

Company Registration No. 200307530N

ValueMax Group Limited and its Subsidiaries

Condensed Interim Financial Statements
For the six-month period ended 30 June 2024

ValueMax Group Limited and its Subsidiaries

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ValueMax Group Limited and its Subsidiaries

**Condensed interim consolidated statement of comprehensive income
For the six-month period ended 30 June 2024**

		The Group 6 months ended 30 June		
	Note	Unaudited 2024	Unaudited 2023	Variance
		\$'000	\$'000	%
Revenue		229,760	151,793	51.4
Cost of sales		(166,266)	(106,131)	56.7
Gross profit		63,494	45,662	39.1
Other item of income				
Other operating income		3,657	3,383	8.1
Other items of expense				
Marketing and distribution expenses		(1,320)	(1,366)	(3.4)
Administrative expenses		(20,452)	(16,915)	20.9
Finance costs		(4,266)	(2,895)	47.4
Other operating expenses		(2,286)	(478)	378.2
Share of results of associates		3,529	2,534	39.3
Profit before tax	5	42,356	29,925	41.5
Income tax expense	6	(6,418)	(4,471)	43.5
Profit for the period		35,938	25,454	41.2
Other comprehensive income:				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Foreign currency translation		21	(1,138)	n.m.
Fair value loss on cash flow hedges		(60)	(111)	(45.9)
Total comprehensive income for the period		35,899	24,205	48.3
Profit for the period attributable to:				
Owners of the Company		35,438	25,078	41.3
Non-controlling interests		500	376	33.0
		35,938	25,454	41.2
Total comprehensive income for the period attributable to:				
Owners of the Company		35,399	23,829	48.6
Non-controlling interests		500	376	33.0
		35,899	24,205	48.3

ValueMax Group Limited and its Subsidiaries

**Condensed interim statements of financial position
As at 30 June 2024**

	Note	Group		Company	
		Unaudited 30.06.2024	Audited 31.12.2023	Unaudited 30.06.2024	Audited 31.12.2023
		\$'000	\$'000	\$'000	\$'000
Non-current assets					
Property, plant and equipment	10	30,285	30,962	6	17
Intangible assets	11	310	310	–	–
Right-of-use assets		10,187	7,818	41	55
Investments in subsidiaries		–	–	89,834	85,933
Investments in associates		34,390	30,880	1,002	1,002
Other investment		688	688	688	688
Trade and other receivables		224,473	130,844	–	–
Derivative asset		20	126	–	–
		300,353	201,628	91,571	87,695
Current assets					
Inventories		111,419	115,425	–	–
Trade and other receivables		710,834	740,983	350,970	305,227
Prepaid operating expenses		3,119	3,083	65	107
Cash and bank balances	12	19,959	15,474	1,077	416
		845,331	874,965	352,112	305,750
Total assets		1,145,684	1,076,593	443,683	393,445
Current liabilities					
Trade and other payables		9,318	4,435	23,827	16,651
Other liabilities		7,307	8,294	949	2,035
Loans and borrowings	13	587,607	564,692	111,394	91,681
Lease liabilities		4,900	4,400	28	28
Income tax payable		10,771	9,741	1,332	1,388
		619,903	591,562	137,530	111,783
Net current assets		225,428	283,403	214,582	193,967
Non-current liabilities					
Other payables		91	88	–	–
Provisions		508	499	–	–
Deferred tax liabilities		2,534	2,510	966	900
Loans and borrowings	13	48,800	49,241	–	–
Lease liabilities		5,517	3,623	15	29
Derivative liability		104	150	–	–
		57,554	56,111	981	929
Total liabilities		677,457	647,673	138,511	112,712
Net assets		468,227	428,920	305,172	280,733

ValueMax Group Limited and its Subsidiaries

**Condensed interim statements of financial position
As at 30 June 2024**

	Note	Group		Company	
		Unaudited 30.06.2024	Audited 31.12.2023	Unaudited 30.06.2024	Audited 31.12.2023
		\$'000	\$'000	\$'000	\$'000
Equity attributable to owners of the Company					
Share capital	14	191,523	168,329	191,523	168,329
Treasury shares	14	(26)	(26)	(26)	(26)
Retained earnings		281,261	264,921	113,675	112,430
Other reserves		(9,827)	(9,788)	–	–
		462,931	423,436	305,172	280,733
Non-controlling interests		5,296	5,484	–	–
Total equity		468,227	428,920	305,172	280,733
Total equity and liabilities		1,145,684	1,076,593	443,683	393,445

