

## MEDIA RELEASE

# ValueMax's expansion plans on track

- **Three new outlets in Singapore expected to commence operation within three months**
- **One new outlet in Malaysia soon with two more currently under renovation**
- **1Q2014 saw a net profit of S\$2.9 million with gross margin remaining stable**
- **Moderate gold price recovery made positive impact on retail and trading business**

**SINGAPORE, 12 May 2014** – SGX Mainboard-listed **ValueMax Group Limited** (“ValueMax” or “方圓集團”, and together with its subsidiaries, the “Group”), one of Singapore’s oldest and most established pawnbroking chains, continues to expand its business operations. The Group will add another three new outlets in Singapore, increasing its number of outlets in Singapore from 18 to 21. Currently under renovation, the three new outlets are expected to commence operations by the middle of the year and the pawnbroking licences for the respective three outlets have been applied for.

The Group is also expanding in Malaysia, where one of its associated companies is expected to open a new outlet at Taman Universiti, Johor soon upon receipt of its pawnbroking licence. Another two outlets in Malaysia are also expected to commence operations within this year. This will bring the Group’s total number of outlets in Malaysia to eight. To date, the Group remains the only listed pawnbroking chain in Singapore with an overseas presence.

Commenting on ValueMax’s expansion, Mr Yeah Hiang Nam, Managing Director and CEO of ValueMax said, ***“I am pleased that our expansion has proceeded quickly according to plan.***

***I believe that after our careful assessment and selection of suitable locations, these new outlets when operational, can start contributing to the Group in a relatively short time.”***

Pawnbroking is a form of collateralised micro-financing that meets a need that traditional financing cannot fulfil. As such, there are opportunities for ValueMax to expand and derive economies of scale by growing its business both in Singapore and Malaysia. Beyond growing organically, ValueMax is also actively identifying suitable targets for acquisition.

### **1Q2014 Results Overview**

The Group has reported a net profit attributable to the owners of the Company of S\$2.9 million for 1Q2014. Group revenue increased by 1.1% to S\$91.4 million, as both its pawnbroking business and retail and trading of pre-owned jewellery and gold business contributed revenue increases of S\$0.2 million and S\$0.8 million respectively. Gross margin for 1Q2014 remained stable at 7.0% when compared to the previous corresponding period.

Gold prices recovered moderately from the low of under US\$1,200 per ounce in December 2013 to approximately US\$1,300 per ounce as at end-March 2014, which had a positive impact on the Group's retail and trading of pre-owned jewellery and gold business.

End.

**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 18 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 outlets through its associated companies. An award-winning company, ValueMax has received various awards and certifications with include the Singapore Prestige Brand Award – Established Brands 2010 and the Enterprise 50 Award 2010. The Managing Director and CEO, Mr Yeah Hiang Nam, was also conferred the Entrepreneur of the Year Award in 2010.*

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**Issued for and on behalf of ValueMax Group Limited by Cogent Communications Pte Ltd.**

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