

EVERGREEN MAX CASH CAPITAL BERHAD (“EMCC” OR “THE COMPANY”)

- ACCEPTANCE OF RM60,000,000.00 SHORT TERM REVOLVING CREDIT FACILITY FROM MALAYAN BANKING BERHAD

(1) Introduction

The Board of Directors of EMCC wishes to announce that EMCC had on 5 November 2024 accepted a letter of offer from Malayan Banking Berhad (“**MBB**”) for a short-term revolving credit facility of RM60,000,000.00 (“**The Facility**”).

(2) Details and Salient Terms of the Facility

Facility	: Short Term Revolving Credit
Limit of facility	: RM60,000,000.00
Interest rate	: Cost of funds (COF) + 1.75% per annum
Purpose	: To finance the cash capital of its pawnbroking business of selected subsidiaries identified by MBB
Repayment	: Repayment on demand

The Facility is subject to the Company entering into a formal facility agreement with MBB.

The Facility is to be secured by the following:

- Debenture incorporating fixed and floating charge over the selected subsidiaries’ pawned loans receivables and interest receivables on pawned loans;
- Letter of subordination of all present and future advances and/or loan and/or other form of advances or equity to the selected subsidiaries;
- Irrevocable and unconditional letter of undertaking from controlling shareholders will remain as the controlling shareholders of the Company;
- Irrevocable and unconditional letter of undertaking from certain key management to remain in their respective roles in the Company; and
- Assignment on and the yearly renewal of the jewellers block insurance of the selected subsidiaries with MBB’s interest endorsed.

(3) Financial Effects

(a) Share Capital and Substantial Shareholders’ Shareholdings

The Facility will not have any effect on the issued share capital of the Company and the substantial shareholders’ shareholdings in the Company.

(b) Net Assets

The Facility is not expected to have any effect on the net assets of the Company for the financial year ending 31 December 2024.

(c) Gearing

The pro forma effects of the Facility on the gearing of EMCC and its subsidiaries (“**the Group**”) based on the audited consolidated net assets of EMCC as at 31 December 2023 are set out below:

	Audited as at 31 December 2023	Upon Full drawdown of the Facility
	RM’000	RM’000
Share capital	150,960	150,960
Retained earnings	62,855	62,855
Total equity	213,815	213,815
Total borrowings (’000)	47,940	107,940
Gearing ratio (times)	0.22	0.51

(d) Earnings and Earnings per share (“EPS”)

The utilisation of the Facility is expected contribute positively to the earnings and EPS of the Group for the financial year ending 31 December 2024. However, the Group will incur a non-recurring expense of RM1.5 million upon accepting the Facility.

(4) Directors and major shareholders’ interest

None of the Directors, major shareholders of the Company and/or person connected with them have an interest, direct or indirect in the Facility.

(5) Approval required

The Facility is not subject to the approval of the shareholders of EMCC.

(6) Directors’ statements

The Board of EMCC having considered all aspects of the Facility, is in the opinion that the Facility is in the ordinary course of business and is in the best interest of the Group.

This announcement is dated 5 November 2024.