



## Revitalising A Time-Honoured Trade: MoneyMax Financial Services

From its inception, MoneyMax Financial Services has proven to be a dynamic enterprise that has breathed new life into traditional pawnbroking with a modern touch. It has ventured into uncharted frontiers and achieved sustained growth, thanks to an innovative approach that is as precious as the assets it handles.

Established in 2008 by the family behind the SK Jewellery Group, MoneyMax Financial Services emerged at a time when Group Chairman Lim Yong Guan and his siblings contemplated diversifying their business. Although navigating unfamiliar waters initially presented challenges, the synergy between jewellery retail and the modernised pawnbroking business they aimed to create was undeniable.

The family recognised many complementary aspects and opportunities for knowledge-sharing between the two businesses. For example, the group's existing retail staff brought to the table an expertise in customer service and the appraisal of premium jewellery. This skill set dovetailed with MoneyMax's proposed business model: Crafting a customer-focused pawnbroking and retail experience. Its stores — which have extended operating hours, with regulatory approval — accommodate late-night visits and cater to customers who are only able to visit after work. The outlets' brightly lit, grill-free interiors — which feature sleek lines and strategically placed pawnbroking counters at the back for privacy — offered a new perspective on the traditional pawnbroking industry at the time of the company's debut.



General Manager Lim Chun Seng (second from left) opens MoneyMax's 90th store with SK Jewellery Group Chairman Lim Yong Guan (centre) and other members of the executive team, in May 2023. The new store is located at Sengkang Grand Mall.

This innovative approach has catalysed transformation within a largely conventional sector. Today, MoneyMax operates more than 90 outlets across Singapore and Malaysia, and is listed on the Catalist Board of the Singapore Exchange. In recent years, second-generation leaders such as General Manager Lim Chun Seng, who joined in 2017, have further diversified the group’s ventures into automotive financing and leasing — harnessing its already established know-how and experience once more.

### **Unearthing opportunities**

A hallmark of MoneyMax’s business sustainability and growth strategy lies in its ability to discern market trends, identify opportunities and embrace innovation. In 2015, MoneyMax became Singapore’s first pawnbroking chain to launch a three-in-one online platform, MoneyMax Online. This mobile application allowed customers to shop, sell and appraise their valuables. Observing a rising demand for luxury goods and an increasing acceptance and interest in pre-owned luxury items, the customer-centric company broadened its services in the subsequent year to include pawn, sell and trade-in options for luxury bags and accessories.

Last year, MoneyMax started its drive-through pawnbroking services in Malaysia. “Given that the majority of Malaysians either drive or ride a motorcycle, a drive-through service offers convenience, a certain level of safety, and privacy,” Chun Seng explains. Continually reflecting on customer feedback and needs, he and his team found inspiration in the popular concept of fast-food drive-throughs. Today, MoneyMax operates six such facilities in Malaysia, with plans to introduce more within that country by the end of 2023.



*A customer utilising MoneyMax’s innovative drive-through pawnbroking service in Malaysia, a novel convenience that is helping to drive the company into a new era.*

### Resilience shines through

Although the COVID-19 pandemic tested the company’s resilience, MoneyMax found ways to leverage considerable opportunities — particularly in digitisation — amid the crisis. Fuelled by determination and operational urgency, the group automated several human resource processes, streamlined inventory management and introduced a mobile application for online interest payments for customers. These were accomplished “to make things easier for everybody”, Chun Seng explains. “The whole idea was to shift some of these recurring transactions online for speed and convenience. We wanted to free up people’s time from mundane and recurring tasks. For the staff, it was to free up time to focus on valuable initiatives like serving customer needs.” However, Chun Seng believes the true “benefit” of the pandemic has been a societal shift in thinking. “You can see people’s mindset changing to become more go-getting,” he observes. “There’s motivation and determination to overcome inertia and find solutions quickly.”

The group also initiated a rather novel funding initiative by raising funds through the issuance of commercial papers with digital assets platform ADDX, Chun Seng shares. “This came about because we wanted to diversify our pool of funding,” he elaborates. “This breakthrough gives us access to equity investors across the world, even while our primary focus is on Singapore. We now have much more flexibility when it comes to allocating our funds and raising capital for future business needs.”

### Capitalising on the future

As a second-generation leader in the business, Chun Seng, who read law in the United Kingdom, initially harboured no aspirations of joining MoneyMax. “When I was growing up, I always thought that I wanted to be a professional,” he recalls. “But after returning to Singapore and talking with my dad, I realised we shared the same thinking and ideas for the company’s future.” At the time, the company was deeply rooted and “more entrenched” in the branding of a pawnshop and retailer. However, its ambition was to evolve into a “provider of financial services”. “That’s why our listed entity name is MoneyMax Financial Services, not MoneyMax pawnshop,” he explains.



*Steering success: Another MoneyMax drive-through pawnbroking outlet, this time in Bandar Baru Uda, Johor Bahru.*

Chun Seng was equally intrigued by the prospect of pioneering a new line of business, and the idea of innovation. He was less interested in the notion of being “parachuted in” and “reinventing the wheel” of a well-established pawnshop and retail business. Nevertheless, he understood the necessity of

restraint. It was crucial for him to resist the urge to hastily introduce changes or launch new initiatives just because he had joined the company. Instead, he and his team devoted considerable time researching the industry and testing their product with several pilot projects, before confirming that there was a promising, viable market brimming with growth opportunities for the company.

Aware of his status as the “the new guy”, Chun Seng was keen to learn from his missteps quickly. “What you learn in school does not necessarily equip you with the skill set for running a business,” he notes. “I was lucky to have mentors in the company, who really shared their knowledge and experience with me, and taught and guided me along the way.” Ultimately, Chun Seng understands that embracing change, though uncomfortable at first, is critical for growth. “If you don’t switch, you don’t grow,” he asserts.

And so, as MoneyMax forges ahead, that growth mindset — coupled with its zest for innovative solutions — signals its readiness for the future. The company’s goal of establishing 100 outlets in the future is a testament to its enduring commitment to growth and service excellence.