



EVERGREEN MAX CASH CAPITAL BERHAD

[Registration No. 202101028602 (1428902-D)]

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME ⁽¹⁾

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Note	31.12.2023 RM'000	31.12.2022 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
Revenue		22,729	21,501	97,524	67,173
Cost of sales		(13,721)	(15,091)	(65,001)	(43,737)
Gross profit		9,008	6,410	32,523	23,436
Other operating income		510	9,209	1,137	10,107
General and administration expenses		(1,324)	(1,211)	(8,263)	(6,413)
Profit from operations		8,194	14,408	25,397	27,130
Finance costs		(812)	(960)	(3,539)	(2,903)
Profit before tax	B4	7,382	13,448	21,858	24,227
Tax expense	B5	(1,886)	(907)	(6,171)	(4,176)
Total comprehensive income		5,496	12,541	15,687	20,051
Profit attributable to:					
Owners of the Company		5,496	12,541	15,687	20,051
Earnings per share ("EPS")					
Basic and diluted (sen) ^{(2) (3)}	B12	0.60	1.48	1.71	2.37

Notes:

- (1) The basis of preparation of this Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income has been set out in Note A1 of this interim financial report, and should be read in conjunction with the Accountants' Report as set out in the prospectus of Evergreen Max Cash Capital Berhad ("Company") dated 29 August 2023 in relation to its initial public offering ("IPO") ("Prospectus") as well as the accompanying explanatory notes in this interim financial report.
- (2) Computed based on total profit attributable to the owners of our Company divided by the weighted average number of ordinary shares in our Company ("Shares") in issue of 917,919,166 Shares and 847,302,499 Shares during the financial year ended ("FYE") 31 December 2023 and 31 December 2022 respectively.
- (3) Diluted EPS are equivalent to the basic EPS of our Company as our Company does not have any equity-dilutive instruments in issue during the FYE 31 December 2023 and 31 December 2022 respectively.



EVERGREEN MAX CASH CAPITAL BERHAD

[Registration No. 202101028602 (1428902-D)]

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION ⁽¹⁾

	Note	UNAUDITED 31.12.2023 RM'000	AUDITED 31.12.2022 RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment		2,825	3,092
Right-of-use assets		12,258	10,939
Investment properties		12,738	13,090
Goodwill		2,235	-
Intangible assets		840	-
		<u>30,896</u>	<u>27,121</u>
Current Assets			
Inventories		1,988	648
Trade receivables		200,843	165,292
Other receivables, deposit and prepayments		4,462	1,655
Current tax assets		101	420
Cash and bank balances		34,752	17,263
		<u>242,146</u>	<u>185,278</u>
TOTAL ASSETS		<u>273,042</u>	<u>212,399</u>
EQUITY AND LIABILITIES			
EQUITY			
Shares capital		152,238	90,026
Retained earnings		33,426	17,739
Merger reserves		20,350	20,350
TOTAL EQUITY		<u>206,014</u>	<u>128,115</u>
LIABILITIES			
Non-Current Liabilities			
Borrowings	B8	45,944	45,615
Lease liabilities	B8	13,616	12,926
Other payable		567	-
Deferred tax liabilities		181	156
		<u>60,308</u>	<u>58,697</u>
Current Liabilities			
Trade payables		129	114
Other payables and accruals		2,359	2,322
Borrowings	B8	1,996	21,247
Lease liabilities	B8	1,549	1,000
Current tax liabilities		687	904
		<u>6,720</u>	<u>25,587</u>
TOTAL LIABILITIES		<u>67,028</u>	<u>84,284</u>
TOTAL EQUITY AND LIABILITIES		<u>273,042</u>	<u>212,399</u>
Net assets per share attributable to owners of the Company (RM) ⁽²⁾	B13	<u>0.18</u>	<u>0.15</u>



EVERGREEN MAX CASH CAPITAL BERHAD

[Registration No. 202101028602 (1428902-D)]

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONTINUED) ⁽¹⁾

Notes:

- (1) The basis of preparation of this Unaudited Condensed Consolidated Statements of Financial Position has been set out in Note A1 of this interim financial report, and should be read in conjunction with the Accountants' Report as set out in the Prospectus as well as the accompanying explanatory notes in this interim financial report.
- (2) Computed based on total equity divided by the number of Shares in issue of 1,114,902,499 as at 31 December 2023 and 847,302,499 as at 31 December 2022 respectively.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]



