



# MoneyMax Financial Services Ltd. And Its Subsidiaries

*(Company Registration Number: 200819689Z)*

*Unaudited Interim Condensed  
Financial Statements For  
The Six-Month Financial Period  
Ended 30 June 2021*

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**Condensed Interim Consolidated Statements Of Profit Or Loss And Other Comprehensive Income**

	Notes	Group		
		Unaudited 1H-2021 <sup>(1)</sup> S\$'000	Unaudited 1H-2020 <sup>(2)</sup> S\$'000	Change %
<b>Revenue</b>	6	92,389	69,135	33.6
<b>Other Items of Income</b>				
Other Gains	7	1,211	1,424	(15.0)
<b>Other Items of Expense</b>				
Material Costs		(59,812)	(43,738)	36.8
Employee Benefits Expense		(9,079)	(7,378)	23.1
Depreciation and Amortisation Expenses	8	(5,480)	(5,781)	(5.2)
Finance Costs		(4,204)	(4,281)	(1.8)
Other Losses	7	(195)	(182)	7.1
Other Expenses		(3,516)	(899)	291.1
<b>Profit Before Tax</b>		<b>11,314</b>	<b>8,300</b>	<b>36.3</b>
Income Tax Expense		(2,119)	(1,661)	27.6
<b>Profit Net of Tax</b>		<b>9,195</b>	<b>6,639</b>	<b>38.5</b>
Other Comprehensive Income				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations, net of tax		(98)	(59)	66.1
Cash flow hedges, net of tax		186	(175)	NM <sup>(3)</sup>
<b>Other comprehensive income for the year, net of tax</b>		<b>88</b>	<b>(234)</b>	<b>NM<sup>(3)</sup></b>
<b>Total Comprehensive Income</b>		<b>9,283</b>	<b>6,405</b>	<b>44.9</b>
<b>Attributable to:</b>				
Owners of the Company		8,554	5,884	45.4
Non-controlling Interests		641	755	(15.1)
<b>Profit Net of Tax</b>		<b>9,195</b>	<b>6,639</b>	<b>38.5</b>
<b>Attributable to:</b>				
Owners of the Company		8,642	5,650	53.0
Non-controlling Interests		641	755	(15.1)
<b>Total Comprehensive Income</b>		<b>9,283</b>	<b>6,405</b>	<b>44.9</b>
<b>Earnings per share:</b>				
Basic and diluted (cents)		2.42	1.66	45.8

**Notes:**

- (1) "1H-2021" refers to the six-month financial period ended 30 June 2021.  
(2) "1H-2020" refers to the six-month financial period ended 30 June 2020.  
(3) "NM" denotes not meaningful.

**Condensed Interim Statements Of Financial Position**

	Notes	Group		Company	
		Unaudited 30 June 2021 S\$'000	Audited 31 December 2020 S\$'000	Unaudited 30 June 2021 S\$'000	Audited 31 December 2020 S\$'000
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Property, Plant and Equipment	9	20,363	20,044	-	-
Right-of-use Assets		18,901	13,688	-	-
Intangible Assets	10	4,029	4,147	-	-
Investment in Subsidiaries		-	-	59,410	58,930
Other Financial Assets	11	6,500	6,500	5,471	5,471
Trade and Other Receivables, Non-Current		88,802	56,369	-	-
Other Assets, Non-Current		2,651	1,068	-	-
Deferred Tax Assets		53	63	-	-
<b>Total Non-Current Assets</b>		141,299	101,879	64,881	64,401
<b>Current Assets</b>					
Inventories		59,803	42,407	-	-
Trade and Other Receivables, Current		229,554	219,855	27,860	30,185
Other Assets, Current		4,363	4,490	42	62
Cash and Cash Equivalents		14,045	15,328	139	251
<b>Total Current Assets</b>		307,765	282,080	28,041	30,498
<b>Total Assets</b>		449,064	383,959	92,922	94,899
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share Capital	12	56,144	56,144	56,144	56,144
Retained Earnings		46,078	41,699	4,222	8,092
Reserves		(175)	(263)	-	-
<b>Equity Attributable to Owners of the Company</b>		102,047	97,580	60,366	64,236
Non-controlling Interests		7,220	6,579	-	-
<b>Total Equity</b>		109,267	104,159	60,366	64,236
<b>Non-Current Liabilities</b>					
Other Financial Liabilities, Non-Current	13	98,713	60,308	-	-
Lease Liabilities, Non-Current		9,654	6,531	-	-
Deferred Tax Liabilities		111	88	-	-
<b>Total Non-Current Liabilities</b>		108,478	66,927	-	-
<b>Current Liabilities</b>					
Income Tax Payable		3,877	4,178	90	85
Trade and Other Payables		28,442	23,474	29,216	29,078
Other Financial Liabilities, Current	13	185,889	175,053	3,250	1,500
Lease Liabilities, Current		9,588	7,445	-	-
Other Liabilities		3,523	2,723	-	-
<b>Total Current Liabilities</b>		231,319	212,873	32,556	30,663
<b>Total Liabilities</b>		339,797	279,800	32,556	30,663
<b>Total Equity and Liabilities</b>		449,064	383,959	92,922	94,899

