

VALUEMAX GROUP LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 200307530N)

**PROPOSED INTERNAL RESTRUCTURING OF MALAYSIAN ASSOCIATED COMPANIES IN
CONNECTION WITH A POTENTIAL LISTING ON THE MAIN MARKET OF BURSA MALAYSIA
SECURITIES BERHAD**

1. THE PROPOSED RESTRUCTURING

The board of directors (the “**Board**” or the “**Directors**”) of Valuemax Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) is pleased to announce that the Company intends to undertake an internal restructuring exercise, pursuant to which all the shares it holds in SYT Pavilion Sdn. Bhd., Thye Shing Pawnshop Sdn. Bhd., Kedai Emas Well Chip Sdn. Bhd. and Kedai Pajak Well Chip Sdn. Bhd. (collectively, the “**Target Companies**”), which are associated companies held through VMM Holdings Sdn. Bhd. (“**VMM Holdings**”), a wholly-owned subsidiary of the Company, will be transferred to Well Chip Group Sdn. Bhd. (the “**Well Chip**”), which has been incorporated specifically for the Proposed Restructuring (as defined below) as an investment holding company of the Target Companies and applicant for the Proposed Listing (as defined below), by way of a share swap, subject to the fulfilment of the Conditions Precedents (as defined below).

In view of the above, on 9 November 2023, VMM Holdings, together with other shareholders of the Target Companies, (collectively, the “**Vendors**”), and VYN Holdings Sdn. Bhd. (as the entity nominated by the Vendors to be allotted and issued part of the Consideration Shares (as defined below) to be allotted and issued to the Vendors) (“**VYN Holdings**”) has entered into a conditional share sale agreement (the “**SSA**”) with Well Chip for the transfer of the entire issued and paid-up share capital of each of the Target Companies to Well Chip (the “**Proposed Restructuring**”).

1.1 Consideration

The share swap consideration for purpose of the Proposed Restructuring is RM171,646,606, which has been arrived at on a willing-buyer willing-seller basis based on the total net asset value of each of the Target Companies as at 31 December 2022 of RM171,646,606 (the “**Consideration**”).

The Consideration shall be wholly satisfied by Well Chip via the allotment and issuance of the 449,999,999 new ordinary shares in the share capital of Well Chip (the “**Consideration Shares**”) to the Vendors and VYN Holdings on the Completion Date (as defined below), in the respective proportions and amounts set out in the SSA.

The Consideration Shares will, upon allotment and issue, rank equally in all respects with one other and with the then existing ordinary shares of Well Chip save and except that the holders of such Consideration Shares shall not be entitled to any dividends, rights, allotments and/ or other distributions which may be declared, made or paid to the shareholders of Well Chip, the entitlement date of which is prior to the date of allotment of such new Consideration Shares.

VYN Holdings shall, upon the allotment and issuance of the relevant Consideration Shares, receive both legal and beneficial title of such Consideration Shares and shall be entitled to all rights and entitlements and be subject to all responsibilities and liabilities in respect of such Consideration Shares.

The Proposed Restructuring is undertaken to facilitate a proposed listing of Well Chip on the Main Market of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) (the “**Proposed Listing**”).

1.2 Details of Target Companies

No.	Purchaser	Name of Target Company	Percentage of Shareholding held by the Company through VMM Holdings (%)	No. of Shares to be transferred to Well Chip
1.	Well Chip	SYT Pavilion Sdn. Bhd. (“ SYT Pavilion ”)	49.46	5,102,609
2.	Well Chip	Thye Shing Pawnshop Sdn. Bhd. (“ Thye Shing Pawnshop ”)	49.35	4,164,068
3.	Well Chip	Kedai Emas Well Chip Sdn. Bhd. (“ KE Well Chip ”)	49.35	16,808
4.	Well Chip	Kedai Pajak Well Chip Sdn. Bhd. (“ KP Well Chip ”)	49.35	2,521,088

1.3 Details of the Consideration Shares

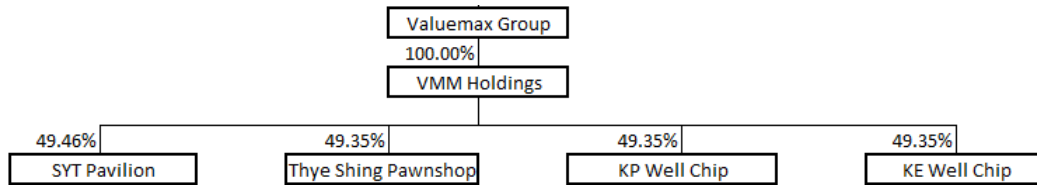
The total number of Consideration Shares that will be issued to VMM Holdings is 88,874,956 Consideration Shares and the aggregate number of Consideration Shares that will be issued to VYN Holdings as nominated by VMM Holdings is 133,312,435 Consideration Shares. Accordingly, upon completion of the Proposed Restructuring, VMM Holdings will hold 19.75% of the total enlarged number of shares of Well Chip and VYN Holdings will hold a total of 304,171,887 shares in Well Chip representing 67.59% of the enlarged number of shares of Well Chip.