ValueMax Group Limited and its Subsidiaries

**Condensed interim statements of changes in equity
For the six-month period ended 30 June 2024**

		Attributable to owners of the Company									
	Note	Share capital \$'000	Treasury shares \$'000	Capital reserve \$'000	Merger reserve \$'000	Foreign currency translation reserve \$'000	Cash flow hedge reserve \$'000	Retained earnings \$'000	Total \$'000	Non- controlling interests \$'000	Total equity \$'000
Group 2024		168,329	(26)	2,025	(7,599)	(4,190)	(24)	264,921	423,436	5,484	428,920
At 1 January 2024											
Profit for the period		–	–	–	–	–	–	35,438	35,438	500	35,938
<u>Other comprehensive income</u>											
Foreign currency translation		–	–	–	–	21	–	–	21	–	21
Fair value loss on cash flow hedge		–	–	–	–	–	(60)	–	(60)	–	(60)
Total comprehensive income for the period		–	–	–	–	21	(60)	35,438	35,399	500	35,899
<u>Distributions to owners</u>											
Dividends paid on ordinary shares	7	–	–	–	–	–	–	(19,098)	(19,098)	–	(19,098)
Dividends paid to non-controlling interests		–	–	–	–	–	–	–	–	(688)	(688)
Shares issued pursuant to exercise of warrants	14	23,194	–	–	–	–	–	–	23,194	–	23,194
Total distributions to owners, representing total transactions with owners in their capacity as owners		23,194	–	–	–	–	–	(19,098)	4,096	(688)	3,408
At 30 June 2024		191,523	(26)	2,025	(7,599)	(4,169)	(84)	281,261	462,931	5,296	468,227

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

ValueMax Group Limited and its Subsidiaries

**Condensed interim statements of changes in equity
For the six-month period ended 30 June 2024**

		Attributable to owners of the Company								
Note	Share capital \$'000	Treasury shares \$'000	Capital reserve \$'000	Merger reserve \$'000	Foreign currency translation reserve \$'000	Cash flow hedge reserve \$'000	Retained earnings \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
Group										
2023										
At 1 January 2023	145,093	(26)	2,025	(7,599)	(2,701)	394	226,702	363,888	5,119	369,007
Profit for the period	-	-	-	-	-	-	25,078	25,078	376	25,454
<u>Other comprehensive income</u>										
Foreign currency translation	-	-	-	-	(1,138)	-	-	(1,138)	-	(1,138)
Fair value gain on cash flow hedge	-	-	-	-	-	(111)	-	(111)	-	(111)
	-	-	-	-	(1,138)	(111)	25,078	23,829	376	24,205
<u>Distributions to owners</u>										
Dividends paid on ordinary shares	7	-	-	-	-	-	(14,632)	(14,632)	-	(14,632)
Dividends paid to non-controlling interests		-	-	-	-	-	-	-	(610)	(610)
Total distributions to owners, representing total transactions with owners in their capacity as owners		-	-	-	-	-	(14,632)	(14,632)	(610)	(15,242)
<u>Changes in ownership interests in subsidiaries</u>										
Acquisition of interest in a subsidiary, representing total changes in ownership interests in subsidiaries		-	-	-	-	-	-	-	300	300
At 30 June 2023	145,093	(26)	2,025	(7,599)	(3,839)	283	237,148	373,085	5,185	378,270

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

ValueMax Group Limited and its Subsidiaries

**Condensed interim statements of changes in equity
For the six-month period ended 30 June 2024**

	Note	Share capital \$'000	Treasury shares \$'000	Retained earnings \$'000	Total equity \$'000
Company					
At 1 January 2024		168,329	(26)	112,430	280,733
Profit for the period, representing total comprehensive income for the period		–	–	20,343	20,343
<u>Distributions to owners</u>					
Dividends paid on ordinary shares	7	–	–	(19,098)	(19,098)
Shares issued pursuant to exercise of warrants	14	23,194	–	–	23,194
Total distributions to owners, representing total transactions with owners in their capacity as owners		23,194	–	(19,098)	4,096
At 30 June 2024		191,523	(26)	113,675	305,172
At 1 January 2023		145,093	(26)	104,871	249,938
Profit for the period, representing total comprehensive income for the period		–	–	18,629	18,629
<u>Distributions to owners</u>					
Dividends paid on ordinary shares representing total distributions to owners, representing total transactions with owners in their capacity as owners	7	–	–	(14,632)	(14,632)
At 30 June 2023		145,093	(26)	108,868	253,935

