or representative(s), a member accepts and agrees to the personal data privacy terms set out in the Notes to this proxy form.

*I/We _____ (Name), *NRIC/ Passport No./ Company Registration No. _____

of _____ (Address)

being a *member/members of Moneymax Financial Services Ltd. (the "Company") hereby appoint the Chairman of the Meeting as *my/our proxy, to attend, speak and vote for *me/us on *my/our behalf at the AGM to be held by way of electronic means on Wednesday, 27 April 2022 at 2.00 p.m. (Singapore time) and at any adjournment thereof.

*I/We direct the Chairman of the Meeting to vote for, against and/or abstain from voting on the resolutions to be proposed at the AGM as indicated hereunder.

No.	ORDINARY RESOLUTIONS	Number of Votes For ⁽¹⁾	Number of Votes Against ⁽¹⁾	Number of Votes to Abstain ⁽¹⁾
1	To receive and consider the directors' statement and audited financial statements for the financial year ended 31 December 2021 ("FY2021")			
2	To approve payment of a final one-tier tax exempt dividend of 0.95 Singapore cents per ordinary share ("Share") for FY2021			
3	To re-elect Mr. Lim Yong Sheng as a director of the Company ("Director") (Regulation 89)			
4	To re-elect Mr. Ng Cher Yan as a Director (Regulation 89)			
5	To approve the continued appointment of Mr. Ng Cher Yan, as an Independent Director, for the purpose of Rule 406(3)(d)(iii)(A) of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist ("Catalist Rules")			
6	To approve the continued appointment of Mr. Ng Cher Yan, as an Independent Director, for the purpose of Rule 406(3)(d)(iii)(B) of the Catalist Rules			
7	To approve the continued appointment of Mr. Khua Kian Kheng Ivan, as an Independent Director, for the purpose of Rule 406(3)(d)(iii)(A) of the Catalist Rules			
8	To approve the continued appointment of Mr. Khua Kian Kheng Ivan, as an Independent Director, for the purpose of Rule 406(3)(d)(iii)(B) of the Catalist Rules			
9	To approve the continued appointment of Mr. Foo Say Tun, as an Independent Director, for the purpose of Rule 406(3)(d)(iii)(A) of the Catalist Rules			
10	To approve the continued appointment of Mr. Foo Say Tun, as an Independent Director, for the purpose of Rule 406(3)(d)(iii)(B) of the Catalist Rules			
11	To approve Directors' fees of S\$205,000 for the financial year ending 31 December 2022, payable quarterly in arrears			
12	To re-appoint Messrs RSM Chio Lim LLP as the independent auditors of the Company			
13	To authorise the Directors to allot and issue Shares			
14	To authorise the Directors to grant awards and to allot and issue Shares in accordance with the provisions of the MoneyMax Performance Share Plan			

* delete where inapplicable

⁽¹⁾ Voting will be conducted by poll. If you wish to exercise all your votes "For" or "Against" or to abstain from voting on the resolution in respect of all your votes, please tick "✓" in the relevant box provided. Alternatively, please indicate the number of votes "For", "Against" or "Abstain" in each resolution. In the absence of specific voting instructions in respect of a resolution, the appointment of Chairman of the Meeting as your proxy for that resolution will be treated as invalid.

Dated this _____ day of _____ 2022

Signature (s) of Member(s)
or, Common Seal of Corporate Member(s)

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	



NOTES :

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
2. Due to the current COVID-19 situation and the related safe distancing measures in Singapore, a member will not be able to attend the AGM in person. A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM. This proxy form may be accessed at the Company's website at <https://moneymax.com.sg/investors-home/> and will also be made available on the SGX-ST's website at <http://www.sgx.com/securities/company-announcements>. Where a member (whether individual or corporate) appoints the Chairman of the Meeting 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 Meeting as proxy for that resolution will be treated as invalid.
3. A member of the Company who holds his Shares through a Relevant Intermediary* (including SRS investors) and who wishes to exercise his votes by appointing the Chairman of the Meeting as proxy should approach his Relevant Intermediary (including SRS Approved Bank) to submit his voting instructions not less than seven (7) working days before the date of the AGM (i.e. by 2.00 p.m. on 18 April 2022).

"Relevant intermediary" means:

- (a) a banking corporation licensed under the Banking Act 1970 or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
 - (b) a person holding a capital markets services license to provide custodial services for securities under the Securities and Futures Act 2001 and who holds shares in that capacity; or
 - (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
4. The Chairman of the Meeting, as proxy, need not be a member of the Company.
 5. A member who wishes to submit an instrument of proxy appointing the Chairman of the Meeting as proxy must first download, complete and sign the proxy form, before scanning and sending it by email to main@zicoholdings.com or submitting it by post to Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896 not less than 72 hours before the time appointed for the AGM (i.e. by 2.00 p.m. on 24 April 2022).

In view of the current COVID-19 situation and the related safe distancing measures in Singapore, it may be difficult for members to submit completed proxy forms by post and for the Company to process completed proxy forms which are submitted by post. There may also be delays in the delivery of completed proxy forms which are submitted by post. Members are therefore strongly encouraged to submit completed proxy forms electronically via email to main@zicoholdings.com to ensure that they are received by the Company by the stipulated deadline.

6. The instrument appointing the Chairman of the Meeting as proxy must be under the hand of the appointer or of his attorney duly authorised in writing. Where the instrument appointing the Chairman of the Meeting as proxy is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where an instrument appointing the Chairman of the Meeting as proxy is signed on behalf of the appointer by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company), if the instrument appointing the Chairman of the Meeting as proxy is submitted by post, be lodged with the instrument of proxy or, if the instrument appointing the Chairman of the Meeting as proxy is submitted electronically via email, be emailed with the instrument of proxy, failing which the instrument may be treated as invalid.
7. Any alteration made in this instrument appointing the Chairman of the Meeting as proxy, must be initialed by the person who signs it.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the members accept and agree to the personal data privacy terms set out in the Notice of AGM dated 12 April 2022.

General:

The Company shall be entitled to reject the instrument appointing the Chairman of the Meeting 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 (including any related attachments). In addition, in the case of a member whose shares are entered in the Depository Register, the Company may reject any instrument appointing the Chairman of the Meeting as proxy if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

MONEYMAX FINANCIAL SERVICES LTD.

(Incorporated in the Republic of Singapore on 9 October 2008). Company Registration No. 200819689Z

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