1.4 Shareholdings in VYN Holdings

Upon completion of the Proposed Restructuring, VMM Holdings will hold 43.83% of VYN Holdings, with the remaining shares of VYN Holdings held by the other Vendors. Accordingly, upon completion of the Proposed Restructuring, VMM Holdings’ effective interest in Well Chip will remain substantially unchanged as prior to the Proposed Restructuring at 49.37%, with it holding 29.62% of the total enlarged number of shares of Well Chip through VYN Holdings and 19.75% of the enlarged number of shares of Well Chip directly.

Please refer to Figure 1 below for an illustration of the Group's structure for its Malaysian associated companies before and after the Proposed Restructuring.

Before Proposed Restructuring:



After Proposed Restructuring:

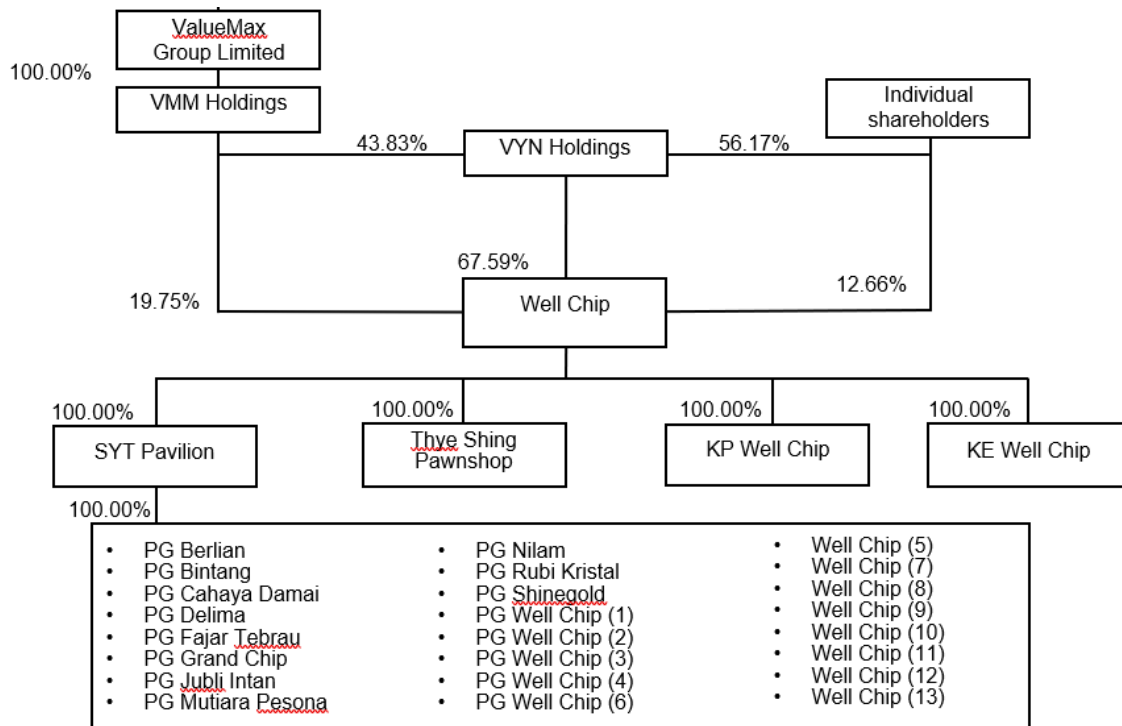


Figure 1: Illustration of the Group's structure for its Malaysian associated companies before and after the Proposed Restructuring.

2. THE TARGET COMPANIES AND WELL CHIP

2.1 Information on the Target Companies

SYT Pavilion (Registration No. 201101036288 (964422-M)) is a company incorporated in Malaysia and having its registered address at Suite 19-02D, 19th Floor, Menara Zurich, No. 15, Jalan Dato'

Abdullah Tahir, 80300 Johor Bahru, Johor. SYT Pavilion's principal business is an investment holding company. As at the date of the SSA, SYT Pavilion has an issued and paid-up share capital of RM10,515,521.96. The Company owns 49.46% of the share capital of SYT Pavilion through VMM Holdings.

Thye Shing Pawnshop (Registration No. 2010001005926 (890645-A)) is a company incorporated in Malaysia and having its registered address at Suite 19-02D, 19th Floor, Menara Zurich, No. 15, Jalan Dato' Abdullah Tahir, 80300 Johor Bahru, Johor. Thye Shing Pawnshop is principally involved in the provision of pawnbroking services. As at the date of the SSA, Thye Shing Pawnshop has an issued and paid-up share capital of RM9,125,217.96. The Company owns 49.35% of the share capital of Thye Shing Pawnshop through VMM Holdings.