ValueMax Group Limited and its Subsidiaries

**Condensed interim consolidated statement of cash flows
For the six-month period ended 30 June 2024**

	Group	
	6 months ended	
	30 June	
Note	Unaudited	Unaudited
	2024	2023
	\$'000	\$'000
Operating activities		
Profit before tax	42,356	29,925
<u>Adjustments for:</u>		
Depreciation of property, plant and equipment	780	772
Loss on disposal of plant and equipment	93	–
Depreciation of right-of-use assets	2,923	2,838
Allowance for expected credit losses on trade receivables	2,639	365
Write-off of excess of fair value over consideration of interest acquired in a subsidiary	–	(30)
Interest income	(203)	(401)
Finance costs	16,372	16,999
Dividend income from other investment	(48)	(40)
Increase in fair value of inventories less point-of-sale costs	(2,538)	(784)
Write back of allowance for inventories	(3)	–
Net fair value loss on loans from unrelated parties	77	29
Unrealised exchange (gain)/loss	(22)	91
Impairment loss on plant and equipment	5	–
Impairment loss on right-of-use assets	12	–
Write-back of provision for restoration cost	–	(7)
Share of results of associates	(3,529)	(2,534)
Operating cash flows before changes in working capital	58,914	47,223
<u>Changes in working capital</u>		
Decrease/(increase) in inventories	6,547	(19,824)
Increase in trade and other receivables	(66,117)	(53,077)
(Increase)/decrease in prepaid operating expenses	(36)	67
Increase/(decrease) in trade and other payables	4,886	(8,246)
Decrease in other liabilities	(577)	(2,839)
Cash flows generated from/(used in) operations	3,617	(36,696)
Interest received	203	401
Interest paid	(16,589)	(16,051)
Income taxes paid	(5,364)	(4,349)
Net cash flows used in operating activities	(18,133)	(56,695)
Investing activities		
Purchase of property, plant and equipment	A (193)	(4,753)
Dividend received from associates	75	75
Net cash flow from acquisition of subsidiary	–	(659)
Dividend received from other investment	48	40
Subscription of shares in an associated company	(13)	–
Net cash flows used in investing activities	(83)	(5,297)

ValueMax Group Limited and its Subsidiaries

**Condensed interim consolidated statement of cash flows
For the six-month period ended 30 June 2024**

	Note	Group 6 months ended 30 June	
		Unaudited 2024	Unaudited 2023
		\$'000	\$'000
Financing activities			
Proceeds from loans and borrowings		231,364	198,488
Repayment of loans and borrowings		(208,229)	(126,931)
Payment of principal portion of lease liabilities		(3,103)	(2,827)
Proceeds from issuance of shares to non-controlling shareholders of subsidiaries		–	300
Dividends paid to non-controlling interests		(688)	(610)
Dividends paid on ordinary shares		(19,098)	(14,632)
Proceeds from issuance of ordinary shares pursuant to exercise of warrants	14	23,194	–
Net cash flows generated from financing activities		23,440	53,788
Net increase/(decrease) in cash and cash equivalents		5,224	(8,204)
Cash and cash equivalents at beginning of the period		10,736	6,279
Cash and cash equivalents at end of the period	B	15,960	(1,925)

Note to the condensed interim consolidated statement of cash flows

A. Property, plant and equipment

	Note	6 months ended 30 June	
		2024	2023
		\$'000	\$'000
Current year additions to property, plant and equipment	10	201	4,769
Less: Provision for restoration costs included in "Renovations"		(8)	(16)
Net cash outflow for purchase of property, plant and equipment		193	4,753

B. Cash and cash equivalents

	Note	6 months ended 30 June	
		2024	2023
		\$'000	\$'000
Comprise the following at the end of the reporting period:			
Cash and bank balances	12	19,959	10,710
Bank overdrafts		(3,999)	(12,635)
Cash and cash equivalents		15,960	(1,925)

ValueMax Group Limited and its Subsidiaries

Notes to the Condensed interim financial statements For the six-month period ended 30 June 2024

1. Corporate information

ValueMax Group Limited is a limited liability company incorporated and domiciled in Singapore and whose shares are publicly traded on the Mainboard of the Singapore Exchange. These condensed interim consolidated financial statements as at and for the six months ended 30 June 2024 comprise the Company and its subsidiaries (collectively, the Group). The immediate and ultimate holding company is Yeah Holdings Pte. Ltd., which is incorporated in Singapore.

The registered office and principal place of business of the Company is located at 261 Waterloo Street #01-35, Singapore 180261.

The principal activities of the Company are those of investment holding and provision of management services. The Group is principally engaged in the businesses of pawnbroking, moneylending, and retail and trading of gold and jewellery.

2. Material accounting policy information

2.1 *Basis of preparation*

The condensed interim financial statements for the six-month period ended 30 June 2024 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and financial performance since the last audited consolidated financial statements for the financial year ended 31 December 2023.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.2.

The condensed interim financial statements are presented in Singapore Dollars which is the Company's functional currency.

2.2 *New and amended standards adopted by the Group*

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.3 *Use of judgements and estimates*

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited consolidated financial statements for the financial year ended 31 December 2023.

ValueMax Group Limited and its Subsidiaries

Notes to the Condensed interim financial statements For the six-month period ended 30 June 2024

2.3 *Use of judgements and estimates (cont'd)*

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in Note 3 in the audited consolidated financial statements for the financial year ended 31 December 2023.

3. **Seasonal operations**

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. **Segment and revenue information**

Business segments

The segment reporting format is determined to be business segments as the Group's risks and rates of return are affected predominantly by differences in the products sold and services rendered. The operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and services, and serves different markets.