## Condensed Interim Statements Of Changes in Equity

<u>Group</u>	Attributable to Owners of the Company				Non-controlling	Total
	Share Capital S\$'000	Retained Earnings S\$'000	Reserves S\$'000	Sub-total S\$'000	Interests S\$'000	Equity S\$'000
<b>Current Year:</b>						
Opening balance at 1 January 2021	56,144	41,699	(263)	97,580	6,579	104,159
Total comprehensive income for the period	-	8,554	88	8,642	641	9,283
Dividends paid (Note 14)	-	(4,175)	-	(4,175)	-	(4,175)
<b>Closing balance at 30 June 2021</b>	<b>56,144</b>	<b>46,078</b>	<b>(175)</b>	<b>102,047</b>	<b>7,220</b>	<b>109,267</b>
<b>Previous Year:</b>						
Opening balance at 1 January 2020	56,144	23,089	(412)	78,821	4,709	83,530
Total comprehensive income for the period	-	5,884	(234)	5,650	755	6,405
Dividends paid (Note 14)	-	(1,769)	-	(1,769)	-	(1,769)
<b>Closing balance at 30 June 2020</b>	<b>56,144</b>	<b>27,204</b>	<b>(646)</b>	<b>82,702</b>	<b>5,464</b>	<b>88,166</b>

<u>Company</u>	Share Capital S\$'000	Retained Earnings S\$'000	Total Equity S\$'000
<b>Current Year:</b>			
Opening balance at 1 January 2021	56,144	8,092	64,236
Total comprehensive income for the period	-	305	305
Dividends paid (Note 14)	-	(4,175)	(4,175)
<b>Closing Balance at 30 June 2021</b>	<b>56,144</b>	<b>4,222</b>	<b>60,366</b>
<b>Previous Year:</b>			
Opening balance at 1 January 2020	56,144	5,317	61,461
Total comprehensive income for the period	-	319	319
Dividends paid (Note 14)	-	(1,769)	(1,769)
<b>Closing Balance at 30 June 2020</b>	<b>56,144</b>	<b>3,867</b>	<b>60,011</b>