KE Well Chip (Registration No. 200901029740 (872846-W)) is a company incorporated in Malaysia and having its registered address at Suite 19-02D, 19th Floor, Menara Zurich, No. 15, Jalan Dato' Abdullah Tahir, 80300 Johor Bahru, Johor. KE Well Chip is principally involved in the business of trading and retail sale of jewellery and gold. As at the date of the SSA, KE Well Chip has an issued and paid-up share capital of RM1,441,368.32. The Company owns 49.35% of the share capital of KE Well Chip through VMM Holdings.

KP Well Chip (Registration No. 200601004113 (723860-V)) is a company incorporated in Malaysia and having its registered address at Suite 19-02D, 19th Floor, Menara Zurich, No. 15, Jalan Dato' Abdullah Tahir, 80300 Johor Bahru, Johor. KP Well Chip is principally involved in the provision of pawnbroking services. As at the date of the SSA, KP Well Chip. Has an issued and paid-up share capital of RM6,601,033.44. The Company owns 49.35% of the share capital of KP Well Chip through VMM Holdings.

2.2 Information on Well Chip

Well Chip (Registration No. 202301012805 (1506727-P)) is a company incorporated in Malaysia with its registered office at Suite 9D, Level 9, Menara Ansar, 65, Jalan Trus, 80000 Johor Bahru, Johor. It has been incorporated specifically for purposes of the Proposed Restructuring and Proposed Listing, and to act as an investment holding company of the Target Companies. Prior to its incorporation, it has not engaged in any business activities nor hold any other assets. Upon completion of the Proposed Restructuring and the issue of the Consideration Shares, Well Chip will be an associated company of the Company. Following the Proposed Listing, it is anticipated that Well Chip will be an associated company of the Company. Well Chip and its proposed group of companies ("**Well Chip Group**")¹ will carry out the principal business activities of pawnbroking as well as retail and trading of jewellery and gold in Malaysia ("**Well Chip Business**").

Please refer to Figure 1 above for an illustration of the Group's structure for its Malaysian associated companies before and after the Proposed Restructuring.

2.3 Completion Date

The Proposed Restructuring is expected to take place at the registered office of Well Chip, either:

¹ For avoidance of doubt, the Well Chip Group will consist of Well Chip, SYT Pavilion together with such subsidiaries held by SYT Pavilion, Thye Shing Pawnshop, KE Well Chip and KP Well Chip.

- (a) on the date falling seven (7) business days after the date when all the Conditions Precedent (as defined below) have been obtained fulfilled or deemed fulfilled or waived by Well Chip; or
- (b) such other date as the parties may mutually agree in writing.

(the “**Completion Date**”).

2.4 Conditions Precedent

The Proposed Restructuring shall be subject to the following conditions precedent being obtained/ fulfilled or waived (the “**Conditions Precedent**”):

- (a) The approval of Bursa Securities, Securities Commission Malaysia, the Equity Compliance Unit of Securities Commission Malaysia, and the Ministry of Investment, Trade and Industry in relation to the Proposed Listing to be undertaken by Well Chip;
- (b) The acknowledgement of the Ministry of Local Government Development of Malaysia (“**KPKT**”) in respect of the change in shareholdings of Thye Shing Pawnshop and KP Well Chip respectively and/or the approval of KPKT in respect of the change in directors of Thye Shing Pawnshop and KP Well Chip respectively (if applicable);
- (c) All applicable conditions precedent in any other relevant contemporaneous documentation in connection with the Proposed Listing having been fulfilled or obtained in accordance with the terms and conditions contained therein; and
- (d) Any other approvals, waivers or consents of any authorities or parties as may be required by law or regulation or deemed necessary by the parties by mutual agreement in writing.

3. **FINANCIAL EFFECTS OF THE PROPOSED RESTRUCTURING**

As the Proposed Restructuring is an internal restructuring exercise of the Group only, prior to the Proposed Listing, there is no impact on the consolidated net tangible asset value and earnings per share of the Group for the current financial year ending 31 December 2023 arising from the Proposed Restructuring. There is also no change in the share capital of the Company arising from the Proposed Restructuring.

4. **UNDERTAKING TO THE SECURITIES COMMISSION MALAYSIA**

The Group is principally involved in the provision of pawnbrokerage service and retailing of gold, jewellery and watches in Singapore. The Group is also involved in the business of money-lending, gold bullion trading and auto-finance in Singapore.