The Group is organised into four operating business segments, namely:

- (a) Pawnbroking;
- (b) Retail and trading of jewellery and gold;
- (c) Moneylending; and
- (d) Other operations including investment holding and provision of other support services.

Allocation basis

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Segment revenue, expenses and results include transfers between business segments. These transfers are eliminated on consolidation.

Non-cash items are not material to the financial statements and have not been separately presented.

Geographical information

As the Group's business activities are mainly conducted in Singapore, with its non-current assets mainly located in Singapore, information about geographical areas is not relevant to the Group.

ValueMax Group Limited and its Subsidiaries

Notes to the Condensed interim financial statements
For the six-month period ended 30 June 2024

4. Segment and revenue information (cont'd)

4.1 Reportable segments

	Pawnbroking \$'000	Retail and trading of jewellery and gold \$'000	Moneylending \$'000	Others \$'000	Adjustments and eliminations \$'000	Note	Group \$'000
Period from 1 January 2024 to 30 June 2024							
Revenue from external customers	23,334	174,395	32,031	–	–		229,760
Inter-segment revenue	17,751	–	–	–	(17,751)	A	–
Results:							
Facility fee income	–	–	1,871	–	–		1,871
Interest income	–	–	–	8,279	(8,076)	A	203
Allowance for expected credit losses on trade receivables	104	–	(2,743)	–	–		(2,639)
Depreciation of property, plant and equipment	(224)	(94)	(18)	(444)	–		(780)
Depreciation of right-of-use assets	(765)	(393)	–	(1,765)	–		(2,923)
Finance costs	(6,562)	(1,496)	(12,877)	(3,513)	8,076		(16,372)
Share of results of associates	–	–	–	3,529	–		3,529
Segment profit	8,714	13,479	15,806	828	3,529	B	42,356
Income tax expense	(1,375)	(2,230)	(2,632)	(181)	–		(6,418)

ValueMax Group Limited and its Subsidiaries

Notes to the Condensed interim financial statements
For the six-month period ended 30 June 2024

4. Segment and revenue information (cont'd)

4.1 Reportable segments (cont'd)

	Pawnbroking \$'000	Retail and trading of jewellery and gold \$'000	Moneylending \$'000	Others \$'000	Adjustments and eliminations \$'000	Note	Group \$'000
Period from 1 January 2023 to 30 June 2023							
Revenue from external customers	20,261	102,838	28,694	–	–		151,793
Inter-segment revenue	18,562	–	–	–	(18,562)	A	–
Results:							
Facility fee income	–	–	1,426	–	–		1,426
Interest income	–	–	–	6,340	(5,939)	A	401
Allowance for expected credit losses on trade receivables	(146)	–	(219)	–	–		(365)
Depreciation of property, plant and equipment	(245)	(96)	(14)	(417)	–		(772)
Depreciation of right-of-use assets	(688)	(405)	–	(1,745)	–		(2,838)
Finance costs	(6,005)	(1,129)	(13,534)	(2,270)	5,939		(16,999)
Share of results of associates	–	–	–	2,534	–		2,534
Segment profit	6,503	4,931	14,162	1,795	2,534	B	29,925
Income tax expense	(982)	(817)	(2,339)	(333)	–		(4,471)

ValueMax Group Limited and its Subsidiaries

**Notes to the Condensed interim financial statements
For the six-month period ended 30 June 2024**

4. Segment and revenue information (cont'd)

4.1 Reportable segments (cont'd)

The following table presents the assets and liabilities information for the Group's operating segments as at 30 June 2024 and 31 December 2023, respectively:

	Pawnbroking	Retail and trading of jewellery and gold	Moneylending	Others	Adjustments and eliminations	Note	Group
Assets	\$'000	\$'000	\$'000	\$'000	\$'000		\$'000
30 June 2024	330,553	115,731	619,660	159,930	(80,190)	C	1,145,684
31 December 2023	307,811	118,244	574,374	152,246	(76,082)	C	1,076,593
Liabilities							
30 June 2024	195,227	71,710	256,854	133,358	20,308	D	677,457
31 December 2023	168,315	57,400	290,286	116,127	15,545	D	647,673

ValueMax Group Limited and its Subsidiaries

**Notes to the Condensed interim financial statements
For the six-month period ended 30 June 2024**

4. Segment and revenue information (cont'd)

4.1 Reportable segments (cont'd)

Notes

A Inter-segment revenues and income are eliminated on consolidation.