EVERGREEN MAX CASH CAPITAL BERHAD

[Registration No. 202101028602 (1428902-D)]

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY ⁽¹⁾

	<----- Attributable to owners of the Company ----->			
	<--Non-Distributable-->		Distributable	
	Share capital	Merger reserves	Retained profits	Total
	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2022	90,026	20,350	(2,312)	108,064
Total comprehensive income for the financial period	-	-	20,051	20,051
Balance as at 31 December 2022	90,026	20,350	17,739	128,115
Balance as at 1 January 2023	90,026	20,350	17,739	128,115
Issuance of shares pursuant to IPO	62,212	-	-	62,212
Total comprehensive income for the financial period	-	-	15,687	15,687
Balance as at 31 December 2023	152,238	20,350	33,426	206,014

Note:

- (1) The basis of preparation of this Unaudited Condensed Consolidated Statements of Changes in Equity has set out in Note A1 of this interim financial report, and should be read in conjunction with the Accountants' Report as set out in the Prospectus as well as the accompanying explanatory notes in this interim financial report.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]



EVERGREEN MAX CASH CAPITAL BERHAD

[Registration No. 202101028602 (1428902-D)]

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS ⁽¹⁾

	CUMULATIVE QUARTER	
	UNAUDITED	UNAUDITED
	31.12.2023	31.12.2022
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	21,858	24,227
Adjustments for:		
Bad debts written off	46	22
Depreciation of:		
- investment properties	352	313
- property, plant and equipment	805	850
- right-of-use assets	1,559	1,302
Interest income	(445)	(8)
Interest expense	4,507	3,912
Loss on foreign exchange (unrealised)	924	306
Property, plant and equipment written off	7	88
Rental concession	(64)	(75)
Gain on disposal of property, plant and equipment	-	(47)
Gain on disposal of investment properties	-	(5,834)
Gain on disposal of other investment	-	(3,108)
Operating profit before working capital changes	29,549	21,948
Changes in working capital:		
Inventories	(1,251)	3,104
Trade receivables	(29,950)	(47,698)
Other receivables, deposits & prepayments	(2,710)	2
Trade payables	20	94
Other payable and accruals	(14)	303
Cash used in operations	(4,356)	(22,247)
Interest received	445	8
Interest paid	(69)	(213)
Tax paid	(6,018)	(4,938)
Net cash used in operating activities	(9,998)	(27,390)



EVERGREEN MAX CASH CAPITAL BERHAD

[Registration No. 202101028602 (1428902-D)]

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED) ⁽¹⁾

	CUMULATIVE QUARTER	
	UNAUDITED	UNAUDITED
	31.12.2023	31.12.2022
	RM'000	RM'000
Cash flows from investing activities		
Acquisition of property, plant and equipment	(406)	(282)
Proceed from disposal of property, plant and equipment	2	124
Acquisition of intangible assets	(840)	-
Acquisition of subsidiaries, net cash acquired	(2,272)	-
Addition of right-of-use assets	(1,961)	-
Proceed from disposal of investment properties	-	7,650
Proceed from disposal of other investments	-	5,604
Net cash (used in)/from investing activities	(5,477)	13,096
Cash flows from financing activities		
Proceeds from IPO	62,212	-
Drawdown of bank borrowings	6,000	50,202
Repayment of bank borrowings	(31,734)	(4,747)
Repayment of lease liabilities	(1,011)	(831)
Bank borrowing interest paid	(3,470)	(2,186)
Lease liabilities interest paid	(969)	(1,009)
Drawdown of lease liabilities	1,940	-
Loan interest paid	-	(504)
Net change in advance from related companies	-	(8,778)
Net cash from financing activities	32,968	32,147
Net increase in cash and cash equivalents	17,493	17,853
Cash and cash equivalents at beginning of the financial period	17,258	(595)
Cash and cash equivalents at end of the financial period	34,751	17,258
Cash and bank balances	34,752	17,263
Less: Bank overdraft	(1)	(5)
	34,751	17,258

Note:

- (1) The basis of preparation of this Unaudited Condensed Consolidated Statements of Cash Flows has been set out in Note A1 of this interim financial report, and should be read in conjunction with the Accountants' Report as set out in the Prospectus as well as the accompanying explanatory notes in this interim financial report.