**Condensed Interim Consolidated Statements Of Cash Flows**

	<b>Unaudited 1H-2021 S\$'000</b>	<b>Unaudited 1H-2020 S\$'000</b>
<b><u>Cash Flows From Operating Activities</u></b>		
Profit Before Tax	11,314	8,300
Adjustments for:		
Finance Costs	4,204	4,281
Depreciation of Property, Plant and Equipment	914	1,116
Depreciation of Right-of-use Assets	4,498	4,589
Amortisation of Intangible Assets	68	76
Loss on Disposal of Property, Plant and Equipment	-	14
Rental Rebates Income	-	(1,789)
Foreign Currency Translation	88	44
Operating Cash Flows before Changes in Working Capital	21,086	16,631
Inventories	(17,396)	(4,688)
Trade and Other Receivables	(42,131)	(3,913)
Other Assets	(1,456)	318
Trade and Other Payables	4,950	1,856
Other Liabilities	716	114
Net Cash Flows (Used In)/From Operations	(34,231)	10,318
Income Taxes Paid	(2,405)	(645)
Net Cash Flows (Used In)/From Operating Activities	(36,636)	9,673
<b><u>Cash Flows From Investing Activities</u></b>		
Purchase of Property, Plant and Equipment	(1,154)	(2,930)
Net Cash Flows Used in Investing Activities	(1,154)	(2,930)
<b><u>Cash Flows From Financing Activities</u></b>		
Proceeds from Bank Loans	62,352	32,642
Repayments of Bank Loans	(12,105)	(11,720)
Finance Lease Repayments	(5)	(9)
Repayments of Lease Liabilities - principal portion paid	(4,396)	(2,855)
Interest Paid	(4,204)	(4,281)
Dividends Paid	(4,175)	-
Net Cash Flows From Financing Activities	37,467	13,777
<b>Net (Decrease)/ Increase in Cash and Cash Equivalents</b>	(323)	20,520
Cash and Cash Equivalents, Statement of Cash Flows, Beginning Balance	14,372	8,641
Effects of Exchange Rate on Cash and Cash Equivalents	(4)	(3)
<b>Cash and Cash Equivalents, Statement of Cash Flows, Ending Balance</b>	<b>14,045</b>	<b>29,158</b>

## **Notes To the Condensed Interim Consolidated Financial Statements**

### **1. Corporate information**

MoneyMax Financial Services Ltd. (the “**Company**”) is incorporated and domiciled in Singapore with limited liability. The Company is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). These condensed interim financial statements as at and for the six months ended 30 June 2021 comprise the Company and the subsidiaries (together referred to as the “**Group**”).

The principal activity of the Company is that of investment holding. The principal activities of the Company's subsidiaries comprise pawnbroking, retail and trading, auction, vehicle financing, moneylending and general insurance.

### **2. Basis of preparation**

These condensed interim financial statements for 1H-2021 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December (“**FY**”) 2020.

### **3. Accounting convention**

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for 1H-2021 as the most recent audited financial statements for the year ended, and as at, 31 December 2020, except for the mandatory adoption of new standards effective as of 1 January 2021. The adoption of the new standards has no significant impact on the financial statements for 1H-2021.

### **4. Use of judgements and estimates**

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income, and expense. Actual results may differ from these estimates. The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2020. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

### **5. Related party relationships and transactions**

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

**5. Related party relationships and transactions (cont'd)**

	<b>Group</b>	
	<b>1H-2021 S\$'000</b>	<b>1H-2020 S\$'000</b>
<b>Purchase of products</b> SK Jewellery Group Pte. Ltd. and its subsidiaries (the "SK Group of Companies")	11	2
<b>Purchase of fixed assets</b> SK Group of Companies	-	2
<b>Sales of products</b> SK Group of Companies	2	1
<b>Central support services</b> SK Group of Companies	156	156
<b>Outsourced payroll services</b> SK Group of Companies	8	8
<b>Rental expenses</b> SK Group of Companies	189	155
SK Properties Pte. Ltd.	695	300
Soo Kee Investment Pte. Ltd.	277	185
Sin Lian Pawnshop Pte. Ltd.	1	6
<b>Interest payable/paid</b> Soo Kee Capital Pte. Ltd.	-	29
Money Farm Pte. Ltd.	24	38
Lim Yong Guan	179	221
Lim Yong Sheng	24	53
	<b>1,566</b>	<b>1,156</b>

The related parties and the Group have common directors.

**6. 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 two major operating segments, namely:

- i) Pawnbroking; and
- ii) Retail and trading of pre-owned luxury items

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.



