
CHANGE IN USE OF NET PROCEEDS

INTRODUCTION

The Board of Directors (the “Board”) of ValueMax Group Limited (the “Company” together with its subsidiaries, the “Group”) refers to the prospectus dated 21 October 2013 (“Prospectus”) in respect of the proposed use of net proceeds raised from the Company’s initial public offering (“IPO”) and the subsequent announcements on the usage of net proceeds during the Company’s quarterly results announcements.

The Company wishes to announce a change in the use of the net proceeds from what was proposed in the Prospectus.

USE OF NET PROCEEDS

The Company has disclosed in the Prospectus that the net proceeds from the IPO, amounting to \$66.7 million, were to be used as follows:

- (a) 60% of net proceeds amounting \$40 million for expansion of business
- (b) 40% of net proceeds amounting to \$26.7 million for working capital purposes.

Pursuant to the Company’s announcement on 14 August 2014 of its financial statements for the first half of the financial year ending 31 December 2014, the proceeds allocated for working capital purposes has been fully utilized while the balance of the net proceeds earmarked for business expansion purposes amounts to \$30.3 million (the “Balance Net Proceeds”).

CHANGE IN USE OF NET PROCEEDS

The Company would like to announce, pursuant to Rule 704(30) of the Singapore Exchange Securities Trading Limited’s Listing Manual, that there will be a change in the use of the net proceeds as was previously set out in the Prospectus.

As announced on 2 September 2014, the Company acquired 100% of the issued share capital of VM Credit Pte Ltd (“VM Credit”), a company with a moneylending license. In view of the acquisition, the Company intends to re-allocate approximately 50% or \$15 million of the Balance Net Proceeds to fund the working capital requirement of VM Credit to grow its loan book.

The Company considers that the aforementioned re-allocation is advantageous to the Group and in the best interests of the Company and its shareholders as a whole.

The Company will make periodic announcements via SGXNET on the utilization of the Balance Net Proceeds as and when they are materially disbursed and will provide a status report on the use of the Balance Net Proceeds in its annual report.

By Order of the Board

Lotus Isabella Lim Mei Hua
Company Secretary
1 October 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.