EVERGREEN MAX CASH CAPITAL BERHAD

[Registration No. 202101028602 (1428902-D)]

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134 - INTERIM FINANCIAL REPORTING

A1. Basis of Preparation

This interim financial report of our Company and subsidiaries (collectively, “**Group**”) are unaudited and have been prepared in accordance with MFRS 134 - Interim Financial Reporting, and Rule 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) (“**Listing Requirements**”). These unaudited condensed consolidated interim financial statements also comply with the International Accounting Standards (“**IAS**”) 34 - Interim Financial Reporting issued by the International Accounting Standards Board.

This unaudited interim financial report should be read in conjunction with the Accountants’ Report as set out in the Prospectus as well as the accompanying explanatory notes in this interim financial report.

A2. Summary of Significant Accounting Policies

The significant accounting policies and presentation adopted by our Group in this interim financial report are consistent with those adopted in the preparation of the Accountants’ Report as disclosed in the Prospectus for the adoption of following Amendments to MFRSs:

- (a) Our Group has adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):

MFRSs and/or IC Interpretations (including the consequential amendments)	Effective Date
MFRS 17: Insurance Contracts	1 January 2023
Amendment to MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 17: Initial Application of MFRS 17 and MFRS 9 – corporation information	1 January 2023
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on our Group’s interim financial report.

- (b) Our Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board but are not yet effective for the current financial period:

MFRSs and/or IC Interpretations (including the consequential amendments)	Effective Date
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 121: Lack of exchangeability	1 January 2025
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between An Investor and its Associate or Joint Venture	Deferred

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is not expected to have any material impact on the financial statements of our Group upon their initial application.



EVERGREEN MAX CASH CAPITAL BERHAD

[Registration No. 202101028602 (1428902-D)]

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023

PART A – SELECTED EXPLANATORY NOTES PURSUANT TO MFRS 134 - INTERIM FINANCIAL REPORTING (CONTINUED)

A3. Auditors' Report on Preceding Annual Financial Statements

There was no qualification on the audited financial statements of our Group for the financial year ended 31 December 2022.

A4. Seasonal or Cyclical Factors

Our Group's pawnbroking business is subject to seasonal demand whereby redemption of pawn loans are typically higher prior to festive seasons (such as Hari Raya), whilst demand for pawn loans are typically higher after festive seasons.

A5. Material Unusual Items

There were no material unusual items affecting assets, liabilities, equity, net income or cash flows of our Group during the current and cumulative financial quarters under review.

A6. Material Changes in Estimates

There were no material changes in estimates for the current and cumulative financial quarters under review.

A7. Debt and Equity Securities

Our Company had on 25 September 2023 issued and allotted 267,600,000 new Shares at an issue price of RM0.24 each in conjunction with our Company's listing on the ACE Market of Bursa Securities. The entire enlarged issued share capital of our Company of RM152.2 million comprising 1,114,902,499 Shares were listed on the ACE Market of Bursa Securities on 26 September 2023 ("**Listing**").

Save as disclosed above, there were no other issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current and cumulative financial quarters under review.

A8. Dividend Paid

There were no dividend paid during the current and cumulative financial quarters under review.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]



EVERGREEN MAX CASH CAPITAL BERHAD

[Registration No.: 202101028602 (1428902-D)]

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023

PART A – SELECTED EXPLANATORY NOTES PURSUANT TO MFRS 134 - INTERIM FINANCIAL REPORTING (CONTINUED)

A9. Segment Information

Our Chief Financial Officer reviews our Group's internal management reports on a monthly basis and conducts performance dialogues with the business units on a regular basis. For management purposes, our Group is organised into business units based on the nature of revenue stream generated, namely pawnbroking, retail and trading of gold and luxury products as well as others (which comprise our Group's businesses of provisions of pawnbroking consultancy services as well as information technology solutions to third party pawnbrokers). No geographical segmental analysis is prepared as our Group operates predominantly in Malaysia.

