PROPOSED ACQUISITION OF PROPERTIES

The Board of Directors (the "Board") of ValueMax Group Limited (the "Company" together with its subsidiaries, the "Group") is pleased to announce that on 17 March 2015, the Company has through its wholly owned subsidiary, ValueMax Properties Pte Ltd ("ValueMax Properties"), entered into a Put and Call Option Agreement ("Option Agreement") with Tye Soon Limited, a company listed on the Mainboard of the Singapore Exchange Securities Limited (the "Vendor"), for the purchase of properties located at 261 Waterloo Street, #01-31, #01-33, #01-35, #01-37 and #02-35, #02-36, #02-37, #02-38, #02-39, #02-40 and #02-41, Singapore 180261 ("Properties").

INFORMATION ON THE PROPERTIES

The Properties are leasehold properties with an 83-year lease granted by Housing and Development Board ("HDB") commencing 1 July 1994. The Properties have a total floor area of approximately 708 square metres and is currently used as a retail outlet and storage facility for automotive parts by the Vendors.

KEY TERMS OF THE OPTION AGREEMENT

Purchase Consideration

Pursuant to the Option Agreement, the Vendor has agreed to grant a call option to ValueMax Properties, and ValueMax Properties has agreed to grant a put option to the Vendor, relating to the sale and purchase of the Properties for a total consideration of S$11 million ("Purchase Consideration"), subject to the terms and conditions of the Option Agreement ("Proposed Transaction").

The Purchase Consideration was arrived at on a willing-buyer, willing-seller basis.

Put option and Call Option

In consideration of the payment of an option fee of S$110,000 ("Option Fee") by ValueMax Properties, Vendor grants ValueMax Properties a call option to require the Vendor to sell the Properties at the Purchase Consideration ("Call Option"), subject to the Vendor obtaining all the relevant approvals ("Approvals"), including approval of HDB for the Proposed Transaction, by the date falling three (3) months from the date of the Option Agreement ("Target Date").

In consideration of the mutual covenants in the Option Agreement, ValueMax Properties grants the Vendor the put option to require ValueMax Properties to purchase the Properties at the Purchase Consideration ("Put Option"), subject to the Approvals being obtained by the Target Date.

Option Fee and Deposit

Upon the execution the Option Agreement, ValueMax Properties shall pay the Vendor the Option Fee. Upon the exercise of the Call Option or the Put Option (as the case maybe) ("Option"), the Option Fee shall be applied and held as part of the deposit of S$1,100,000 (representing 10% of the Purchase Consideration), with remaining payment of S$990,000 of the deposit to be paid in the manner as set out in the Option Agreement, pending completion of the Proposed Transaction ("Completion").

Approvals

The Proposed Transaction is subject to the Approvals being obtained by the Target Date.

Subject to there being no breach or default on the part of the Vendor or ValueMax Properties, if HDB does not grant its approval for the Proposed Transaction by the Target Date (or such other extended period as may be agreed in writing by the parties), either party shall be at liberty to terminate this Option Agreement by written notice and the Option Agreement shall then be null and void and shall have no further effect whatsoever. The Vendor shall refund to ValueMax Properties the Option Fee.

Option Exercise Date

The Call Option exercise period ("Call Option Exercise Period") shall be the period of five (5) business days commencing form the date the Approval are obtained, upon which ValueMax Properties may exercise the Call Option by serving the Call Option exercise notice on the Vendor. If the Call option is not exercised and upon the expiry of the Call Option Exercise Period, the Put Option exercise period ("Put Option Exercise Period") shall commence for a period of five (5) business days, upon which the Vendor may exercise the Put Option for the sale of the Properties by serving the Put Option exercise notice on ValueMax Properties.

Completion

The sale and purchase of the Properties shall be completed by the date as specified in writing by (i) ValueMax Properties to the Vendor in the Call Option exercise notice, or (ii) the Vendor to ValueMax Properties in the Put Option exercise notice, provided that the completion date ("Completion Date") is not earlier than nineteen (19) weeks from the date of exercise of the Option, unless mutually agreed in writing by the parties. The balance 90% of the Purchase Consideration shall be paid to the Vendor on Completion Date.

Other Terms

The Properties are sold in its present state and condition with vacant possession to be given on the date of Completion.

RATIONALE FOR THE PROPOSED ACQUISITION

Currently, the various administrative functions carried out by the Group's Head Office are located at three different sites. The acquisition will enable the Group to consolidate its administrative functions into one location, thereby increasing operational efficiency. The acquisition will also enable the Group to run its gold trading and moneylending businesses at a more central location.

RELATIVE FIGURES UNDER THE LISTING MANUAL RULE 1006

The Proposed Transaction is a discloseable transaction under Chapter 10 of the Listing Manual and the relative figures as computed under Rule 1006 (a) to (e) are as follows:-

Rule 1006	Description of rule	Relative Figures (%)
(a)	Net asset value of assets to be disposed	Not applicable
(b)	Net profit attributable to the assets acquired compared with the group's net assets	Not applicable
(c)	Aggregate value of considerations compared with the market capitalisation of the Company of S$191.75 million.	5.74%
(d)	Number of equity securities issued for the acquisition	Not applicable
(e)	Aggregate volume of reserves to be disposed of	Not applicable

FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION

The above transaction is not expected to have any material impact on the consolidated net tangible assets and earnings per share of the Group for the financial year ending 31 December 2015. The above transaction also has no material impact on the earnings per share of the issuer for the most recently completed financial year, assuming that the transaction had been effected at the beginning of the financial year ended 31 December 2014

The Purchase Consideration S$11 million will funded by internal resources of the Group and bank borrowings.

INTEREST OF DIRECTORS AND CONTROLLING SHAREHODLERS

None of the Directors and controlling Shareholders has any interest, direct and indirect (other than through their shareholdings in the Company) in Proposed Transaction.

DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the Option Agreement is available for inspection by shareholders at the registered address of the Company at 213 Bedok North Street 1, #01-121, Singapore 460213 during business hours for a period of three months from the date of this announcement.

By Order of the Board

Lotus Isabella Lim Mei Hua
Company Secretary
18 March 2015

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.