



**LUMINOR FINANCIAL HOLDINGS LIMITED**  
(Company Registration Number: 20113182E)

**For Immediate Release**

## **Luminor Financial Reaping the Fruits of Diversification**

- **Luminor Financial shifts focus on growing its financial solutions business as it eyes sustainable growth prospects**
- **The Group intends to position itself as a leading provider of financial solutions for both consumers and corporates globally**
- **With its complementary portfolio of financing solutions, Luminor Financial is confident in its ability to address the demand for SME loan financing solutions in the region**

**SINGAPORE, August 12, 2022– Luminor Financial Holdings Limited (SGX: 5UA)** (“Luminor Financial” or the “Company”, and together with its subsidiaries, the “Group”) is a non-bank financial institution headquartered in Singapore that provides innovative financial solutions to regional Small and Medium Enterprises (“SMEs”). The Group is primarily involved in delivering advisory services and funding solutions to address the growing demand for short-term financing among SMEs and consumers.

Luminor Financial’s operations span two key business segments, namely property development and financial solutions services. The Group’s property segment generates a steady stream of income from leases as well as the sale of residential, commercial, and other properties. As for the Group’s financial solutions division, income is mainly derived from interest payments and advisory fees from financing customers in Malaysia.

Luminor Financial’s transformation journey begun in 2020 with its maiden foray into the Financial Solutions Business. Through this segment, the Group saw an opportunity to diversify its operations and uncover sustainable growth prospects. Since then, Luminor Financial has continued to employ a stringent risk management framework, while growing its portfolio of service offerings, which comprises invoice factoring, supply chain financing, corporate advisory and secured loans.



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Moving forward, the Group will no longer focus on the property development division as it intends to sell all of its remaining property inventory, including its commercial units which have been leased out. Its last piece of the land bank has also undergone repossession by the Chinese government.

Today, the Group is pleased to share its impeccable growth track record as represented in its robust financial results for the first half of the year ended 30 June 2022 (“1HY2022”). The Group recorded a net profit of RMB19.6 million, recovering from a net loss of RMB1.7 million just a year ago.

**Financial Highlights**

| RMB (million)*                           | 1HY2022 | 1HY2021 | YoY Change |
|--|---------|---------|------------|
| <b>Revenue</b>                           | 15.6    | 7.5     | 108%       |
| <b>Profit Before Tax</b>                 | 28.5    | -1.1    | N. M       |
| <b>Net Profit</b>                        | 19.6    | -1.7    | N. M       |
| <b>Net Profit Attributable to Owners</b> | 19.3    | -1.4    | N. M       |

*\*Figures may differ as it is rounded up to 1dp*

1H2022 revenue more than doubled to RMB15.6 million as revenue from the financial solutions business surged to RMB14.4 million from RMB4.7 million in 1HY2021. The stellar performance can be attributed to the significant increase in new and repeat customers in Luminor Malaysia’s growing factoring business. Sales of properties declined to RMB0.6 million in 1HY2022 due to the Group ceasing all promotional sales activities following the lockdown mandate in China and the overall weakening of the Chinese Property market.

Other income increased to RMB 33.4 million in 1HY2022 due to the compensation received for the repossession of land by the China government authority, net of RMB9.7 million reversal of capitalised costs previously incurred for the development of the land.

Administrative expenses also increased to RMB9.5 million on additional spending from the Singapore holding entities on rental expenses, corporate secretarial related fees, consultancy fees, and stamp duty on the further acquisition of Luminor Malaysia, as well as the increase in headcount to support the continuous growth of Luminor Malaysia.



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As a result, Luminor Financial has recorded a net profit of RMB19.6 million, swinging from a net loss of RMB1.7 million in 1HY2021.

The Group generated a strong positive net operating cash flow of RMB20.1 million. This brought the Group’s cash and cash equivalent to RMB101.4 million as of 30 June 2022, with a healthy net cash position of RMB62.5 million.

| <b>RMB (million)*</b>                                     | <b>30 June 2022</b> | <b>30 Dec 2021</b>  |
|---|---------------------|---------------------|
| Cash and cash equivalents                                 | 101.4               | 62.5                |
| Loans and borrowings                                      | 38.9                | 0.0                 |
| <b>Net Cash Position</b>                                  | 62.5                | 62.5                |
| <b>RMB (million)*</b>                                     | <b>30 June 2022</b> | <b>30 June 2021</b> |
| Net cash generated from/ (used in) operating activities   | 20.1                | (23.5)              |
| Net cash generated from/ (used in) investing activities   | (19.9)              | (0.04)              |
| Net cash generated from/ (used in) financing activities   | 38.6                | (0.5)               |
| Net increase in cash and cash equivalents during the year | 38.9                | (25.6)              |

*\*Figures may differ as it is rounded up to 1dp*

**Business Outlook**

As the COVID-19 situation stabilizes and governments reopen international borders, the Group believes that it is slowly moving past the deepest point in the crisis. The Group’s financial solutions business has been growing steadily and is expected to continue to capture market share in Kuala Lumpur, Malaysia, where its clients are primarily based. The Group seeks to explore new business opportunities to sustain the growth trajectory of its financial solutions segment and to expand its geographical presence.

The resident property market in Fuling district of Chongqing in China, where the Singapore Garden project and University Town projects are located, is expected to be challenging for the next 12 months. The Group is determined to sell its remaining 9 residential units, 25



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commercial units and 56 carpark spaces. However, because of the changing landscape of the property market in China, the Group will no longer focus on development in this area.

Commenting on the Group's results, Ms. Kwan Yu Wen, Executive Director of Luminor Financial, said, ***"We are delighted about our robust performance in the financial solutions business. Given our complementary portfolio of services, we believe we are well-positioned to capture the market share of SME loan financing in the region. In the meantime, we will focus on enhancing our service offering and expanding our geographical exposure through organic growth, investments and acquisitions."***

**#End#**

### **About Luminor Financial Holdings Limited**

Luminor Financial Holdings Limited is a financial solutions business that aims to provide innovative financing solutions to SMEs across the region.

Luminor Financial first started out as a Singaporean-owned and managed property developer for quality integrated residential commercial properties in China and Singapore. With an established expertise in key aspects of property development and management, the Group continues to build a strong presence and brand name for premium integrated residential and commercial properties development in Chongqing and other second and third-tier cities in China.

In 2019, the Group embarked on a transformative journey to diversify its operation into the Financial Solutions Business. Since then, Luminor has shifted its focus and expanded its service offerings into factoring, supply chain financing and corporate advisory, particularly in Malaysia and Singapore. By tapping onto its portfolio of offerings, the Group is committed to being a leading provider of innovative financial solutions to both consumers and corporates worldwide.

For more information, please visit us at <https://www.luminorfinancialholdings.com/>

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