Cumulative Quarter Ended 31 December 2023	Gold and luxury products retail and trading		Others	Consolidation adjustments	Total
	Pawnbroking	and trading			
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External revenue	34,044	63,461	19	-	97,524
Inter-segment revenue	48,370	-	6,166	(54,536)	-
Total	82,414	63,461	6,185	(54,536)	97,524
Segment results					
Operating results	17,690	5,871	1,391	-	24,952
Finance income	-	-	445	-	445
Finance costs	(1,480)	-	(2,059)	-	(3,539)
Profit/(loss) before tax	16,210	5,871	(223)	-	21,858
Tax expense	(4,487)	(1,416)	(268)	-	(6,171)
Net profit/(loss) after tax	11,723	4,455	(491)	-	15,687
Segment assets	216,486	20,950	35,606	-	273,042
Segment liabilities	40,783	2,026	24,219	-	67,028
Depreciation	2,515	84	117	-	2,716



EVERGREEN MAX CASH CAPITAL BERHAD

[Registration No.: 202101028602 (1428902-D)]

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023

PART A – SELECTED EXPLANATORY NOTES PURSUANT TO MFRS 134 - INTERIM FINANCIAL REPORTING (CONTINUED)

A9. Segment Information (continued)

Cumulative Quarter Ended 31 December 2022	Pawnbroking	Gold and luxury products retail and trading	Others	Consolidation adjustments	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External revenue	28,414	37,744	1,015	-	67,173
Inter-segment revenue	17,543	-	4,519	(22,062)	-
Total	45,957	37,744	5,534	(22,062)	67,173
Segment results					
Operating results	20,345	955	5,822	-	27,122
Finance Income	-	-	8	-	8
Finance costs	(364)	-	(2,539)	-	(2,903)
Profit/(loss) before tax	19,981	955	3,291	-	24,227
Tax expense	(3,690)	(227)	(259)	-	(4,176)
Net profit/(loss) after tax	16,291	728	3,032	-	20,051
Segment assets	194,784	1,516	16,099	-	212,399
Segment liabilities	40,283	59	43,942	-	84,284
Depreciation	2,301	49	115	-	2,465



EVERGREEN MAX CASH CAPITAL BERHAD

[Registration No.: 202101028602 (1428902-D)]

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023

PART A – SELECTED EXPLANATORY NOTES PURSUANT TO MFRS 134 - INTERIM FINANCIAL REPORTING (CONTINUED)

A10. Significant Events During and After the Current Financial Reporting Period

Our Company had entered into the following acquisition agreements:

- (i) On 21 December 2023, our Company had entered into a share sale agreement with Cheng Tuck Soon, Lim Ya Hoh and Liue Seow Peng for the acquisition by our Company of the entire equity interest in Pajak Gadai SenangKaya Sdn Bhd (“**PG SNK**”) for a total cash consideration of RM2,000,000 (“**Acquisition of PG SNK**”). The principal activity of PG SNK is provision of pawnbroking services, whereby the said acquisition company currently owns and operates a pawnshop at Gombak, Kuala Lumpur.

The purchase consideration was arrived at on a willing buyer willing seller basis after taking into consideration, amongst others, the following estimated financial results of PG SNK as at 31 December 2023 (unaudited):

- (a) outstanding pawn loans and pawn interest receivables totalling RM1.4 million; and
- (b) net assets of RM1.7 million.

Barring unforeseen circumstances, the said acquisition is expected to be completed by end of the 1st quarter of 2024.

- (ii) On 21 December 2023, our Company had entered into a share sale agreement with Chua Chin Soon for the acquisition by our Company of the entire equity interest in Pawn Shop Century First Sdn Bhd (“**PG CF**”) for a total cash consideration of RM1,400,000 (“**Acquisition of PG CF**”). The principal activity of PG CF is provision of pawnbroking services, whereby the said acquisition company currently owns and operates a pawnshop at Genting Klang Setapak, Kuala Lumpur.

The purchase consideration was arrived at on a willing buyer willing seller basis after taking into consideration, amongst others, the following estimated financial results of PG CF as at 31 December 2023 (unaudited):

- (a) outstanding pawn loans and pawn interest receivables totalling RM0.7 million; and
- (b) adjusted net assets of RM0.9 million.

Barring unforeseen circumstances, the said acquisition is expected to be completed by end of the 1st quarter of 2024.

- (iii) On 30 December 2023, Cahaya Gold & Jewellery Sdn Bhd (“**Cahaya Gold**”), a wholly-owned subsidiary of our Company, had entered into a business takeover agreement with Koperasi Cahaya Al-Kifayah Berhad (“**Koperasi**”) for the acquisition by Cahaya Gold of the assets and business of Koperasi Cahaya for a total cash consideration of RM5,300,000. The principal activity of Koperasi Cahaya is provision of Islamic pawnbroking services, whereby the company currently owns and operates a pawnshop at Sri Kembangan, Selangor.