## 6. Financial information by operating segments (cont'd)

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

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

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

1H-2021	Pawn-broking S\$'000	Retail and Trading of luxury items S\$'000	Others S\$'000	Elimination S\$'000	Group S\$'000
<b>Revenue by segment</b>					
Revenue from external customers	17,780	68,617	5,992	-	92,389
Inter-segment sales	14,413	-	6	(14,419)	-
<b>Results</b>					
Segment results	8,496	2,755	4,267	-	15,518
Finance costs	(2,067)	(238)	(1,899)	-	(4,204)
Profit before tax	6,429	2,517	2,368	-	11,314
Income tax expenses	(931)	(657)	(531)	-	(2,119)
<b>Profit net of tax</b>	<b>5,498</b>	<b>1,860</b>	<b>1,837</b>	<b>-</b>	<b>9,195</b>
Segment assets	272,660	72,636	150,170	(46,455)	449,011
Unallocated assets					53
<b>Total group assets</b>					<b>449,064</b>
Segment liabilities	159,596	51,380	177,678	(52,845)	335,809
Unallocated liabilities					3,988
<b>Total group liabilities</b>					<b>339,797</b>
Purchase of property, plant and equipment	320	897	21	-	1,238
Depreciation and amortisation expenses	234	388	292	-	914
Loss on collateral loan services	2	-	-	-	2

**6. Financial information by operating segments (cont'd)**

1H-2020	Pawn- broking S\$'000	Retail and Trading of luxury items S\$'000	Others S\$'000	Elimination S\$'000	Group S\$'000
<b>Revenue by segment</b>					
Revenue from external customers	17,686	48,858	2,591	-	69,135
Inter-segment sales	10,562	-	2	(10,564)	-
<b>Results</b>					
Segment results	9,924	1,570	1,110	(23)	12,581
Finance costs	(3,065)	(178)	(1,038)		(4,281)
Profit before tax	6,859	1,392	72	(23)	8,300
Income tax expenses	(1,358)	(242)	(61)	-	(1,661)
<b>Profit net of tax</b>	<b>5,501</b>	<b>1,150</b>	<b>11</b>	<b>(23)</b>	<b>6,639</b>
Segment assets	253,953	59,136	91,501	(51,217)	353,373
Unallocated assets					219
<b>Total group assets</b>					<b>353,592</b>
Segment liabilities	155,100	52,006	105,974	(51,239)	261,841
Unallocated liabilities					3,585
<b>Total group liabilities</b>					<b>265,426</b>
Purchase of property, plant and equipment	18,580	197	6	-	18,783
Depreciation and amortisation expenses	549	510	57	-	1,116
Loss on disposal of property, plant and equipment	-	14	-	-	14
Loss on collateral loan services	5	-	-	-	5

**(a) Geographical Segment Information**

	Revenue		Non-Current Assets <sup>(1)</sup>	
	1H-2021 S\$'000	1H-2020 S\$'000	30 June 2021 S\$'000	30 June 2020 S\$'000
Singapore	87,155	63,302	136,097	74,272
Malaysia	5,234	5,833	5,149	5,151
<b>Total</b>	<b>92,389</b>	<b>69,135</b>	<b>141,246</b>	<b>79,423</b>

**Note:**

(1) Non-current assets presented in the table above exclude deferred tax assets.

**7. Other gains and (other losses)**

Other gains and other losses include the following:

	<b>Group</b>	
	<b>Unaudited 1H-2021 S\$'000</b>	<b>Unaudited 1H-2020 S\$'000</b>
Dividend income	–	307
Foreign exchange adjustments loss	(193)	(163)
Government grants	852	703
Rental income	269	349
Loss on disposal of fixed assets	–	(14)
Loss on collateral loan services	(2)	(5)
Miscellaneous income	59	27
Other income	31	38
Net	<u>1,016</u>	<u>1,242</u>
Presented in profit or loss as:		
Other gains	1,211	1,424
Other losses	(195)	(182)
Net	<u>1,016</u>	<u>1,242</u>

**8. Depreciation and Amortisation Expenses**

Depreciation and amortisation include the following:

	<b>Group</b>	
	<b>Unaudited 1H-2021 S\$'000</b>	<b>Unaudited 1H-2020 S\$'000</b>
Depreciation of property, plant and equipment	914	1,116
Depreciation of right-of-use assets	4,498	4,589
Amortisation of lease assignment fees	60	60
Amortisation of other intangible assets	8	16
Total	<u>5,480</u>	<u>5,781</u>

