



LUMINOR  
FINANCIAL  
THE FUTURE GLOWS

## ANNUAL GENERAL MEETING FY2021

27 April 2022

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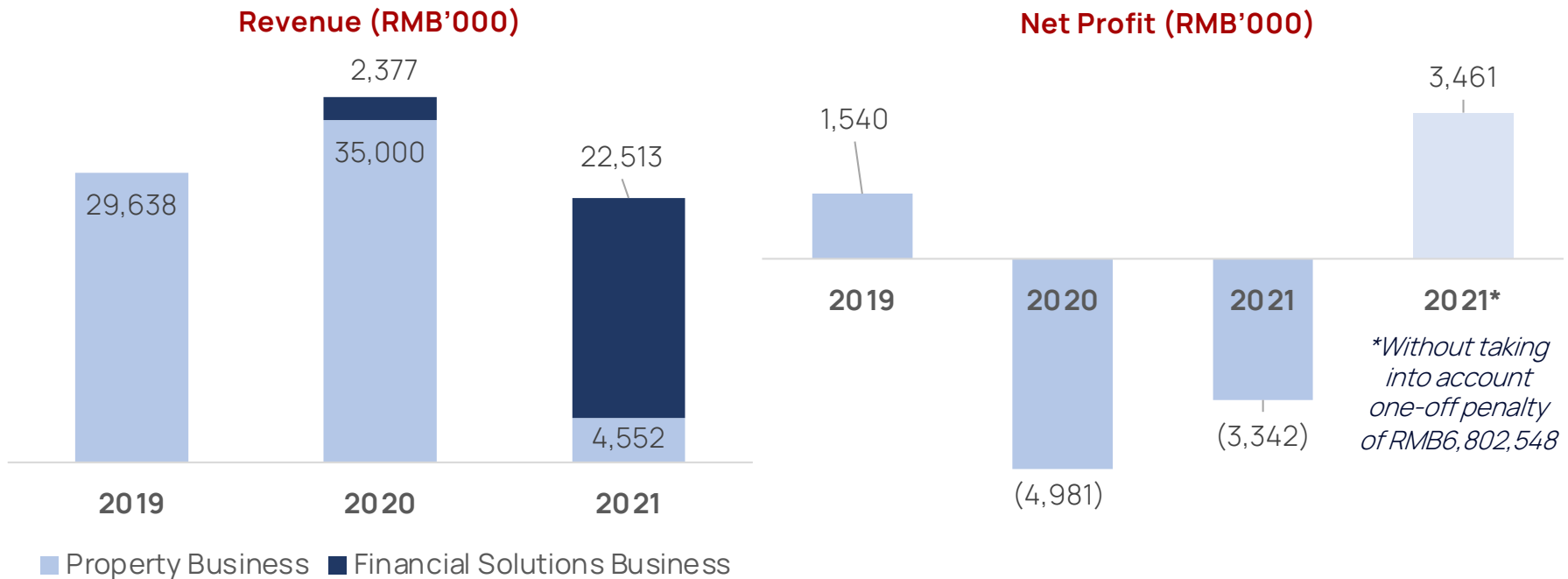
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# FINANCIAL PERFORMANCE



## Key Points

- Financial solutions business now accounts for 83.2% of revenue for FY2021 vs 6.4% in FY2020
- Net loss narrowed to RMB3.342m despite a decline in revenue from RMB37.4m to RMB27.1m
- Net loss largely due to a one-off penalty of RMB6.8m

# KEY FINANCIAL INDICATORS



## Key Figures

- Balance sheet remains strong
- Strong cash position with current ratio of 2.9487
- Negative net debt – Cash > Debt

(RMB'000)	FY2021	FY2020	FY2019
<b>Cash &amp; Cash Equivalents</b>	62,548	105,198	125,199
<b>Total Assets</b>	167,295	165,967	194,588
<b>Total Liabilities</b>	58,194	49,840	48,153
<b>Net Debt*</b>	(42,341)	(92,813)	(115,517)
<b>Current Assets</b>	161,585	157,808	193,589
<b>Current Liabilities</b>	54,798	43,226	44,978
<b>Current Ratio</b>	2.9487	3.6508	4.3041

\*Net Debt = Trade and other payables + Loans and Borrowings – Cash and cash equivalents

# PROPERTY BUSINESS



## Overall Strategy

**Property business reaching the tail end of its projects.** The Group has no more land bank and has no plans to develop its property business further. The Group will continue to sell its remaining inventory and transition into the financial solutions business.