EVERGREEN MAX CASH CAPITAL BERHAD

[Registration No.: 202101028602 (1428902-D)]

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023

PART A – SELECTED EXPLANATORY NOTES PURSUANT TO MFRS 134 - INTERIM FINANCIAL REPORTING (CONTINUED)

A10. Significant Events During and After the Current Financial Reporting Period (Continued)

The purchase consideration was arrived at on a willing buyer willing seller basis after taking into consideration, amongst others, the following estimated financial results of Koperasi Cahaya as at 31 December 2023 (unaudited):

- (a) net book value of the pawned items at Koperasi Cahaya of RM4.2 million; and
- (b) pawn interests receivables of RM0.2 million.

Barring unforeseen circumstances, the said acquisition is expected to be completed by end of the 1st quarter of 2024.

- (iv) On 8 January 2024, our Company had entered into a share sale agreement with Wong Kam Mun for the acquisition by our Company of the entire equity interest in Pajak Gadai Evolusi Temerloh Sdn Bhd ("**PG EVO**") for a total cash consideration of RM50,000 ("**Acquisition of PG EVO**"). The acquisition company is currently dormant but owns a pawnbroking license to carry out pawnbroking services in Pahang.

Barring unforeseen circumstances, the said acquisition is expected to be completed by end of the 1st quarter of 2024.

All the abovementioned acquisition exercises:

- (i) were funded through a combination of our Group's internally-generated funds and proceeds raised from our IPO which have been allocated for funding the expansion of our pawnshops. Please refer to note B7 for further details on the status of utilisation of the proceeds raised from our IPO; and
- (ii) are not subject to our shareholders' approvals as the highest percentage ratio applicable of each individual acquisition exercise is less than 5%.

On 24 November 2023, our Company announced that our Company proposed to establish an employees' share option scheme ("**ESOS**") which involves up to 10% of our Company's total number of issued ordinary shares, excluding treasury shares, if any, at any point in time during the duration of the ESOS for the eligible Directors and/or employees of our group of companies ("**Group**"), excluding dormant and foreign subsidiaries, if any ("**Proposed ESOS**").

The Proposed ESOS is subject to, amongst others:

- (i) Bursa Securities' approval for the listing of and quotation of additional new ordinary shares in our Company ("**Shares**"), representing up to 10% of our Company's total number of issued Shares, excluding treasury Shares, if any, to be issued pursuant to the Proposed ESOS on the ACE Market of Bursa Securities; and
- (ii) our Company's shareholders' approval at an extraordinary general meeting to be convened.

Barring unforeseen circumstances, our Company expects to convene the said extraordinary general meeting by the 2nd quarter of 2024.

Save as disclosed above, there have been no other significant events incurring after the last financial reporting period of 30 September 2023.



EVERGREEN MAX CASH CAPITAL BERHAD

[Registration No.: 202101028602 (1428902-D)]

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023

PART A – SELECTED EXPLANATORY NOTES PURSUANT TO MFRS 134 - INTERIM FINANCIAL REPORTING (CONTINUED)

A11. Capital Commitments

There were no material capital commitments during the current financial quarter under review.

A12. Contingent Assets and Liabilities

There were no contingent assets and liabilities as at 31 December 2023.

A13. Fair Value of Financial Liabilities

There were no gains or losses arising from fair value changes of our Group's financial liabilities during the current financial quarter under review.

A14. Valuation of Property, Plant and Equipment

There were no valuation being carried out on our Group's property, plant and equipment during the current financial quarter under review.

A15. Changes in the Composition of the Group

There were no changes in our Group's composition during the current financial quarter under review.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]



EVERGREEN MAX CASH CAPITAL BERHAD

[Registration No.: 202101028602 (1428902-D)]

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023

PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENT OF BURSA SECURITIES

B1. REVIEW OF PERFORMANCE FOR CURRENT QUARTER AND FINANCIAL PERIOD TO DATE

Comparison between the current financial quarter i.e. 4th quarter of the financial year ending 31 December 2023 (“4Q 2023”) as compared to the 4th quarter of the financial year ended 31 December 2022 (“4Q 2022”)

Our Group revenue grew by RM1.2 million (5.7%) to RM22.7 million from RM21.5 million in 4Q 2023 as compared to the 4Q 2022 mainly due to increase in our pawnbroking revenue by RM1.1 million (13.6%) from RM8.1 million to RM9.2 million as result of higher pawn loans disbursed by RM16.3 million (18.5%) during the 4Q 2023.

