

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

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**ENTRY INTO SALE AND PURCHASE AGREEMENT IN RELATION TO THE PROPOSED ACQUISITION OF SHARES IN THE CAPITAL OF FUNDED HERE PTE. LTD.**

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## **1 INTRODUCTION**

The Board of Directors (the “**Board**” or “**Directors**”) of Luminor Financial Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the Company’s announcement dated 28 January 2022, in relation to its wholly-owned subsidiary, Starland Axis Pte. Ltd. (“**SAPL**”)’s entry into a binding memorandum of understanding with Siaw Ten Ten, Tee Tsun Chiek and Ngiam Heng Jun Wendy (as the Court-appointed Deputy appointed to act for and on behalf of Lin Wei, Daniel) (collectively the “**FH Vendors**”) to set out the key understandings between SAPL and the FH Vendors which form the basis for SAPL and the FH Vendors to conclude SAPL’s proposed acquisition of such number of shares held by the FH Vendors in Funded Here Pte. Ltd. (“**FH**”), representing approximately 71.55% of the total number of issued shares in the capital of FH as at the date of the completion of the Proposed FH Acquisition (“**FH Completion**”) (“**Proposed FH Acquisition**”).

The Board wishes to announce that SAPL has on 11 February 2022 entered into a sale and purchase agreement (“**FH SPA**”) with the FH Vendors in relation to the Proposed FH Acquisition. Following the FH Completion, SAPL will own at least approximately 71.55% stake in FH.

*Unless otherwise defined, all capitalised terms used herein shall bear the same meanings as ascribed to them in the Company’s announcement dated 28 January 2022.*

## **2 INFORMATION ON THE FH VENDORS AND FH**

As at the date of the FH SPA, the FH Vendors collectively own approximately 71.55% of the total number of issued shares in the capital of FH. As at the date of this announcement, none of the FH Vendors are related to the Company, the Directors and controlling shareholders of the Company, and their respective associates.

FH is Singapore’s first MAS-licensed equity and debt crowdfunding platform that aspires to connect the most promising startups and companies to strategic investors through its regulated platform. The platform has close to 1,800 investors where more than 75% of them are accredited investors.

The audited NTA of FH as at 31 December 2020 was S\$997,574. The audited loss before tax of FH for the financial year ended 31 December 2020 was S\$337,545.

## **3 SALIENT TERMS OF THE FH SPA**

### **3.1 FH Sale Shares**

It is the intention of SAPL to acquire up to 100% of the FH Sale Shares on the same terms and conditions as are applicable to the FH Vendors. Accordingly, the FH Vendors will use their best endeavours to assist SAPL to procure the other shareholders of FH to sell the remaining shares in FH owned by them to SAPL on the same terms and conditions to be completed simultaneously on FH Completion.

SAPL is not obliged (but is entitled) to complete the Proposed FH Acquisition unless the purchase of all FH Sale Shares held by the FH Vendors is completed simultaneously.

### 3.2 FH Purchase Consideration

The FH Purchase Consideration of S\$4,057,215 based on 100% of the FH Sale Shares was arrived at on a willing buyer and willing seller basis and is the issued and paid-up share capital of FH as at the date of the FH MOU. The FH Vendors will be entitled to such amount of FH Purchase Consideration according to their respective shareholding percentage in FH.

The FH Vendors' entitlement to the FH Purchase Consideration will be satisfied in the following manner:

- (i) 58% of the FH Purchase Consideration through the issue of such number of FH Consideration Shares at the Issue Price of S\$0.30 each by the Company to the FH Vendors within three (3) business days after FH Completion; and
- (ii) 42% of the FH Purchase Consideration:
  - (a) by cash on FH Completion; or
  - (b) through the issue of such number of FH Consideration Shares at the Issue Price of S\$0.30 each by the Company to the FH Vendors within three (3) business days after FH Completion, at the option of the FH Vendors.

The Issue Price of S\$0.30 per FH Consideration Share represents:

- (i) a premium of 235.95% to the volume weighted average price of the Company's shares ("**Shares**") ("**VWAP**") of S\$0.0893 on 28 January 2022, which is the full market day on which the Shares were traded on the date of the FH MOU; and
- (ii) a premium of 244.83% to the VWAP of S\$0.0870 on 11 February 2022, which is the full market day on which the Shares were traded on the date of the FH SPA.

The Issue Price was arrived at after arm's length negotiations between SAPL and the FH Vendors after taking into consideration, *inter alia*, the net asset value ("**NAV**") of the Company as at 30 September 2021, after adjusting for the repossession of the Company's land bank in Fuling, Chongqing, People's Republic of China, the potential gain on sale of the Company's remaining properties held for sale and provision for income tax payable.

The FH Consideration Shares will be free from all claims and encumbrances and with all rights, dividends, benefits and entitlements now or hereafter attaching to the FH Consideration Shares with effect from the date of issue.