B The following items are added to segment profit to arrive at "profit before tax" presented in the condensed interim consolidated statement of comprehensive income:

	Group	
	30 Jun 2024	30 Jun 2023
	\$'000	\$'000
Share of results of associates	3,529	2,534

C The following items are deducted from segment assets to arrive at total assets reported in the condensed interim consolidated statement of financial position:

	Group	
	30 Jun 2024	31 Dec 2023
	\$'000	\$'000
Inter-segment assets	(80,190)	(76,082)

D The following items are added to segment liabilities to arrive at total liabilities reported in the condensed interim consolidated statement of financial position:

	Group	
	30 Jun 2024	31 Dec 2023
	\$'000	\$'000
Deferred tax liabilities	1,471	1,504
Income tax payable	(1,272)	(573)
Inter-segment liabilities	20,109	14,614
	<u>20,308</u>	<u>15,545</u>

ValueMax Group Limited and its Subsidiaries

Notes to the Condensed interim financial statements For the six-month period ended 30 June 2024

5. Profit before tax

5.1 Significant items

The following items have been included in arriving at profit before tax:

	The Group 6 months ended 30 June	
	2024	2023
	\$'000	\$'000
Income:		
Rental income from leasehold properties	471	416
Interest income on loans and receivables	203	401
Dividend income from unquoted investments	48	40
Write-off of excess of fair value over consideration of interest acquired on a subsidiary	–	30
Expenses:		
Interest on loans and borrowings	16,372	16,999
Depreciation of property, plant and equipment	780	772
Depreciation of right-of-use assets	2,923	2,838
Inventories recognised as an expense in cost of sales	154,070	92,026
Increase in fair value of inventories less point-of-sale costs	(2,538)	(784)
Operating lease expense	246	253
Net fair value loss on loans from unrelated parties	77	29
Foreign exchange (gain)/loss, net	(24)	123
Allowance for expected credit losses on trade receivables	2,639	365
Loss on disposal of plant and equipment	93	–
Impairment loss on right-of-use assets	12	–

ValueMax Group Limited and its Subsidiaries

Notes to the Condensed interim financial statements For the six-month period ended 30 June 2024

5. Profit before tax (cont'd)

5.2 Related party transactions

(a) *Sale and purchase of goods and services*

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place on terms agreed between the parties during the financial period:

	The Group	
	6 months ended	
	30 June	
	2024	2023
	\$'000	\$'000
Sale of goods to director-related companies	1,247	1,993
Purchase of goods from director-related companies	1,065	978
Purchase of goods from associates	150	80
Rental paid to director-related companies	336	300
Management fee income received from associates	33	166
Interest received from associates	140	399
Dividend income from associates	123	115
Rental paid to a director and spouse	38	38
Interest paid/payable on commercial papers held by directors	54	11
Interest paid/payable on commercial paper held by director-related parties	151	371

The Group has sale and purchase transactions with director-related companies, wherein these companies are controlled by close family members of Mr Yeah Hiang Nam, a director of the Company. These sale and purchase transactions are based on the bid price quotation of gold and are due and payable under normal payment terms.

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Notes to the Condensed interim financial statements For the six-month period ended 30 June 2024

6. Income tax expense

Major components of income tax expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense are:

	The Group 6 months ended 30 June	
	2024 \$'000	2023 \$'000
Current income taxation	6,361	4,452
Deferred taxation	57	19
Income tax expense recognised in profit or loss	<u>6,418</u>	<u>4,471</u>

7. Dividends

The Group 6 months ended 30 June	
2024 \$'000	2023 \$'000

Declared and paid during the financial period:

Dividends on ordinary shares:

- Final exempt (one-tier) dividend for 2023: 2.20 (2022: 2.00) cents per share	19,098	14,632
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8. Net asset value

	Group		Company	
	30 Jun 2024	31 Dec 2023	30 Jun 2024	31 Dec 2023
Net asset value per ordinary share (cents)	53.33	52.69	35.15	34.93

The number of ordinary shares was based on the 868,090,000 and 803,661,000 outstanding shares (excluding treasury shares) as at 30 June 2024 and 31 December 2023 respectively.

ValueMax Group Limited and its Subsidiaries

**Notes to the Condensed interim financial statements
For the six-month period ended 30 June 2024**

9. Fair value of assets and liabilities

(a) *Fair value hierarchy*

The Group classifies financial assets measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices included within Level 1 which are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 – Inputs for the assets or liability which are not based on observable market data (unobservable inputs)

(b) *Assets and liabilities measures at fair value*

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting period:

	Fair value measurements at the end of the reporting period using			Total \$'000
	Quoted prices in active markets for identical instruments (Level 1) \$'000	Significant observable inputs other than quoted prices (Level 2) \$'000	Significant un-observable inputs (Level 3) \$'000	
Group				
30 June 2024				
Financial assets:				
<i>At FOCI</i>				
– Unquoted equity security	–	–	688	688
– Derivative asset	–	20	–	20
	–	20	688	708
Non-financial assets:				
– Commodity inventories	16,970	–	–	16,970
Financial liabilities:				
– Derivative liability	–	(104)	–	(104)
Non-financial liabilities:				
– Loans from unrelated parties	(1,827)	–	–	(1,827)