Driven by the higher revenue from our pawnbroking business, our Group recorded an increase in gross profit of RM2.6 million (40.5%) during the 4Q FYE 2023 as compared to the 4Q FYE 2022.

However, our Group’s recorded a lower net profit of RM5.5 million during the 4Q 2023 as compared to a net profit of RM12.5 million during the 4Q 2022. The lower net profit recorded during the 4Q 2023 was mainly due to the absence of a one-off gain on disposal of investment properties and other investment totalling RM8.9 million during the 4Q 2022.

Comparison between the cumulative financial quarter to date i.e. FYE 31 December 2023 as compared to the FYE 31 December 2022

Our Group revenue grew by RM30.3 million (45.1%) to RM97.5 million from RM67.2 million during the FYE 31 December 2023 as compared to the FYE 31 December 2022 mainly due to the following key factors:

- (i) higher revenue from our pawnbroking business by RM5.9 million (20.9%) as a result of higher pawn loans disbursed by RM48.9 million (13.9%) during the FYE 31 December 2023. The increase in pawn loans disbursed was mainly due to availability of more cash capital for our pawnbroking business *via* drawdown of banking facilities in June 2022 and December 2022 totalling RM42.0 million; and
- (ii) higher revenue from our gold and luxury products retail and trading business by RM25.2 million (67.4%) mainly due to:
 - (a) higher sales volume of unredeemed pledged items under our pawnbroking business that are not in good condition (FYE 31 December 2023: 133.0kg; FYE 31 December 2022: 82.6kg) to gold trading companies and scrap gold collectors by RM16.4 million (76.6%). These sales were part of our cash recovery process under our pawnbroking business; and
 - (b) higher sales value of pre-owned gold products mainly due to the following key factors:
 - (aa) higher sales volume of pre-owned gold products (FYE 31 December 2023: 76.5 kg; FYE 31 December 2022: 46.9 kg) whereby the increase was mainly due to higher acquisition of pre-owned gold products from the following for onward sales:
 - (1) unredeemed pledged gold items that are in good condition under our pawnbroking business for onward retail sales at our “Cahaya Gold” retail outlets (FYE 31 December 2023: 61.8kg; FYE 31 December 2022: 33.2kg); and
 - (2) pre-owned gold products sourced from other third party pawnshops for onward sales to others (FYE 31 December 2023: 17.1kg; FYE 31 December 2022: 14.3kg); and



EVERGREEN MAX CASH CAPITAL BERHAD

[Registration No.: 202101028602 (1428902-D)]

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023

PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENT OF BURSA SECURITIES (CONTINUED)

B1. REVIEW OF PERFORMANCE FOR CURRENT QUARTER AND FINANCIAL PERIOD TO DATE (CONTINUED)

(bb) an average increase in gold price by approximately 13.0% during the FYE 31 December 2023.

Driven by the increase in revenue, our Group recorded an increase in gross profit by RM9.1 million (38.8%) during the FYE 31 December 2023 as compared to the FYE 31 December 2022.

However, our Group's recorded a lower net profit of RM15.7 million during the FYE 31 December 2023 as compared to a net profit of RM20.1 million during the FYE 31 December 2022. The lower net profit recorded during the FYE 31 December 2023 was mainly due to:

- (i) absence of a one-off gain on disposal of investment properties and other investment totalling RM8.9 million during the FYE 31 December 2022; and
- (ii) higher general and administrative expenses by RM1.9 million which was mainly due to the IPO listing expense incurred during the FYE 31 December 2023 of RM1.7 million (FYE 31 December 2022: RM0.8 million).

B2. PROSPECTS

Our Board of Directors ("**Board**") is optimistic of our Group's prospects after having considered, amongst others, our future plans as follows:

(i) Expansion of our pawnbroking business

Our Group is committed to continue growing our pawnbroking business as we foresee that there will be continuing and increasing demand for pawn loans, especially amongst the unbanked and underbanked population in Malaysia.