**9. Property, plant and equipment**

	<u>Properties</u>	<u>Leasehold improvements</u>	<u>Plant, fixture and fittings</u>	<u>Total</u>
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Group:</u>				
<u>Cost:</u>				
At 1 January 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	1	(29)	(18)	(46)
Additions	182	827	229	1,238
Disposals	—	(170)	(50)	(220)
At 30 June 2021	18,712	10,521	8,303	37,536
<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	—	(25)	(16)	(41)
Depreciation for the period	231	320	363	914
Disposals	—	(170)	(50)	(220)
At 30 June 2021	621	9,155	7,397	17,173
<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 30 June 2021	18,091	1,366	906	20,363

**10. Intangible assets**

	<u>Group</u>	
	<u>Unaudited</u>	<u>Audited</u>
	<u>30 June 2021</u>	<u>31 December 2020</u>
	S\$'000	S\$'000
Goodwill (Note 10A)	3,986	4,035
Other intangible assets (Note 10B)	43	112
Total	4,029	4,147

**10A. Goodwill**

	<u>Group</u>	
	<u>Unaudited</u>	<u>Audited</u>
	<u>30 June 2021</u>	<u>31 December 2020</u>
	S\$'000	S\$'000
<u>Cost:</u>		
Balance at beginning of the period	4,035	4,044
Foreign currency translation adjustments	(49)	(9)
Balance at end of the period	3,986	4,035

**10B. Other intangible assets**

	<b>Lease assignment fees</b>	<b>Customer lists</b>	<b>Total</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<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	–	(10)	(10)
At 30 June 2021	1,500	775	2,275
<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 period	60	8	68
Foreign exchange adjustments	–	(9)	(9)
At 30 June 2021	1,491	741	2,232
<u>Carrying amount:</u>			
At 1 January 2020	189	67	256
At 31 December 2020	69	43	112
At 30 June 2021	9	34	43

**11. Other financial assets**

	<b>Group</b>		<b>Company</b>	
	<b>Unaudited As at 30 June 2021</b>	<b>Audited As at 31 December 2020</b>	<b>Unaudited As at 30 June 2021</b>	<b>Audited As at 31 December 2020</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<u>Unquoted equity shares</u>				
Investment at fair value through profit or loss	6,500	6,500	5,471	5,471
<u>Movements during the period/year:</u>				
Fair value at beginning of the period/year	6,500	5,471	5,471	5,471
Additions	–	1,029	–	–
Fair value at end of the period/year	6,500	6,500	5,471	5,471

The Group measured investment in unquoted equity shares at fair value through profit or loss. The fair value of the financial assets was previously determined by an independent external valuer based on the adjusted net asset approach. There is no indication of impairment noted during 1H-2021.

**12. Share capital**

	<u>Group and Company</u>	
	<b>Number of issued shares '000</b>	<b>Share capital S\$'000</b>
Ordinary shares of no par value:		
Balance as at 30 June 2021 and 31 December 2020	353,800	56,144

There were no outstanding convertibles, treasury shares or subsidiary holdings held by the Company as at 30 June 2021 and 31 December 2020.

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

	<u>Group</u>	
	<b>Unaudited 30 June 2021 S\$'000</b>	<b>Audited 31 December 2020 S\$'000</b>
<u>Amount repayable by the Group in one year or less, or on demand</u>		
- Secured	185,889	175,053
- Unsecured	—	—
<u>Amount repayable by the Group after one year</u>		
- Secured	98,713	60,308
- Unsecured	—	—
Total	284,602	235,361

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

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

**14. Dividends on equity shares**

	<u>Rate per share – cents</u>		<u>Company</u>	
	<u>1H-2021</u>	<u>1H-2020</u>	<u>Unaudited 1H-2021 S\$'000</u>	<u>Unaudited 1H-2020 S\$'000</u>
First and final tax exempt (one-tier) dividend paid	1.18	0.50	4,175	1,769

**Other Information Required Under the SGX-ST Listing Manual Section B: Rules of Catalyst**

- 1(a) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

There were no treasury shares held by the Company.

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

There were no subsidiary holdings.

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

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

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

Not applicable.

- 3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:**

- (a) Updates on the efforts taken to resolve each outstanding audit issue.  
The latest financial statements are not subject to an adverse opinion, qualified opinion or disclaimer of opinion.
- (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

Not applicable.