Assuming SAPL acquires 100% of the FH Sale Shares and the FH Purchase Consideration is fully satisfied by the allotment and issue of 13,524,050 FH Consideration Shares, the FH Consideration Shares represent approximately 9.34% of the existing issued and paid-up capital of the Company of 144,733,000 Shares and approximately 8.55% of the enlarged issued and paid-up capital of the Company of 158,257,050 Shares following the FH Completion. Specific shareholders' approval will be obtained for the issue of the FH Consideration Shares.

For illustration purpose, a breakdown of FH Consideration Shares to be held by the FH Vendors is set out below:

<b>FH Vendor</b>	<b>Shareholding Percentage in FH<sup>(1)</sup></b>	<b>FH Purchase Consideration Entitlement</b>	<b>Shareholding Percentage in LFHL following the issue of 13,524,050 FH Consideration Shares<sup>(1)(2)</sup></b>
Lin Wei, Daniel, acting through	58.41%	S\$2,369,720.49	4.99%

his deputy Ngiam Heng Jun Wendy			
Siaw Ten Ten	7.36%	S\$298,420.71	0.63%
Tee Tsun Chiek	5.79%	S\$234,899.73	0.49%
<b>Total:</b>	<b>71.55%</b>	<b>S\$2,903,040.93</b>	<b>6.11%</b>

**Notes:**

- (1) The figures may not add up to the total due to rounding.
- (2) Assuming SAPL acquires 100% of the FH Sale Shares and the FH Purchase Consideration is fully satisfied by the allotment and issue of 13,524,050 FH Consideration Shares.

As at the date of this announcement, none of the FH Vendors and the other shareholders of FH fall under the categories as set out in Rule 812(1) of the Catalist Rules.

The Company will, through its Sponsor, UOB Kay Hian Private Limited, make an application to the SGX-ST for the listing of and quotation for the FH Consideration Shares on the Catalist. The Company will make the necessary announcement upon receipt of the listing and quotation notice from the SGX-ST for the listing of and quotation for the FH Consideration Shares on the Catalist.

### 3.3 Conditions Precedent

The FH Completion is conditional upon, *inter alia*, the following conditions precedent being fulfilled or waived by SAPL at its discretion:

- (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 FH;
- (ii) waiver of the pre-emption rights of existing shareholders of FH in respect of the FH Sale Shares (if any) and all consents, approvals and authorisations of the bankers, financial institutions, landlords of leases, any other relevant third parties, government or regulatory authorities including without limitation the Monetary Authority of Singapore which are necessary in connection with the transfer of the FH Sale Shares from the FH Vendors to SAPL and SAPL obtaining legal and beneficial title to the FH Sale Shares and other transactions contemplated under the FH SPA, and if subject to conditions, on such conditions acceptable to SAPL, and such consents, approvals and authorisation remaining in full force and effect and not being revoked prior to the FH Completion;
- (iii) the approval of the shareholder(s) of SAPL and the Company at an extraordinary general meeting (“**EGM**”) being obtained for the transactions contemplated in the FH SPA, including but not limited to, *inter alia*, the proposed acquisition of the FH Sale Shares and the allotment and issue of the FH Consideration Shares, and the approval and such other compliance requirements of the relevant authorities in Singapore (including but not limited to the listing and quotation notice from the SGX-ST for the admission to and listing of and quotation for the FH Consideration Shares on the Catalist);

- (iv) no material contract, lease, licence or other similar commercial arrangement of FH would be terminated or adversely affected as a result of a change in the legal and beneficial title to the FH Sale Shares;
- (v) there being no material adverse change in the corporate structure, management team, principal activities, prospects, operations, assets, business, profits, financial condition of FH occurring on or before FH Completion; and
- (vi) all existing capital markets service licence(s) held by FH necessary or desirable for its business as now carried on or anticipated to be carried on, have been validly obtained and are valid and subsisting and all conditions and requirements applicable to such license(s) have been complied with.

If any of the conditions precedent set out in the FH SPA is not fulfilled or otherwise waived by SAPL at its discretion within six (6) months after the date of the FH SPA or such later date as the parties may agree in writing, the FH SPA will cease and determine at the option of SAPL or the FH Vendors. No party will have any claim against the other for costs, damages, compensation or otherwise, save for antecedent breaches of the terms of the FH SPA and SAPL's rights under the FH SPA.

#### 3.4 Completion

Subject to the satisfaction or waiver of the conditions precedent, the FH Completion will take place within fourteen (14) days after the fulfilment or waiver by SAPL at its discretion of the conditions precedent under the FH SPA.

