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**PROPOSED ACQUISITION OF SHARES IN  
BAN JOO PAWNSHOP PTE LTD**

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**1 INTRODUCTION**

The board of directors (the “**Board**” or “**Directors**”) of Moneymax Financial Services Ltd. (the “**Company**”) is pleased to announce that Moneymax Express Pte. Ltd. (the “**Purchaser**”), a wholly owned subsidiary of the Company, has on 18 June 2018, entered into a conditional share purchase agreement (the “**SPA**”) with Lee Hiok Kee (Private) Limited (the “**Vendor**”) in relation to the proposed acquisition of the entire issued and paid-up share capital of Ban Joo Pawnshop Pte Ltd (“**Ban Joo**”) (the “**Proposed Acquisition**”).

**2 INFORMATION ON BAN JOO**

Ban Joo is a company incorporated in Singapore on 21 June 2011, and carries on a licensed pawn broking business at #01-15 Block 1, Tanjong Pagar Plaza, Singapore 082001 (the “**Premises**”). The Vendor is the sole shareholder of Ban Joo.

Based on the audited accounts of Ban Joo for the financial year ended 31 December 2017 (“**FY2017**”), the net tangible assets (“**NTA**”) and net asset value of Ban Joo as at 31 December 2017 was approximately S\$3,232,971.

**3 PRINCIPAL TERMS OF THE PROPOSED ACQUISITION**

**3.1 Purchase Price**

The aggregate cash consideration for the Proposed Acquisition is S\$3,264,008 (the “**Purchase Price**”), subject to any adjustment as described below.

The Purchase Price was arrived at on a willing-buyer and willing-seller basis, taking into account the net asset value of Ban Joo based on its audited accounts for FY2017. No independent valuation has been conducted on Ban Joo.

Pursuant to the terms of the SPA, the Purchase Price shall be adjusted for any difference between the Purchase Price and the NTA of Ban Joo as at the date of completion of the Proposed Acquisition (“**Completion**”) (the “**Completion NTA**”). If the Completion NTA is more than the Purchase Price, the Purchaser shall pay to the Vendor the amount representing the difference between the Completion NTA and the Purchase Price. Conversely, if the Completion NTA is less than the Purchase Price, the Vendor shall pay to the Purchaser the amount representing the difference between the Purchase Price and the Completion NTA.

**3.2 Conditions Precedent**

The Proposed Acquisition is conditional upon, *inter alia*, the following conditions having been fulfilled (or waived in accordance with the SPA) (the “**Conditions Precedent**”):

- (a) All the parties having obtained the necessary shareholders' approval, and if applicable, any third party consents, approvals, releases and waivers in respect of the Proposed Acquisition.
- (b) Ban Joo having obtained all requisite approvals and authorisations from the relevant authorities and regulatory bodies and where any approval is subject to any condition, such condition shall be satisfactory to the Purchaser.
- (c) The Purchaser being satisfied, at its sole discretion, with the results of the due diligence conducted on Ban Joo.
- (d) All the representations and warranties set out in the SPA remaining true and not misleading in any respect as at Completion, as if repeated at Completion and at all times between the date of the SPA and Completion.
- (e) There being no change, whether individually or in the aggregate, that can reasonably be expected to have a material adverse effect on (i) the financial condition, results, operations or prospects of the business of Ban Joo, or (ii) the ability of the parties to perform their respective obligations under, or to consummate the transactions contemplated under the SPA.
- (f) The Vendor and the co-owners of the Premises having entered into a legally binding agreement with either (i) SK Properties Pte Ltd<sup>1</sup> in respect of a sale of the Premises to SK Properties Pte Ltd, or (ii) the Company in respect of a long term lease with a minimum duration of ten (10) years, on such terms to be agreed between the parties thereto.

### **3.3 Completion**

Completion will take place on a date to be mutually agreed between the Vendor and the Purchaser, being a date not more than fourteen (14) business days from the date the Registry of Pawnbrokers or the Housing & Development Board grants its written approval (whichever is the later).

### **3.4 Long Stop Date**

If the Conditions Precedent are not fulfilled on or before six(6) months from the date of execution of the SPA (the "**Long Stop Date**"), the parties may mutually agree to defer the Long Stop Date to not more than two (2) months thereafter, or have the SPA terminated automatically whereupon the parties shall have no claim against each other.

### **3.5 Funding For Proposed Acquisition**

The Proposed Acquisition will be funded by the internal resources and bank borrowings, as necessary, of the Company and its subsidiaries (the "**Group**").