ValueMax Group Limited and its Subsidiaries

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9. Fair value of assets and liabilities (cont'd)

(b) *Assets and liabilities measures at fair value*

	Fair value measurements at the end of the reporting period using			Total \$'000
	Quoted prices in active markets for identical instruments (Level 1) \$'000	Significant observable inputs other than quoted prices (Level 2) \$'000	Significant un-observable inputs (Level 3) \$'000	
Group				
30 June 2023				
Financial assets:				
<i>At FOCI</i>				
– Unquoted equity security	–	–	688	688
– Derivative asset	–	283	–	283
	–	283	688	971
Non-financial assets:				
– Commodity inventories	13,422	–	–	13,422
Non-financial liabilities:				
– Loans from unrelated parties	(1,753)	–	–	(1,753)

10. Property, plant and equipment

During the six-month period ended 30 June 2024, the Group acquired assets amounting to \$201,000 (12-month period ended 31 December 2023: \$5,269,000) and disposed of assets with cost amounting to \$194,000 (31 December 2023: \$69,000)

ValueMax Group Limited and its Subsidiaries

**Notes to the Condensed interim financial statements
For the six-month period ended 30 June 2024**

11. Intangible assets

	Money lending licence \$'000	Group Lease assignment fee \$'000	Total \$'000
Cost			
At 1 January 2023, 31 December 2023 and 30 June 2024	310	665	975
Accumulated amortisation			
At 1 January 2023, 31 December 2023 and 30 June 2024	–	665	665
Net carrying amount			
At 31 December 2023 and 30 June 2024	310	–	310

Moneylending licence

Moneylending licence, as issued by the Registry of Moneylenders in Singapore, was acquired when the Group acquired the entire equity interest in VM Credit Pte. Ltd. in 2014 and VM Money Pte Ltd in 2021.

Impairment testing of moneylending licence

Impairment testing of moneylending licence has been done by comparing the carrying amount with its recoverable amount.

In the Group's impairment assessment, management has considered the profitability and solvency of the underlying business unit to which the moneylending licence is allocated.

12. Cash and bank balances

	Group		Company	
	30.6.2024	31.12.2023	30.6.2024	31.12.2023
	\$'000	\$'000	\$'000	\$'000
Cash at banks and on hand	19,959	15,474	1,077	416

Cash at banks do not earn interest.

Cash and bank balances denominated in foreign currencies as at 30 June 2024 and 31 December 2023 are not material to the financial statements.

Cash and cash equivalents

Bank overdrafts are denominated in SGD, bear interest at the banks' prime lending rate and are secured by a fixed and floating charge over the assets of certain subsidiaries of the Group.

ValueMax Group Limited and its Subsidiaries

**Notes to the Condensed interim financial statements
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13. Loans and borrowings

	Group		Company	
	30 Jun 2024	31 Dec 2023	30 Jun 2024	31 Dec 2023
	\$'000	\$'000	\$'000	\$'000
Current				
Secured	465,584	464,429	–	–
Unsecured	122,023	100,263	111,394	91,681
	587,607	564,692	111,394	91,681
Non-current				
Secured	47,721	47,138	–	–
Unsecured	1,079	2,103	–	–
	48,800	49,241	–	–
Total current and non-current borrowings	636,407	613,933	111,394	91,681

The bank loans are secured by a fixed and floating charge on all the assets of certain subsidiaries, corporate guarantees by the Company and personal guarantees by certain directors of a subsidiary.

14. Share capital

Group and Company	No. of ordinary shares Issued		Amount	
	share capital	Treasury shares	Share capital	Treasury shares
	'000	'000	\$'000	\$'000
Balance at 1 January 2024	803,761	(100)	168,329	(26)
Shares issued pursuant to exercise of warrants	64,429	–	23,194	–
Balance at 30 June 2024	868,190	(100)	191,523	(26)
Balance at 1 January 2023	731,689	(100)	145,093	(26)
Shares issued pursuant to right issue, net of share issue expense	72,072	–	23,236	–
Balance at 31 December 2023	803,761	(100)	168,329	(26)

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares (except treasury shares) carry one vote per share without restrictions. The ordinary shares have no par value.

On 15 September 2023, the Company issued 72,072,110 ordinary shares and 144,144,220 warrants pursuant to a renounceable, non-underwritten rights cum warrants issue.

On 8 April 2024, 30 April 2024 and 7 May 2024, the Company issued 4,233,868, 60,000,000 and 195,602 ordinary shares respectively from the exercise of the warrants.

ValueMax Group Limited and its Subsidiaries

Notes to the Condensed interim financial statements For the six-month period ended 30 June 2024

14. Share capital (cont'd)

As at 30 June 2024, the Company has 79,714,750 outstanding warrants which are convertible to 79,714,750 ordinary shares. The warrants may be converted to ordinary shares during the period up to 14 September 2026 at an exercise price of \$0.36 per warrant.