#### 3.5 Moratorium over FH Consideration Shares

The FH Vendors jointly and severally agree and undertake not to directly or indirectly sell, contract to sell, offer, realise, transfer, assign, pledge, grant any option to purchase, grant any security over, encumber or otherwise dispose or sell or agree to sell any or all of the FH Consideration Shares issued to it for a period of six (6) months from the date of allotment and issue of the FH Consideration Shares, unless agreed otherwise by SAPL in writing.

#### 4 RATIONALE FOR THE PROPOSED FH ACQUISITION

FH is an equity and debt crowdfunding peer-to-peer platform headquartered in Singapore. It holds a Capital Markets Services License granted by the Monetary Authority of Singapore, which allows FH to match borrowers with both retail and accredited investors. As a non-bank financial institution, the Company could leverage on its experience to expand its financial solution business to include a peer-to-peer equity and lending based crowdfunding market place services regionally.

#### 5. FINANCING

Part of the FH Purchase Consideration will be satisfied by the allotment and issue of the FH Consideration Shares. The FH Purchase Consideration payable by the Group in cash 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 Catalyst Rules upon finalisation of the terms and conditions of such loan, if required.

#### 6. FINANCIAL EFFECTS OF THE PROPOSED FH ACQUISITION

The tables illustrating the financial effects of the Proposed FH Acquisition on (i) the NTA per Share of the Group (assuming the Proposed FH Acquisition had been completed at the end of that financial year); and (ii) the earnings per Share ("EPS") of the Group (assuming that the Proposed FH Acquisition had been completed at the beginning of that financial year), based on the latest audited consolidated financial statements of the Group for FY2020 are set out below.

For the avoidance of doubt, the financial effects of the Proposed FH Acquisition on the Group are for illustrative purposes only and are, therefore, not indicative of the actual financial performance or position of the Group after the FH Completion. These financial effects do not take into account (i) any other corporate actions announced and undertaken by the Group; and (ii) any issuance of new Shares, on or after 1 January 2021. The financial effects also do not take into account any fees and expenses to be incurred in relation to the Proposed FH Acquisition.

##### 6.1 NTA per Share of the Group

Assuming the Proposed FH Acquisition had been completed on 31 December 2020, the financial effects on the NTA per Share of the Group as at 31 December 2020 are as follows:

	Before the Proposed FH Acquisition	After the Proposed FH Acquisition
NTA attributable to equity holders of the Company (RMB'000)	115,449	120,379
Number of Shares	144,733,000	158,257,050 <sup>(1)</sup>
NTA per Share (RMB cents)	79.77	76.07

**Note:**

- (1) Assuming SAPL acquires 100% of the FH Sale Shares and the FH Purchase Consideration is fully satisfied by the allotment and issue of 13,524,050 FH Consideration Shares.

## 6.2 EPS of the Group

Assuming the Proposed FH Acquisition had been completed on 1 January 2020, the financial effects on the EPS of the Group for FY2020 are as follows:

	<b>Before the Proposed FH Acquisition</b>	<b>After the Proposed FH Acquisition</b>
Net profit attributable to equity holders of the Company (RMB'000)	(3,571)	(5,417)
Weighted average number of Shares	144,733,000	158,257,050 <sup>(1)</sup>
EPS (RMB cents)	(2.47)	(3.42)

**Note:**

- (1) Assuming SAPL acquires 100% of the FH Sale Shares and the FH Purchase Consideration is fully satisfied by the allotment and issue of 13,524,050 FH Consideration Shares.

## 7. **RELATIVE FIGURES COMPUTED BASED ON RULE 1006 OF THE CATALIST RULES**

For the purposes of Chapter 10 of the Catalist Rules, the relative figures for the Proposed FH Acquisition, computed on the bases set out in Rule 1006 of the Catalist Rules based on the latest announced unaudited consolidated financial statements of the Group for the nine-month period ended 30 September 2021 (“9M2021”), are set out below.

<b>Rule</b>	<b>Bases</b>	<b>Relative Figures</b>
1006 (a)	Net asset value of the assets to be disposed of, compared with the group's net asset value. This basis is not applicable to an acquisition of assets.	Not applicable
1006 (b)	Net profits attributable to the assets acquired or disposed of, compared with the group's net profits.	(37.10) <sup>(1)</sup>
1006 (c)	Aggregate value of the consideration given or received, compared with the issuer's market capitalisation based on the total number of issued shares excluding treasury shares	28.17% <sup>(2),(3)</sup>
1006 (d)	Number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue	9.34% <sup>(4)</sup>
1006 (e)	Aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	Not applicable

**Notes:**

- (1) Based on the unaudited loss before tax of FH of S\$103,776 for 9M2021 and the unaudited profit before tax of the Group of RMB1,329,000 for 9M2021 (or equivalent to S\$279,693 based on an exchange rate of S\$1: RMB4.75164).

