
ACQUISITION OF A NEW SUBSIDIARY

INTRODUCTION

The Board of Directors (the “Board”) of ValueMax Group Limited (the “Company” together with its subsidiaries, the “Group”) is pleased to announce that on 1 July 2014, the Company has entered into a Sales and Purchase Agreement to acquire 100% of the issued and paid-up capital comprising 2,579,820 ordinary shares, fully paid in the capital of Tai Eng Pawnbroker Pte. Ltd., (“Tai Eng”) a company incorporated in Singapore (the “Acquisition”). Tai Eng will, upon completion of the Acquisition, become a wholly-owned subsidiary of the Company.

CONSIDERATION AND PAYMENT

The consideration for the acquisition is S\$4,500,000/- which was arrived at on a willing buyer, willing seller basis, taking into account the value of the loan book and inventory, as well as the market value of the HDB shop house which Tai Eng owns.

The consideration will be fully satisfied by the internal resources of the Group.

NET ASSET VALUE

The audited net asset value of Tai Eng for the year ended 31 December 2013 was S\$2,945,971/-

RATIONALE FOR THE ACQUISITION

The Acquisition is intended to provide an additional revenue stream to the Group and is in line with Group’s expansion strategy.

LISTING RULES

As none of the relative figures computed on the applicable bases under Rule 1006 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “Listing Manual”) exceeds 5%, the Acquisition is a non-discloseable transaction under Chapter 10 of the Listing Manual

FINANCIAL EFFECT OF THE ACQUISITION

The above transaction is not expected to have a material impact on the consolidated net tangible assets and earnings per share of the Group for the financial year ending 31 December 2014.



INTERESTS OF THE DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or Controlling Shareholders of the Company has any interest, direct or indirect (other than through their shareholdings in the Company) in the above transaction.

By Order of the Board

Lotus Isabella Lim Mei Hua
Company Secretary
2 July 2014

The initial public offering of ValueMax Group Limited was sponsored by Canaccord Genuity Singapore Pte. Ltd. (the "Issue Manager"). The Issue Manager assumes no responsibility for the contents of this announcement.