Treasury shares relate to ordinary shares of the Company that is held by the Company.

The Company's subsidiaries do not hold any shares in the Company as at 30 June 2024 and 31 December 2023.

15. Earnings per share

Basic earnings per share amounts is calculated by dividing the profit for the period attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period.

	The Group	
	6 months ended 30 June	
	2024	2023
Profit for the financial period attributable to owners of the Company ('000)	35,438	25,078
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	826,214	731,589
Basic earnings per share (cents)	4.29	3.43
Weighted average number of ordinary shares outstanding for diluted earnings per share ('000)	901,969	731,589
Diluted earnings per share (cents)	3.93	3.43

The calculation of diluted earnings per share for the period ended 30 June 2024 is calculated by dividing the profit, attributable to shareholders for the period by the weighted average number of ordinary shares outstanding after adjustment for the dilutive effects of 144,144,220 outstanding warrants as if all 144,144,220 outstanding warrants as at 1 January 2024 were exercised on 28 February 2024, being the date on which the warrants became dilutive.

For the financial period ended 30 June 2023, the diluted earnings per share is the same as the basic earnings per share as there were no outstanding convertible securities.

16. Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

ValueMax Group Limited and its Subsidiaries

Other information

For the six-month period ended 30 June 2024

1. Review

The condensed interim consolidated financial statements of the Group and the condensed interim statement of financial position and condensed interim statement of changes in equity of the Company as of and for the six-month period ended 30 June 2024 and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

Revenue

The Group's revenue increased from \$151.8 million in 1H2023 to \$229.8 million in 1H2024. The revenue increased due to the increase in the revenue from retail and trading of jewellery and gold, pawnbroking and moneylending businesses of \$71.6 million, \$3.1 million and \$3.3 million respectively.

Cost of sales

The Group's cost of sales increased from \$106.1 million in 1H2023 to \$166.3 million in 1H2024. The cost of goods sold for retail and trading of jewellery and gold business increased by \$62.1 million in line with the increase in revenue. This was partially offset by a decrease in cost of sales for pawnbroking and moneylending businesses by \$1.0 million and \$0.9 million respectively.

Gross profit

Overall gross profit increased by \$17.8 million in 1H2024 compared with 1H2023. Gross profit margin decreased from 30.1% to 27.6% due to higher revenue contribution from the retail and trading of jewellery and gold business.

Other operating income

Other operating income increased by \$0.3 million in 1H2024 compared with the same period last year mainly due to increase in facility fees income, administrative income and rental income from leasehold property of \$0.4 million, \$0.1 million and \$0.1 million respectively. These were partially offset by the decrease in interest income on loans and receivables and management fee income from associates of \$0.2 million and \$0.1 million respectively.

Marketing and distribution expenses

Marketing and distribution expenses comprise mainly commission expenses, labour charges, licences, packaging and repair and reconditioning expenses.

Administrative expenses

Administrative expenses comprise mainly employee benefits expense, rental expenses, depreciation expenses, legal and professional fees and insurance premiums. The increase in administrative expenses from \$16.9 million in 1H2023 to \$20.5 million in 1H2024 was mainly due to the increase in employee benefits expense of \$3.0 million, and the increases in legal and professional fees, depreciation charges, loss on disposal of plant and equipment, subscription fee and utilities of \$0.1 million each respectively.

ValueMax Group Limited and its Subsidiaries

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For the six-month period ended 30 June 2024

Other operating expense

The increase in other operating expenses from \$0.5 million in 1H2023 to \$2.3 million in 1H2024 was mainly due to the increase in the allowance for doubtful trade receivables of \$2.3 million. This was partially offset by the decrease in allowance for doubtful other receivables and net foreign exchange loss of \$0.4 million and \$0.1 million respectively.

Share of results of associates

The Group's share of results of associates increased by \$1.0 million compared with the same period last year due to increased contribution from Malaysian associates.

Profit before tax

As a result of the above, there was an increase in profit before tax of \$12.4 million.

Income tax expense

Income tax expense increased by \$1.9 million due to the increase in profit in 1H2024 compared with the same period last year.

Review of the Group's Financial Position

Non-current assets increased by \$98.7 million from \$201.6 million as at 31 December 2023 to \$300.3 million as at 30 June 2024. The increase was mainly due to the increase in investment in associates, right-of-use assets and trade and other receivables of \$3.5 million, \$2.4 million and \$93.6 million respectively. These were partially offset by the decreases in property, plant and equipment and derivative asset of \$0.7 million and \$0.1 million respectively.

Current assets decreased by \$29.7 million from \$875.0 million as at 31 December 2023 to \$845.3 million as at 30 June 2024. These were mainly due to the decreases in inventories and trade and other receivables of \$4.0 million and \$30.1 million respectively. These were partly offset by the increase in cash and bank balances of \$4.5 million.