## **4 RATIONALE FOR THE PROPOSED ACQUISITION**

The Proposed Acquisition will provide the Group with a good opportunity to strengthen its position in the pawn broking industry in Singapore and is in line with the Group's expansion strategy. The Board believes that the Proposed Acquisition is in the interest of the Group and the Company's shareholders.

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<sup>1</sup> SK Properties Pte. Ltd. is a property investment company held by Dato' Sri. Dr. Lim Yong Guan, Executive Chairman and Chief Executive Officer (51%), Mr. Lim Yong Sheng, Non-Executive Director (44%) and Ms. Lim Liang Eng, a controlling shareholder of the Company (5%).

## 5 FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION

Based on the audited accounts of Ban Joo for FY2017, and without accounting for any adjustments to align the accounting principles and policies of Ban Joo with those of the Group, the net profits of Ban Joo for FY2017 was approximately S\$167,578.

Based on the audited accounts of Ban Joo for FY2017, and without accounting for any adjustments to align the accounting principles and policies of Ban Joo with those of the Group, the NTA of Ban Joo as at 31 December 2017 was approximately S\$3,232,971.

Consequently, the financial effects of the Proposed Acquisition on the (a) earnings per share of the Group for FY2017 assuming that the Proposed Acquisition had been effected as at 1 January 2017; and (b) NTA per share of the Group for FY2017 assuming that the Proposed Acquisition had been effected as at 31 December 2017, is not material.

## 6 RELATIVE FIGURES UNDER RULE 1006 OF THE LISTING MANUAL SECTION B: RULES OF CATALIST OF THE SGX-ST (THE "CATALIST RULES")

The relative figures for the Proposed Acquisition computed on the bases set out in Rules 1006(a) to (e) of the Catalist Rules are as follows:

Rule 1006	Bases	Relative Figures
(a)	Net asset value of the assets to be disposed of, compared with the Group's net asset value	N.A.
(b)	Net profit attributable to the assets acquired or disposed of, compared with the net profits of the Group <sup>(1)</sup>	1.99%
(c)	The aggregate consideration for the Proposed Acquisition compared with the Group's market capitalisation <sup>(2)</sup>	5.19%
(d)	The number of equity securities to be issued by the Company as consideration for the Proposed Acquisition, compared with the number of equity securities previously in issue	N.A.
(e)	Aggregate volume or the amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves	N.A.

### Notes:

(1) Based on the audited accounts of Ban Joo, the profit before tax of Ban Joo for FY2017 was approximately S\$179,632. The Group recorded profit before tax of S\$9,036,000 based on its audited financial statements for FY2017.

(2) The market capitalisation of the Company of approximately S\$62,834,880 is determined by multiplying the 353,800,000 ordinary shares of the Company in issue as at the date of this announcement by the weighted average price of such shares transacted on the market day preceding the date of the SPA.

As shown in the table above, as the relative figures computed on the bases set out in Rule 1006(a) to (e) of the Catalist Rules exceed 5% but do not exceed 75%, the Proposed Acquisition constitutes a disclosable transaction under Chapter 10 of the Catalist Rules. Accordingly, the approval of shareholders of the Company for the Proposed Acquisition will not be required.

## 7 INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

To the best knowledge of the Directors, save as disclosed in this announcement, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the

Proposed Acquisition, other than through their respective shareholding interests in the Company (if any) nor are they related to the Vendor, the shareholders of the Vendor or Ban Joo.

## **8 SERVICE CONTRACTS**

No person is proposed to be appointed as a director of the Company in connection with the Proposed Acquisition. As such, no service contracts are proposed to be entered into between the Company and any such person.

## **9 DOCUMENTS AVAILABLE FOR INSPECTION**

Shareholders should note that a copy of the SPA will be available for inspection during normal business hours at the Company's registered office at 7 Changi Business Park Vista, #01-01 SOO KEE HQ, Singapore 486042 for a period of three (3) months from the date of this announcement.

## **10 DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm, after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Acquisition, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading.

Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

## **BY ORDER OF THE BOARD**

Dato' Sri Dr. Lim Yong Guan  
Executive Chairman and Chief Executive Officer

18 June 2018

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, United Overseas Bank Limited (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Sponsor has not independently verified the contents of this announcement.*

*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 Chia Beng Kwan, Senior Director, Equity Capital Markets, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, telephone: +65 6533 9898.*