
ACQUISITION OF A NEW SUBSIDIARY

INTRODUCTION

The Board of Directors (the “**Board**”) of ValueMax Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) is pleased to announce that on 7 December 2020, the Company has entered into a share purchase agreement (“**Agreement**”) to acquire 100% of the issued and paid-up share capital comprising 3,049,200 ordinary shares, fully paid, in the capital of Thye Lian Pawnshop Pte. Ltd., (“**Thye Lian**”), a company incorporated in Singapore (the “**Acquisition**”). Thye Lian will, upon completion of the Acquisition, become a wholly-owned subsidiary of the Company.

CONSIDERATION AND PAYMENT

The total consideration for the Acquisition is S\$4,086,566/- to be fully satisfied in cash. The consideration was arrived at on a willing buyer, willing seller basis, taking into account the value of the loan book and inventory.

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

NET ASSET VALUE

The audited net asset value of Thye Lian for the year ended 31 December 2019 was S\$4.56 million.

RATIONALE FOR THE ACQUISITION

The Acquisition is intended to provide an additional revenue stream to the Group and is in line with the Group’s expansion strategy. In addition, Thye Lian is a centrally located pawnshop in an area where the Group does not currently have a presence

CONDITIONS PRECEDENT

The completion of the Acquisition is conditional upon, amongst others, the approval of the Registrar of Pawnbrokers for the share transfer.

RELATIVE FIGURES

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 2020.

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.

COMPLETION

The Company will make the relevant announcement(s) in accordance with the requirements of the Listing Manual upon the completion of the Acquisition.

By Order of the Board

Lotus Isabella Lim Mei Hua

Company Secretary

7 December 2020