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

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

**NET ASSET VALUE ("NAV")**

	Group		Company	
	As at 30 June 2021	As at 31 December 2020	As at 30 June 2021	As at 31 December 2020
NAV per share (cents)	28.84	27.58	17.06	18.16

NAV per share as at 30 June 2021 and as at 31 December 2020 have been computed based on the issued share capital of 353,800,000 shares.

5. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

**REVIEW OF THE GROUP'S PERFORMANCE**

**Revenue**

Revenue increased by S\$23.3 million or 33.6% from S\$69.1 million in 1H-2020 to S\$92.4 million in 1H-2021. The increase was mainly due to an increase in revenue in the Group's retail of pre-owned and new luxury items, pawnbroking and motor vehicle financing business segments.

**Other Gains**

Other gains decreased by S\$0.2 million or 15.0%, from S\$1.4 million in 1H-2020 to S\$1.2 million in 1H-2021. The decrease was mainly due to the absence of dividend income from available-for-sale investment of S\$0.3 million, offset by an increase in recognised government grant income.

**Material Costs**

Material costs increased by S\$16.1 million or 36.8% from S\$43.7 million in 1H-2020 to S\$59.8 million in 1H-2021. The increase in material costs was generally in line with the increase in revenue from the retail and trading of pre-owned and new luxury items segment in 1H-2021.

**Employee Benefits Expense**

Employee benefits expenses increased by S\$1.7 million or 23.1% from S\$7.4 million in 1H-2020 to S\$9.1 million in 1H-2021, mainly due to salary increments and adjustments as well as lower staff costs incurred in 1H-2020 due to the outlet closures during the lockdowns in Singapore and Malaysia.

**Depreciation and Amortisation Expenses**

Depreciation and amortisation expenses decreased by S\$0.3 million or 5.2% from S\$5.8 million in 1H-2020 to S\$5.5 million in 1H-2021. The decrease was mainly due to lower depreciation expense arising from the lower right-of-use assets brought forward from FY2020.

**Finance Costs**

Finance costs remained consistent in 1H-2021 as compared to 1H-2020.

**Other Losses**

Other losses remained consistent in 1H-2021 as compared to 1H-2020.

**Other Expenses**

Other expenses increased by S\$2.6 million or 291.1% from S\$0.9 million in 1H-2020 to S\$3.5 million in 1H-2021. This was due mainly to the absence of the rental rebates given by landlords and reduced expenditure in 1H-2020 due to the COVID-19 pandemic.

**Profit Before Tax**

As a result of the above, profit before tax increased by S\$3.0 million or 36.3% from S\$8.3 million in 1H-2020 to S\$11.3 million in 1H-2021.

**Income Tax Expense**

Income tax expense increased by S\$0.4 million or 27.6% from S\$1.7 million in 1H-2020 to S\$2.1 million in 1H-2021. The increase was mainly due to the increase in profit before tax in 1H-2021.



## **REVIEW OF THE GROUP'S FINANCIAL POSITION**

### **Non-Current Assets**

Non-current assets increased by S\$39.4 million or 38.7% from S\$101.9 million as at 31 December 2020 to S\$141.3 million as at 30 June 2021. The increase was mainly attributable to an increase in (i) right-of-use assets of S\$5.2 million arising from new and renewed leases; (ii) other assets, non-current of S\$1.6 million; and (iii) trade and other receivables, non-current of S\$32.4 million from an increase in loans extended to customers.

### **Current Assets**

Current assets increased by S\$25.7 million or 9.1% from S\$282.1 million as at 31 December 2020 to S\$307.8 million as at 30 June 2021. This was mainly due to (i) the built up in inventories of S\$17.4 million for expansion of outlets and (ii) an increase in trade and other receivables, current of S\$9.7 million mainly from an increase in loans extended to customers, offset by decrease in cash and cash equivalents of S\$1.3 million.

### **Non-Current Liabilities**

Non-current liabilities increased by S\$41.6 million or 62.1% from S\$66.9 million as at 31 December 2020 to S\$108.5 million as at 30 June 2021. This was mainly due to (i) increased drawdown of bank facilities of S\$38.4 million and (ii) an increase in lease liabilities, non-current of S\$3.1 million.