As part of our expansion plan, we are in the midst of completing the 4 acquisition exercises as further detailed in note A10 above. These acquisition exercises, when completed, would enable our Group to operate 2 additional pawnshops in Kuala Lumpur as well as 1 additional pawnshop each in Selangor and Pahang. This in turn would allow our Group to expeditiously grow our chain of pawnshops from currently 24 pawnshops to 28 pawnshops.

In addition to the 4 acquisition exercises as mentioned in note A10 above, our Company is also in the midst of identifying other suitable locations to open additional "Pajaking" pawnshops in Kuala Lumpur, Selangor and Pahang using part of the proceeds raised from our IPO that have been allocated to fund the expansion of our pawnshops. Our continuous efforts to increase the number of pawnshops we operate would in turn enable us to grow our pawnbroking business and market visibility substantially.

In addition, we have also allocated RM30.0 million of the proceeds raised from our IPO to fund the additional cash capital requirements of our existing pawnbroking business. The increase in cash capital would in turn enable our "Pajaking" pawnshops to disburse more pawn loans to our pawnbroking customers and thereby, enabling us to earn more interest income from the pawn loans disbursed.



EVERGREEN MAX CASH CAPITAL BERHAD

[Registration No.: 202101028602 (1428902-D)]

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023

PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENT OF BURSA SECURITIES (CONTINUED)

B2. PROSPECTS (CONTINUED)

(ii) Increase market visibility of our gold and luxury products retail and trading business

We recognise the importance of digital marketing in the current business environment and are increasing our efforts in online advertising and promotions in order to enhance the digital presence of our gold products retail business. As part of this strategy, we intend to, amongst others, continue investing into sponsored advertisements in order to further advertise our gold products retail business as well as to recruit additional online sales teams so to grow the digital retail sales of our gold products.

B3. VARIANCE OF ACTUAL PROFIT FROM PROFIT FORECAST OF PROFIT GUARANTEE

Our Group did not issue any profit forecast or profit guarantee in any form of public documentation and announcement.

B4. PROFIT BEFORE TAX

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	RM'000	RM'000	RM'000	RM'000
Profit before taxation is arrived at after charging/(crediting):				
Bad debts written off	-	8	46	22
Depreciation of:				
- investment properties	151	75	352	313
- property, plant and equipment	210	207	805	850
- right-of-use assets	588	318	1,559	1,302
Interest expense	1,065	1,206	4,507	3,912
Interest income	(292)	(3)	(445)	(8)
Loss/(gain) on foreign exchange (unrealised)	(542)	(1,002)	924	306
Listing expense in relation to our IPO	-	810	1,671	810
Rental income from investment property	137	226	590	1,021

Save as disclosed above, the other disclosure items pursuant to paragraph 16 of Appendix 9B of the Listing Requirements are not applicable.



EVERGREEN MAX CASH CAPITAL BERHAD

[Registration No.: 202101028602 (1428902-D)]

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023

PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENT OF BURSA SECURITIES (CONTINUED)

B5. INCOME TAX EXPENSE

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	RM'000	RM'000	RM'000	RM'000
Current tax recognised in profit or loss:				
- Malaysian income tax	1,886	907	6,171	4,176
Effective tax rate (%)	25.55%	6.75%	28.23%	17.24%
Statutory income tax rate (%)	24.00%	24.00%	24.00%	24.00%

Our Group's effective tax rate during the current financial quarter and FYE 31 December 2023 are higher than the statutory income tax rate of 24.0% mainly due to non-deductible expenses such as unrealised foreign exchange loss and one-off listing expenses in respect of our IPO.

The lower effective tax rate of 6.75% during the 4Q 2022 as compared to the statutory income tax rate of 24.0% was mainly due to gain on disposal of investment properties totalling RM5.8 million was only subject to 10% real property gains tax while the gain on disposal of our entire equity interest in a former subsidiary company amounting to RM3.1 million was not subject to tax.

