

INVESTMENT IN MATCHMOVE PAY PTE. LTD.

1. INTRODUCTION

The board of directors ("**Directors**" or "**Board**") of Singapura Finance Ltd (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company has on 15 October 2019 entered into a subscription agreement (the "**Subscription Agreement**") with Matchmove Pay Pte. Ltd. ("**Matchmove**"), pursuant to which the Company shall subscribe for 587,035 Series Bc Preference Shares ("**Subscription Shares**") in the issued and paid-up share capital of Matchmove (the "**Proposed Subscription**") on the terms and subject to the conditions of the Subscription Agreement. Upon completion of the Proposed Subscription, the Company will hold approximately 1.6% of the share capital of Matchmove on a fully-diluted basis.

2. INFORMATION RELATING TO MATCHMOVE

Matchmove was incorporated in Singapore on 18 February 2009.

The principal activities of Matchmove are of those of development of end-to-end Banking-as-a-Service ("BaaS") wallet solutions with a full suite of Application Programming Interfaces (API) which enables any enterprise to offer a secure mobile solution and virtual/physical cards to customers across the spectrum of Spend, Send, Lend™ globally.

As at the date of this announcement, the directors of Matchmove are Michael Steven, Leow Hsueh Huah (Liao Xuehua), Jeffrey Chien Chuen Chi, Naik Shaileshkumar Sumantrai and Finian Tan Seng Chin.

As at the date of this announcement, the issued and paid-up share capital of Matchmove is as follows:

- (a) S\$220,634.00 divided into 4,550,780 ordinary shares, US\$2,713,000.00 divided into 751,191 ordinary shares; and
- (b) S\$11,512,806.48 divided into 12,545,795 preference shares, US\$44,630,478.00 divided into 12,164,203 preference shares.

The current shareholders of Matchmove are V V Pentafond Pte. Ltd., Rudi S. Komajaya, Naik Shaileshkumar Sumantrai, Leow Hsueh Huah (Liao Xuehua), Vickers Venture Fund III L.P., Vickers Venture Fund IV LP, Credit Saison Co., Ltd, Iconic World Limited, Crystal Loft Group Limited, ZTC Private Markets GmbH and NTT Investment Partners Fund III, L.P.

Based on the latest available audited financial statements of Matchmove for the financial year ended 31 December 2017, Matchmove reported a net loss of approximately S\$20.4 million.

3. PRINCIPAL TERMS OF THE SUBSCRIPTION AGREEMENT

3.1 Subscription Price

The Company is subscribing for the Subscription Shares for an aggregate consideration of US\$5,000,000 ("**Subscription Price**"). The Subscription Price will be paid for in cash

on completion of the Proposed Subscription ("**Completion**").

The Subscription Price was arrived at based on a premoney valuation of Matchmove of US\$295,000,000. The Subscription Price will be funded by internal resources of the Group.

3.2 Conditions Precedent

The obligations of the Company under the Subscription Agreement are conditional upon certain conditions precedent (the "**Conditions Precedent**"), which include, *inter alia*, the following:

- (a) the delivery to, and the receipt by, the Company of such waivers of all pre-emption and any other rights over any of the Subscription Shares conferred by the constitution of Matchmove or in any other way;
- (b) the delivery to, and the receipt by, the Company of such consents by each shareholder of Matchmove to such variation of the rights attaching to the existing shares in Matchmove arising from or in connection with the Subscription Agreement and/or the issuance of the Series Bc Preference Shares to the Company;
- (c) the licences, authorisations, orders, grants, confirmations, permissions, registrations and other approvals necessary or desirable for or in respect of the proposed subscription of the Subscription Shares by the Company having been obtained from appropriate governments, governmental, supranational or trade agencies, courts or other regulatory bodies and such licences, authorisations, orders, grants, confirmations, permissions, registrations and other approvals remaining in full force and effect; and
- (d) no event having occurred which has, or would reasonably be expected to have, a material adverse change in the business, operations, assets, position (financial, trading or otherwise), profits or prospects of Matchmove, Matchmove (Thailand) Ltd., PT Matchmove Indonesia,, Matchmove Vietnam Company Ltd., MatchMove Malaysia Sdn Bhd, MatchMove India Private Limited, MatchMove Pay HK Limited, MatchMove Paytech Limited, and MatchMove Powerbank Pte Ltd (Singapore) (collectively, the "**Matchmove Group**").