- (2) Pursuant to Rule 1003(3) of the Catalist Rules, where the consideration is in the form of shares, the value of the consideration shall be determined by reference either to the market value of such shares or the NAV represented by such shares, whichever is higher. In this instance,
- (a) the FH Purchase Consideration is S\$4,057,215;
  - (b) the market value of the 13,524,050 FH Consideration Shares (assuming SAPL acquires 100% of the FH Sale Shares and the FH Purchase Consideration is fully satisfied by the allotment and issue of FH Consideration Shares) is S\$1,345,643 based on VWAP of S\$0.0995 on 27 January 2022, which is the last full market day on which the Shares were traded prior to the date of the FH MOU;
  - (c) The sum of S\$1,704,030 and the market value of the 7,843,949 FH Consideration Shares of S\$780,473 based on VWAP of S\$0.0995 on 27 January 2022 (assuming SAPL acquires 100% of the FH Sale Shares and 58% of the FH Purchase Consideration is satisfied by the allotment and issue of FH Consideration Shares and the balance in cash) is S\$2,484,503;
  - (d) the NAV represented by the 13,524,050 FH Consideration Shares is S\$2,249,074 (based on an exchange rate of S\$1: RMB4.7504) as at 30 September 2021; and
  - (e) The sum of S\$1,704,030 and the NAV represented by the 7,843,949 FH Consideration Shares of S\$1,304,463 (based on exchange rate of S\$1: RMB4.7504) as at 30 September 2021 (assuming SAPL acquires 100% of the FH Sale Shares and 58% of the FH Purchase Consideration is satisfied by the allotment and issue of FH Consideration Shares and the balance in cash) is S\$3,008,493.

Based on the above, the relative figure has been computed based on (a) of S\$4,057,215, being the highest of (a) to (e).

- (3) The Company's market capitalisation of S\$14,400,934 is based on the Company's issued ordinary share capital (excluding treasury shares and subsidiary holdings) of 144,733,000 Shares and VWAP of S\$0.0995 on 27 January 2022.
- (4) Based on 13,524,050 FH Consideration Shares (assuming SAPL acquires 100% of the FH Sale Shares and the FH Purchase Consideration is fully satisfied by the allotment and issue of FH Consideration Shares) and the Company's issued ordinary share capital (excluding treasury shares and subsidiary holdings) of 144,733,000 Shares.

As the relative figure under Rule 1006(b) of the Catalist Rules is negative and exceeds 10%, the Proposed FH Acquisition does not fall within the relevant scenarios provided for in paragraphs 4.3(a) and 4.4(a) of Practice Note 10A of the Catalist Rules. Accordingly, pursuant to paragraphs 2.5 and 4.6 of Practice Note 10A of the Catalist Rules, the Proposed FH Acquisition, which would also change the risk profile of the Company, is subject to the approval of the Company's shareholders at an EGM.

## **8. CIRCULAR AND EGM**

The Company will be convening an EGM to seek the approval of its shareholders for the Proposed FH Acquisition and the allotment and issue of the FH Consideration Shares. A circular containing, *inter alia*, the notice of the EGM and details of the Proposed FH Acquisition will be made available to shareholders via publication on the Company's website and via the SGXNet, in accordance with the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, in due course.

## **9. SERVICE CONTRACT**

No person is proposed to be appointed as a director of the Company in connection with the Proposed FH Acquisition. Accordingly, no service contract is proposed to be entered into in connection with the Proposed FH Acquisition.

## 10. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save as disclosed in this announcement, none of the Directors or controlling shareholders of the Company and their respective associates has any interest, direct or indirect, in the FH SPA, other than through their respective shareholdings (if any) in the Company.

## 11. DOCUMENT FOR INSPECTION

A copy of the FH SPA is available for inspection at the registered office of the Company at 30 Cecil Street, #10-01/02 Prudential Tower, Singapore 049712 for a period of three months from the date of this announcement.

Due to the mandatory safe distancing measures issued by the Singapore Ministry of Health in relation to the COVID-19 outbreak, please contact the Company at investor@luminorfinancialholdings.com prior to making any visits to arrange for a suitable time slot for the inspection.

## 12. CAUTION IN TRADING

**Shareholders and potential investors should note that the transactions contemplated in the FH SPA are subject to the fulfilment of, *inter alia*, the conditions set out above, including obtaining the relevant regulatory approvals. There is no certainty or assurance that the Proposed FH Acquisition will be completed. Shareholders and potential investors should exercise caution when trading in the Shares. Persons who are in doubt as to the action they should take should consult their legal, financial tax or other professional advisers.**

The Company will keep shareholders updated on any material developments in relation to the Proposed FH Acquisition by way of announcements as and when appropriate.

## BY ORDER OF THE BOARD

Kwan Yu Wen  
Executive Director  
12 February 2022

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*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 Catalyst.*

*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.*

*The contact person for the Sponsor is Mr Lance Tan, Senior Vice President, at 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 65906881.*