B6. STATUS OF CORPORATE PROPOSAL

Save for the Proposed ESOS as mentioned in note A10 above, there are no corporate proposals being announced by our Company which are pending completion as at the date of this report:

B7. UTILISATIONS OF PROCEEDS FROM FUND RAISING EXERCISE

Save for the IPO, our Company has not undertaken any other fund raising exercise in the past 12 months up to the date of this report. As at the latest practical date of 14 February 2024, the status of utilisations of the proceeds raised from the IPO amounting to RM64.2 million are as follows:

Purpose	Proposed Utilisation	Utilised Amount	Balance Unutilised	Estimated timeframe for utilisation from the Listing date
	RM'000	RM'000	RM'000	
Expansion of pawnshops	20,000	7,686	12,314	Within 24 months
Cash capital for our pawnbroking business	30,000	13,556	16,444	Within 24 months
Repayment of bank borrowings	4,000	4,000	-	Within 1 month
Working capital	5,624	5,624	-	Within 12 months
Estimated listing expenses	4,600	4,600	-	Within 1 month
Total	64,224	35,466	28,758	

The utilisation of proceeds as disclosed above should be read in conjunction with the Prospectus.



EVERGREEN MAX CASH CAPITAL BERHAD

[Registration No.: 202101028602 (1428902-D)]

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023

PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENT OF BURSA SECURITIES (CONTINUED)

B8. BORROWINGS

	UNAUDITED 31.12.2023 RM'000	AUDITED 31.12.2022 RM'000
<u>Current Liabilities</u>		
<u>Secured</u>		
- Revolving credit	-	20,000
- Bank overdraft	1	5
- Term loan	1,995	1,242
<u>Unsecured</u>		
Lease liabilities	1,549	1,000
	<u>3,545</u>	<u>22,247</u>
<u>Non-Current Liabilities</u>		
<u>Secured</u>		
Term loan	22,994	23,540
<u>Unsecured</u>		
- USD-denominated borrowing	22,950	22,075
- Lease liabilities	13,616	12,926
	<u>59,560</u>	<u>58,541</u>
Total Liabilities	<u>63,105</u>	<u>80,788</u>

All borrowings are denominated in Ringgit Malaysia except for the USD-denominated borrowing which is denominated in the United States Dollar.

B9. DERIVATIVES

Our Group did not enter into any derivatives during the current financial quarter and financial period to date under review.

B10. MATERIAL LITIGATION

As at the date of this report, our Group is not engaged in any material litigation, claims and/or arbitration either as plaintiff or defendant which may have a material effect on the financial position or business of our Group and our Board is not aware of any proceedings, pending or threatened, or of any fact likely to give rise to any proceedings which may materially and adversely affect the financial position or business of our Group.



EVERGREEN MAX CASH CAPITAL BERHAD

[Registration No.: 202101028602 (1428902-D)]

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023

PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENT OF BURSA SECURITIES (CONTINUED)

B11. DIVIDEND PROPOSED

No dividend was declared or recommended for payment by our Board during the current financial quarter and financial period to date.

B12. EPS

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	RM'000	RM'000	RM'000	RM'000
Profit attributable to owners of our Company	5,496	12,541	15,687	20,051
Weighted average number of Shares in issue	⁽¹⁾ 917,919,166	⁽¹⁾ 847,302,499	⁽¹⁾ 917,919,166	⁽¹⁾ 847,302,499
Basic/Diluted EPS (sen) ⁽²⁾	0.60	1.48	1.71	2.37

Notes:

(1) Computed as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Weighted average number of Shares in issue at the beginning of the financial reporting period	847,302,499	847,302,499	847,302,499	847,302,499
Effect of 267,600,000 new Shares issued on 25 Sep 2023 pursuant to our Company's IPO	70,616,667	-	70,616,667	-
Weighted average number of Shares in issue at the end of the financial reporting period	917,919,166	847,302,499	847,302,499	847,302,499

(2) Our Group's basic earnings per Share is equivalent to diluted earnings per Share as our Company does not have any equity-dilutive instruments in issue as at the end of the respective financial periods.



EVERGREEN MAX CASH CAPITAL BERHAD

[Registration No.: 202101028602 (1428902-D)]

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023

PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENT OF BURSA SECURITIES (CONTINUED)

B13. NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDER

	UNAUDITED	AUDITED
	31.12.2023	31.12.2022
	RM'000	RM'000
Net assets attributable to owners of our Company	206,014	128,115
Number of Shares in issue	1,114,902,499	847,302,499
Net assets per Share attributable to owners of our Company (RM)	0.18	0.15

By Order of the Board

Low Kai Loon

Executive Director

23 February 2024