
PROPOSED ACQUISITION OF PAJAK GADAI HEN TECK SDN BHD.

1. INTRODUCTION

The board of directors (the “**Board**” or the “**Directors**”) of MoneyMax Financial Services Ltd. (the “**Company**”) wishes to announce that the Company’s 51%-owned joint venture company, Yong Mei Group Sdn. Bhd. (the “**Purchaser**”), had, on 29 December 2016, entered into a sales and purchase agreement with RL Golden Resources Sdn. Bhd., Yong Suh Jing, Tan Chang Tian and LKF Golden Sdn. Bhd. (the “**Vendors**”) to acquire 3,999,997 shares in the capital of Pajak Gadai Hen Teck Sdn Bhd. (the “**Target**”) (the “**Proposed Acquisition**”) from the Vendors.

The completion of the Proposed Acquisition is conditional upon the Purchaser being satisfied with, *inter alia*, the results and outcome of its legal due diligence conducted on the Target’s business and valuation of the unredeemed pledges in the books of the Target as well as approval from the relevant authorities (“**Completion**”).

Upon Completion, the shareholders of the Target will be the Purchaser (3,999,997 shares) and 3 individuals namely, Ang Chee Jian, Ang Chee Yap and Ang Soon Kiat (each holding 1 share).

The Vendors and the other shareholders of the Target are not related to the Directors or controlling shareholders of the Company and their respective associates.

2. INFORMATION ON THE TARGET

The Target was incorporated in Malaysia on 1 June 2016. The Target is in the business of pawnbroking.

Based on the unaudited management accounts of the Target as at 30 September 2016, the book value and net tangible assets was approximately RM3.49 million. No independent valuation was conducted on the Target.

3. CONSIDERATION AND PAYMENT

The cash consideration for the Proposed Acquisition is approximately RM4.14 million (or equivalent to approximately S\$1.34 million based on an exchange rate of S\$1.00: RM3.10). The consideration was determined based on arms’ length negotiations and arrived at on a willing-buyer and willing-seller basis and takes into account, *inter alia*, the net tangible assets of the Target.

The Proposed Acquisition will be funded by the Group’s internal resources and/or bank borrowings.

4. RELATIVE FIGURES UNDER CHAPTER 10 OF THE LISTING MANUAL SECTION B: RULES OF CATALIST OF THE SGX-ST (THE “CATALIST RULES”)

Based on the unaudited financial statements of the Group and the management accounts of the Target, none of the relative figures computed on the bases set out in Rule 1006 of the Catalist Rules exceeds 5.0%. Accordingly, the Proposed Acquisition is a non-discloseable transaction.

5. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or controlling shareholder of the Company and their respective associates has any interest, direct or indirect, in the Proposed Acquisition other than through their respective shareholding interest in the Company (if any).

6. 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

4 January 2016

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 (the "SGX-ST"). The Sponsor has not independently verified the contents of this announcement.

The 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.

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