

LUMINOR FINANCIAL HOLDINGS LIMITED
(Company Registration Number: 201131382E)
(Incorporated in the Republic of Singapore)

ENTRY INTO NON-BINDING MEMORANDUM OF UNDERSTANDING IN RELATION TO THE PROPOSED INVESTMENT IN THE PT ADIWISISTA DAYA PRATAMA GROUP (THE “ADIWISISTA GROUP”)

1. INTRODUCTION

The Board of Directors (the “**Board**”) of Luminor Financial Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company’s wholly-owned subsidiary, Starland Axis Pte. Ltd. (“**SAPL**”), has on 31 March 2022 entered into a non-binding memorandum of understanding (“**MOU**”) with PT Adiwisista Daya Pratama (“**ADP**”) in relation to

- (a) SAPL’s proposed subscription of a convertible and exchangeable note (the “**Note**”) with a principal amount of US\$2,000,000 (the “**Principal Amount**”) to be issued by ADI which comprise:
 - (i) a convertible note of US\$100,000 to be converted into 20% of shares in a company to be incorporated under the laws of Indonesia which shall be wholly owned by ADP (“**ADI**”) as at the date of the conversion of this convertible note; and
 - (ii) an exchangeable note of US\$1,900,000 to be exchanged into 20% of shares in PT Adiwisista Finansial Teknologi (“**AFT**”) as at the date of the exchange of this exchangeable note. ADP is the legal and beneficial owner of a 90% equity interest in AFT, which holds a license as an Information Technology-Based Borrowing-Lending Service Provider issued by the Financial Services Authority of Indonesia to operate a peer-to-peer lending platform (the “**License**”).
- (b) SAPL’s and ADP’s proposed entry into a collaboration agreement, under which SAPL and ADP shall share certain capabilities and knowledge including product and technological knowledge and operations know-how.

2. INFORMATION ON ADP

ADP is a private company incorporated in Indonesia on 27 April 2018 and is principally an investment holding company. ADP is 50% owned by PT Laplace Danadipa Group (“**LDP**”) and 50% owned by PT Anugrah Aditama Wisista (“**AAW**”). As at the date of this announcement, save as disclosed herein, ADP is not related to the Company, the Directors and controlling shareholders of the Company, and their respective associates.

ADP is principally engaged in the business of financial services and through its subsidiary AFT operates a peer-to-peer lending platform marketed under the name Danai.id, which is licensed and supervised by the Financial Services Authority of Indonesia to raise funds from the public and offer credit facilities targeting the underserved salaried people in Indonesia. ADP also operates a cloud-based employee payroll administration system called URUS that is integrated with Danai.id to offer seamless employee benefits services accessible from employee’s mobile phones. As at the date of this announcement, ADP owns 90% shareholding in AFT. The remaining 10% shareholding in AFT is held by AAW.

3. SALIENT TERMS OF THE MOU

- 3.1 SAPL shall use commercially reasonable efforts to procure third parties to subscribe to the Note (“**Investors**”). In the event SAPL fails to procure Investors, SAPL shall be entitled (but not obliged) to subscribe for the Note in respect of the full Principal Amount.

3.2 The commercial terms of the Note will be finalised and announced upon the signing of the definitive agreements.

3.3 Conditions Precedent

The conditions precedent for the MOU will include:

- (i) SAPL being satisfied with the results of the due diligence investigations (whether legal, financial, contractual, tax or otherwise) carried out by SAPL in respect of the Adiwisista Group;
- (ii) the approval from the shareholders of the Company being obtained for the transactions contemplated in the MOU (if required);
- (iii) the approval of the entry by the Parties into the Collaboration Agreement as the case may be;
- (iv) all consents, approvals and authorisations of the relevant banks, financial institutions, government or regulatory authorities or any other relevant third parties which are necessary in Singapore and Indonesia in connection with the transactions contemplated in this MOU;
- (v) such other conditions as may be required by the board of directors of the Group and ADP, waiver of the pre-emption rights of existing shareholders of ADI and AFT under the constitution, any agreement or otherwise in respect of the issuance and/or transfer of shares in ADI and/or AFT;
- (vi) the Licence having been validly obtained by AFT and is valid and subsisting and all conditions and requirements applicable to the Licence have been complied with;
- (vii) Appointment of a Commissioner such person nominated by the Group to the Board of Commissioners of AFT, subject to compliance of the regulation with applicable laws and regulations in force inter-alia the regulation in Singapore and Indonesia (including regulations of the Financial Services Authority of Indonesia) and the laws of the Republic of Indonesia.

4. **RATIONALE OF THE MOU**

The Adiwisista Group operates a peer-to-peer lending platform headquartered in Jakarta, Indonesia. It holds a license as an Information Technology-Based Borrowing-Lending Service Provider issued by the Financial Services Authority of Indonesia, which allows AFT to match borrowers with lenders. The alliance with the Adiwisista Group will allow the Group to enter the Indonesian market, in line with the Group's strategy to expand its financial services in the region.

5. **FINANCING**

Part of the Subscription Consideration will be satisfied by Investors (procured by the Group on best commercial efforts per the conditions precedent of the MOU). The remaining part of the Subscription Consideration will be satisfied by the Group in cash which may be partly funded through a shareholder's loan to be granted by Mr Kwan Chee Seng, the non-executive Director and controlling shareholder of the Company to the Company. The Company will make the relevant announcement(s) in compliance with the requirements of Chapter 9 of the Listing Manual Section B: Rules of Catalyst ("**Catalist Rules**") of the SGX-ST upon finalisation of the terms and conditions of such loan, if required.

6. FURTHER ANNOUNCEMENTS

The MOU is only an expression of intent relating to the transactions contemplated in the MOU above and does not create any legally binding or enforceable obligations on the parties thereto. SAPL and ADP shall use their best efforts to enter into definitive agreements within one (1) month from the date of MOU or such later date as may be requested by SAPL, failing which the MOU shall expire automatically.

7. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the transactions contemplated in the MOU, other than through their respective shareholdings (if any) in the Company.

8. FURTHER ANNOUNCEMENTS

The Company will make further announcements, in compliance with the requirements of Chapter 10 of the Catalist Rule upon the execution of definitive agreements, if required, and/or when there are material developments in relation to the MOU.

9. CAUTION IN TRADING

Shareholders and potential investors should note that there is no certainty or assurance that any definitive agreements will be entered into, or that the transactions contemplated under the MOU will be completed. Shareholders and potential investors should exercise caution when trading in the shares of the Company. Persons who are in doubt as to the action they should take should consult their legal, financial tax or other professional advisers.

BY ORDER OF THE BOARD

Kwan Yu Wen
Executive Director
31 March 2022

This announcement has been prepared by Luminor Financial Holdings Limited (the "Company") and its contents have been reviewed by the Company's sponsor, UOB Kay Hian Private Limited (the "Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

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