Following the completion of the Proposed Listing, it is anticipated that Well Chip will be the Company’s associated company, and Well Chip Group will carry out the Well Chip Business. Mr. Yeah Hiang Nam and Mr Yeah Chia Kai, the Executive Chairman and the Chief Executive Officer respectively of the Company, are Non-Independent Non-Executive Directors of Well Chip. Mr. Yeah Hiang Nam and Mdm. Tan Hong Yee (wife of Mr. Yeah Hiang Nam) are substantial shareholders of the Company.

They will also be substantial shareholders of Well Chip by virtue of their deemed and direct interest in the Company, which wholly owns VMM Holdings.²

In connection with the Proposed Listing and in order to mitigate any actual or potential conflict of interest situation between the Group and the Well Chip Group in relation to the business activities carried out by Group and the Well Chip Group, as required amongst others by the Equity Guidelines issued by Securities Commission Malaysia, the Group will adopt a unilateral statement of policy to focus the Group's business activities on pawnbroking and retail trading of gold, jewellery and watches in the territory of Singapore or any other territories, jurisdictions or markets as the Board of Directors of the Company may think fit other than the territory of Malaysia ("**Policy**").

The Company confirms that the purpose of the adoption of the Policy is to:

- (1) address, resolve, mitigate and/or eliminate any actual or potential conflict of interest between the respective business activities of the Group and the Well Chip Group; and
- (2) focus on the Group's principal business activities within Singapore and also in other markets to optimise efficiency and resource allocation to be able to compete effectively with other industry players and to avoid inadequate allocation of resources in competition with the business activities of the Well Chip Group in which the Company holds an indirect interest.

Pursuant to the Policy, the Company undertakes to not engage in and/or carry out the business of pawnbroking and/or retail trading of gold, jewellery and watches in Malaysia for so long as the Company maintains the associated company relationship between the Company and Well Chip or the Company retains direct or indirect shareholding control of Well Chip.

5. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save as the interests of Mr. Yeah Hiang Nam and Mdm. Tan Hong Yee as disclosed above, none of the directors or controlling shareholders of the Company or their respective associates have any interest, direct or indirect (other than through their shareholdings in the Company), in the Proposed Restructuring.

6. DOCUMENTS FOR INSPECTION

A copy of the SSA and the Undertaking to Securities Commission Malaysia are available for inspection at the registered office of the Company at 261 Waterloo Street, #01-35, Singapore 180261 during normal business hours, with prior appointment, for a period of three (3) months from the date of this announcement.

7. CAUTIONARY STATEMENT

THE COMPANY WOULD LIKE TO HIGHLIGHT THAT THE PROPOSED LISTING IS IN ITS PRELIMINARY STAGES AND IS DEPENDENT ON AND SUBJECT TO, INTER ALIA, THE RESULTS OF PREPARATORY WORK TO BE UNDERTAKEN, THE REQUISITE APPROVALS AND/OR CONSENTS FROM THE SECURITIES COMMISSION MALAYSIA, BURSA SECURITIES,

² Per paragraph 1.4 above, VMM Holdings' effective interest in Well Chip after Proposed Restructuring will be 49.37%, with it holding 29.62% of Well Chip through VYN Holdings and 19.75% of Well Chip directly.

OTHER RELEVANT REGULATORY AUTHORITIES AND/OR ANY OTHER PARTIES BEING OBTAINED, AND THE THEN PREVAILING MARKET CONDITIONS. FURTHER, THE DIRECTORS OF WELL CHIP MAY, NOTWITHSTANDING THAT ALL REQUISITE APPROVALS AND CONSENTS HAVE BEEN OBTAINED, DECIDE NOT TO PROCEED WITH THE PROPOSED LISTING IF, HAVING REGARD TO INVESTORS' INTERESTS AND RESPONSE AT THE MATERIAL TIME AND ANY OTHER RELEVANT FACTORS, DEEM IT NOT IN THE BEST INTERESTS OF WELL CHIP TO PROCEED WITH THE PROPOSED LISTING. ACCORDINGLY, THERE IS NO ASSURANCE THAT THE PROPOSED LISTING WILL MATERIALISE. THIS ANNOUNCEMENT IS GIVEN BY WAY OF UPDATE AND DOES NOT CONSTITUTE AN OFFER OF SECURITIES NOR IS IT INTENDED TO DRAW ATTENTION TO A POSSIBLE OFFER OF SECURITIES.

SHAREHOLDERS AND POTENTIAL INVESTORS ARE REMINDED TO EXERCISE CAUTION WHEN DEALING IN THE SECURITIES OF THE COMPANY AND SHOULD CONSULT THEIR STOCKBROKERS, BANK MANAGERS, SOLICITORS, ACCOUNTANTS OR OTHER PROFESSIONAL ADVISERS IF THEY ARE IN DOUBT ABOUT THE ACTIONS THAT THEY SHOULD TAKE.

By Order of the Board

Lotus Isabella Lim Mei Hua
Company Secretary

10 November 2023