



MEDIA RELEASE

ValueMax leads the way with higher net profit for 2Q2014

- Profit attributable to shareholders for 2Q2014 increased by 36.7% to S\$2.5 million
- Revenue increased by 18.0% to S\$82.8 million due to increased contribution from retail and trading of pre-owned jewellery and gold business
- One new pawnshop in Johor and another in Singapore both started operations in June 2014
- Acquired a traditional pawnshop as well as commenced operations of another two new pawnshops in July 2014, bringing the total number of outlets in Singapore to 22

SINGAPORE, 14 Aug 2014 – SGX Mainboard-listed ValueMax Group Limited (“ValueMax” or “方圆集团”, and together with its subsidiaries, the “Group”), one of Singapore’s oldest and most established pawnbroking chains, has reported a 36.7% jump in its net profit attributable to shareholders for the three months ended 30 June 2014 (“2Q2014”). For the six month ended 30 June 2014 (“1H2014”), net profit attributable to shareholders increased by 2.4% to S\$5.4 million.

Improved results despite increased competition

Revenue increased by 18.0% from S\$70.2 million in the previous corresponding quarter (“2Q2013”) to S\$82.8 million in 2Q2014. The revenue increase for 2Q2013 was due to the increased contribution from the Group’s retail and trading of pre-owned jewellery and gold business. On a six-month basis, the Group’s revenue increased from S\$160.6 million for the six month ended 30 June 2013 (“1H2013”) to S\$174.2 million in 1H2014, due to the same reason. The Group’s pawnbroking business on the other hand, remained stable for the quarter under review as well as 1H2013. ValueMax’s gross profit for 2Q2014 increased by S\$1.8 million compared to 2Q2013, with a 1.2 percentage point improvement from 6.5% to 7.7% in gross profit margin respectively. On a six-month basis, gross profit increased by S\$1.8 million from 1H2013 to 1H2014, with a 0.5 percentage point improvement in gross profit margin respectively.

Share of results of associates increased from S\$0.2 million in 2Q2013 to S\$0.4 million in 2Q2014, as well as from S\$0.4 million in 1H2013 to S\$0.9 million in 1H2014, as a result of the inclusion of associated companies that came into the Group in August 2013.

Overall profit before tax increased by S\$0.7 million to S\$2.8 million for 2Q2014 and S\$0.1 million to S\$6.0 million for 1H2014, while net profit attributable to shareholders recorded a 36.7% jump to S\$2.5 million for 2Q2014 and a 1.7% increase to S\$5.4 million for 1H2014.

Commenting on the improvement of its 2Q2014 results, Mr Yeah Hiang Nam, Managing Director and CEO of ValueMax said: ***“Gold price movement during the first half of 2014 have been moderate. Against such a backdrop, we shall continue with our productivity enhancement, branding and business expansion efforts to increase our market share in Singapore and Malaysia effectively.”***

Continuous expansion in Singapore and Malaysia

The Group continues its steady expansion in Singapore and Malaysia through acquisitions and the setting up of new outlets.

In the last two months, three new outlets located in Bukit Batok, Yishun and Punggol have commenced operations in Singapore. Additionally, the Group has also acquired Tai Eng Pawnbroker Pte Ltd (“Tai Eng”), a traditional pawnshop, in July this year.

“ValueMax will capitalise on our deep-seated knowledge of the pawnbroking industry to seek out both acquisition and expansion opportunities,” Mr Yeah added.

In Malaysia, the pawnshop outlet at Taman Universiti, Johor has also commenced pawnbroking operations in June this year. Currently, there are two other outlets in Malaysia that are under renovation. Once ready, the Group will have a total of eight outlets in Malaysia operated via its associated companies.

-End-

Note: This media release is to be read in conjunction with the results announcement issued on SGXnet on 14 August 2014.

About ValueMax Group Limited

Having established its first pawnbroking outlet in 1988, ValueMax Group Limited (“ValueMax” is one of the oldest and most established pawnbroking chains in Singapore, providing pawnbroking services and the retail and trading of pre-owned jewellery and gold. It has 22 outlets in strategic locations island-wide and three other pawnshops with pre-owned jewellery outlets operated by associated and investee companies. In Malaysia, ValueMax also operates five pawnshops and one preowned jewellery retail outlet through its associated companies. An award-winning company, ValueMax has received various awards and certifications, which include the Enterprise 50 Award 2010, the Singapore Prestige Brand Award 2010 – Established Brands category, the Singapore SME 1000 Awards 2014 in the Net Profit Growth Excellence as well as Sales Growth Excellence categories.. The Managing Director and CEO, Mr Yeah Hiang Nam, was also conferred the Entrepreneur of the Year Award in 2010.

Issued for and on behalf of ValueMax Group Limited by Cogent Communications Pte Ltd. For more information, please contact:

Dianne Tan

DID: (65) 6704 9287

MOB: (65) 9836 8589

Email: dianne@cogentcomms.com

Shirley Wong

DID: (65) 6704 9276

MOB: (65) 9752 2269

Email: shirley@cogentcomms.com