	Singapore Garden			University Town		
	Total Units	Sold in FY2021	Units Remaining	Total Units	Sold in FY2021	Units Remaining
Residential	1,031	2	9	302	0	0
Commercial	28	0	23	81	0	2
Carpark lots	251	14	27	90	0	32

## Property Business Update

- **COVID-19 Impact** All promotional activities were stopped due to the pandemic. Property market in Fuling remains weak.
- **Royal Waterhouse, Fuling, China** Repossession completed. The Group has on 16 February 2022 received the full payment of RMB42,940,100.
- **Final Settlement for Frozen Bank Accounts** On 15 November 2021, the Group received Notices of Administrative Penalty (“Notices”) from the State Administration of Foreign Exchange Hanzhong City Central Branch (“SAFE”). The Company accepted the Notices and the imposed penalty amounting to RMB6.8 million and such amount was paid to SAFE on 3 December 2021. The matter is now closed.

# FINANCIAL SOLUTIONS BUSINESS



## Overall Strategy

**Focus continues to be on the financial solutions business.** The Group will expand through organic growth eg. through its existing business in Malaysia as well as M&A eg. through the acquisition of Funded Here Pte Ltd.

(RMB'000)	FY2021	FY2020
<b>Revenue</b>	22,819	2,377
<b>Gross Profit</b>	21,888	2,342
<b>Gross Margin</b>	95.9%	98.5%

## Solutions offered

- Factoring.
- Supply Chain Finance
- Corporate Advisory
- Secured Lending

## Financial Solutions Business Update

- **Factoring will continue to be the main business driver for Malaysia.** For SMEs that provide goods and services to various government ministries and state agencies (“GMAs”), Government-Linked Companies (“GLCs”) and Multi-national Corporations (“MNCs”).
- **Acquisition of the remaining 49% of Luminor Capital Malaysia (“LCM”).** The Group presently holds 51% of LCM and will be acquiring the remaining 49% so that LCM will be a wholly-owned subsidiary of the Group.
- **Expansion is through two models.** Expansion shall be through setting up traditional non-bank financial institutions (“NBFIs”) (balance sheet lending model, as is the case for Malaysia) or through peer-to-peer platforms (fee-based platform model)

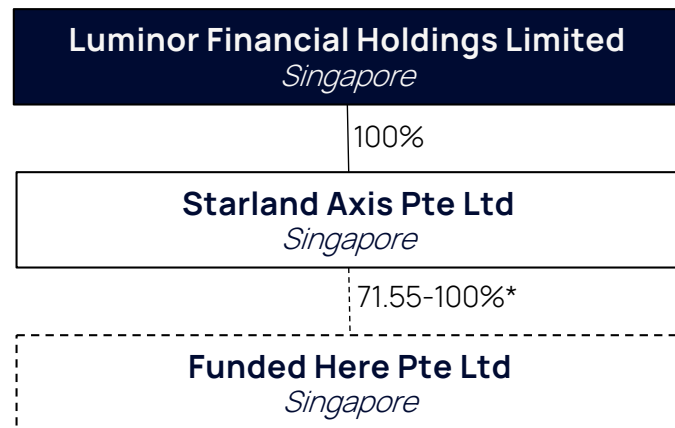
# ACQUISITION OF FUNDED HERE PTE LTD.



## About Funded Here

FH is an equity and debt crowdfunding peer-to-peer platform (being an online service that allows companies be matched with investors to raise funds) headquartered in Singapore. It holds a capital markets services licence for dealing in securities granted by the MAS, which allows FH to match borrowers with both retail and accredited investors.

## Structure



\*Subject to LFHL shareholder approval & approval by the MAS and the number of remaining shares in FH to be acquired from the other shareholders of FH)

## Rationale for Acquisition

- The acquisition would allow the Group to enter the SME financing space in Singapore
- Notwithstanding the success of the Group's launch of a Non-Bank Financial Institution ("NBFI") in Malaysia, the acquisition of a peer-to-peer platform is a more efficient way for the Group to enter the regional markets rather than set up more NBFIs, which might take longer and be too costly.
- The acquisition would allow the Group to leverage on Singapore's lower cost of funding to fund its targeted market in the region.