### **Current Liabilities**

Current liabilities increased by S\$18.4 million or 8.7% from S\$212.9 million as at 31 December 2020 to S\$231.3 million as at 30 June 2021. This was mainly due to an increase in (i) trade and other payables of S\$5.0 million; (ii) other financial liabilities, current of S\$10.8 million from increased drawdown of bank facilities; (iii) lease liabilities, current of S\$2.1 million and (iv) other liabilities of S\$0.8 million.

### **Equity Attributable to Owners of the Company**

Equity attributable to owners of the Company increased by S\$4.4 million or 4.6% from S\$97.6 million as at 31 December 2020 to S\$102.0 million as at 30 June 2021. The increase was mainly due to total comprehensive income attributable to owners of the Company of S\$8.6 million for 1H-2021, offset by payment of the final dividend in respect of FY2020 in 1H-2021 of S\$4.2 million.

## **REVIEW OF THE GROUP'S STATEMENT OF CASH FLOWS**

Net cash generated from operating activities before changes in working capital in 1H-2021 was S\$21.1 million. Net cash used in working capital amounted to S\$55.3 million. This was mainly due to an increase in trade and other receivables of S\$42.1 million, an increase in inventories of S\$17.4 million, and an increase in other assets of S\$1.5 million, partially offset by an increase in trade and other payables of S\$5.0 million and an increase in other liabilities of S\$0.7 million. Net cash used in operating activities amounted to S\$36.2 million after deducting income tax paid of S\$2.4 million.

Net cash used in investing activities in 1H-2021 amounted to S\$1.1 million, mainly due to purchase of plant and equipment in relation to our expansion in existing and new businesses of S\$1.1 million.

Net cash generated from financing activities in 1H-2021 of S\$37.5 million was mainly due to an increase in new bank borrowings of S\$62.4 million, partially offset by dividends paid, interest paid, repayment of lease liabilities and repayment of bank borrowings of S\$4.2 million, S\$4.2 million, S\$4.4 million and S\$12.1 million respectively.

As a result of the above, there was a net decrease of S\$0.3 million in cash and cash equivalents from a net cash balance of S\$14.3 million as at 31 December 2020 to S\$14.0 million as at 30 June 2021.

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

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

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

The Group notes that the region still faces ongoing economic uncertainty from the COVID 19 pandemic.

Notwithstanding the challenges brought about by the pandemic, the Group continues to seek for new business opportunities and to focus on enhancing its core capabilities. The Group will also prioritise its progress along its digitalisation roadmap to further increase its efficiency and productivity.

Barring any unforeseen circumstances, the Group expects to be profitable for FY2021.

8. **Dividend**

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

Nil

- (b) (i) **Amount per share**

Nil

- (ii) **Previous corresponding period**

Nil

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

Not applicable.

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

Not applicable.

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

Not applicable.

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

No dividend has been declared in respect of 1H-2021 as the Group continues to operate prudently and seeks to retain cash in the current economic environment. The board of directors of the Company ("Board") will assess if a declaration of dividends is warranted based on the performance of the Group for FY2021.

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

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920(1)(a)(ii) of the SGX-ST Listing Manual Section B: Rules of Catalist ("Catalist Rules").

11. **Confirmation by the issuer pursuant to Rule 720(1)**

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

**12. Negative confirmation by the Board pursuant to Rule 705(5)**

The Board confirms that, to the best of its knowledge, nothing has come to the attention of the Board which may render the unaudited financial statements for 1H-2021 of the Group and the Company to be false or misleading in any material aspect.

**13. Disclosure pursuant to Rule 706(A)**

Save as disclosed in the Company's announcement dated 11 August 2021 entitled "Announcement pursuant to Rule 706A of the Listing Manual", there was no acquisition or sale of shares by the Company during 1H-2021 which requires disclosure pursuant to Rule 706A of the Catalyst Rules.

**ON BEHALF OF THE BOARD OF DIRECTORS**

Lim Yong Guan  
Executive Chairman and CEO

Lim Yong Sheng  
Non-Executive Director

12 August 2021

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

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

*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.*