Current liabilities increased by \$28.3 million from \$591.6 million as at 31 December 2023 to \$619.9 million as at 30 June 2024 as a result of the increases in trade and other payables, lease liabilities, income tax payable and loans and borrowings of \$4.9 million, \$0.5 million, \$1.0 million and \$22.9 million respectively. These were offset by the decrease in other liabilities of \$1.0 million.

Non-current liabilities increased by \$1.5 million from \$56.1 million as at 31 December 2023 to \$57.6 million as at 30 June 2024 mainly due to the increase in lease liabilities of \$1.9 million. This was offset by the decrease in loans and borrowings of \$0.4 million.

Equity comprises share capital, treasury shares, retained earnings, capital reserve, merger reserve, foreign currency translation reserve, cash flow hedge reserve and non-controlling interests. Total equity increased from \$428.9 million as at 31 December 2023 to \$468.2 million as at 30 June 2024 mainly due to the increase in retained earnings and share capital.

ValueMax Group Limited and its Subsidiaries

Other information

For the six-month period ended 30 June 2024

Review of the Group's Cash Flows

In 1H2024, the net cash used in operating activities was \$18.1 million. This comprises operating cash flows before working capital adjustments of \$58.9 million, adjusted by net working capital outflow of \$55.3 million. In 1H2024, the Group received interest income of \$0.2 million, with net income tax paid of \$5.3 million and interest expense paid of \$16.6 million. The net working capital outflow was a result of the increase in trade and other receivables of \$66.1 million and the decrease in other liabilities of \$0.6 million. These were partially offset by the decrease in inventories of \$6.5 million and an increase in trade and other payables of \$4.9 million.

The net cash flows used in investing activities was \$0.1 million in 1H2024 comprising the purchase of property, plant and equipment of \$0.2 million. This was partially offset by dividend received of \$0.1 million.

The net cash generated from financing activities in 1H2024 amounted to \$23.4 million comprising the net proceeds from loans and borrowings of \$23.1 million and proceeds from issuance of shares pursuant to the exercise of warrants of \$23.2 million. These were partially offset by the payment of principal portion of lease liabilities of \$3.1 million and payment of dividends of \$19.8 million.

3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

There is no material variance from the prospects disclosed in paragraph 4 of the Group's previous results announcement.

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months

Gold price has been rising since mid-February to reach near USD 2,500 per ounce in mid-July. Though the market expects potential cut in interest rates in the second half of the year, however given the rising geopolitical tensions and the upcoming elections in the United States, gold price may continue to remain volatile. The Group continues to face a challenging business environment and increased competition.

The restructuring exercise of the Malaysian associated companies was completed on 20 May 2024 and Well Chip Group Berhad was listed on the Mainboard of Bursa Malaysia on 23 July 2024. The Group will continue to explore acquisition opportunities and suitable locations to grow its network of pawnshops and retail outlets, and grow its moneylending business.

ValueMax Group Limited and its Subsidiaries

Other information

For the six-month period ended 30 June 2024

5. Dividend Information

5a. Current Financial Period Reported on

Any dividend recommended for the current financial period reported on?

No.

5b. Corresponding Period of the Immediate Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

5c. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision

No dividend has been declared for the six-month period ended 30 June 2024 as it is the Company's policy to consider declaring a final dividend after the end of the financial year.

6. Interested person transactions

The Group has a general mandate from shareholders of the Company for interested person transactions which was renewed in the Annual General Meeting held on 24 April 2024. During the financial period under review, the following interested persons transactions were entered into by the Group:

Aggregate value of interested person transactions above \$100,000 conducted under the shareholders' mandate during the financial period under review:

	1H2024 \$'000	1H2023 \$'000
Sale of goods to director-related companies		
- Cantik Jewellery	506	599
- Lucky Jewellery	57	287
- Mei Zhi Jewellery	102	-
Purchase of goods from director-related company		
- Lucky Jewellery	355	368
Rental paid to director-related company		
- Yeah Properties Pte Ltd	174	174

Aggregate value of interested person transactions above \$100,000, excluding transactions conducted under the shareholders' mandate, during the financial period under review:

	1H2024 \$'000	1H2023 \$'000
Interest paid/payable on Commercial Paper		
- Tan Hong Yee	-	516

ValueMax Group Limited and its Subsidiaries

Other information

For the six-month period ended 30 June 2024

7. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

8. Negative confirmation pursuant to Rule 705(5)

The board of Directors of the Company (the "Board") confirms that, to the best of our knowledge, nothing has come to the attention of the Board which may render the unaudited condensed interim financial statements for the six-month period ended 30 June 2024 to be false or misleading in any material respects.

For and on behalf of the Board

Yeah Hiang Nam
Executive Chairman

Yeah Chia Kai
Chief Executive Officer