If any of the Conditions Precedent is not fulfilled and such non-fulfilment is not either waived by the Company in writing or the time for the fulfilment thereof is not at the discretion of the Company extended by the Company in writing, the Subscription Agreement shall *ipso facto* cease to have any force and effect whatsoever and none of the parties shall have any claim or demand against the other party for costs, damages, compensation or otherwise (other than any antecedent breach by Matchmove of certain obligations under the Subscription Agreement).

3.3 Completion

Subject to the fulfilment by Matchmove of all the Conditions Precedent on or before 31 October 2019 (unless otherwise waived by the Company in writing), the Completion shall take place in Singapore (or at such other place as the parties may agree in writing) on 31 October 2019 (or such later date as the parties may agree in writing).

4. RATIONALE FOR THE PROPOSED SUBSCRIPTION

The Proposed Subscription represents an opportunity for the Company to acquire a stake in a business that has possible long-term growth potential.

5. CHAPTER 10 OF THE LISTING MANUAL

Under Chapter 10 of the listing manual (the "**Listing Manual**") of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), a transaction will be classified as a major transaction if any of the relative figures calculated on the bases set out in Rule 1006 of the Listing Manual exceeds 20% and if so, shareholders' approval must be obtained for the major transaction.

Based on the unaudited consolidated financial statements of the Group for the half year ended 30 June 2019 ("**HY2019**"), the relative figures in respect of the Proposed Subscription, as computed on the bases set out in Rule 1006 of the Listing Manual, are as follows:

Base	Relative Figure
Rule 1006(a) – the net asset value of the assets to be disposed of, compared with the Group's net asset value	Not applicable as this is not a disposal of assets.
Rule 1006(b) – the net profits attributable to the assets acquired, compared with the Group's net profits	Not meaningful ⁽¹⁾
Rule 1006(c) – the aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares	5% ⁽²⁾
Rule 1006(d) – the number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable as no equity securities will be issued by the Company as consideration.
Rule 1006(e) – the aggregate volume or amount of proved and probable reserves to be disposed of, compared with the Group's proved and probable reserves	Not applicable as the Company is not a mineral, oil and gas company.

Notes:

- (1) Matchmove reported a net loss in its unaudited management report in respect of HY2019. Accordingly, the figure computed on the base set out in Rule 1006(b) is a negative figure and is not meaningful.
- (2) The Subscription Price of US\$5,000,000 (equivalent to approximately S\$6,900,000 based on an exchange rate of US\$0.72 to SG\$1), is compared to the Company's market capitalisation of approximately S\$138,056,724, which is computed based on 158,685,890 shares in issue and the closing price of S\$0.87 per share on 15 October 2019, being the date of signing of the Subscription Agreement.

As the relative figure computed pursuant to Rule 1006(b) is negative, the Company has consulted and confirmed with SGX-ST that the Proposed Subscription would constitute a discloseable transaction under Rule 1010 of the Listing Manual and shareholders' approval is not required.

6. FINANCIAL EFFECTS OF THE PROPOSED SUBSCRIPTION

The *pro forma* financial effects of the Proposed Subscription on the Group set out below are strictly for illustrative purposes only and do not purport to be indicative or a projection of the results and financial position of the Company and the Group after the completion of the Proposed Subscription. These illustrative financial effects have been prepared based on the audited consolidated financial statements of the Company for the financial year

ended 31 December 2018 ("**FY2018**"), based on the following bases and assumptions:

- (a) that the Proposed Subscription had been completed on 31 December 2018 for the purposes of illustrating the financial effects on net tangible assets ("**NTA**"); and
- (b) that the Proposed Subscription had been completed on 1 January 2018 for the purposes of illustrating the financial effects on earnings.

6.1 NTA

	Before the Proposed Subscription	After the Proposed Subscription
NTA attributable to owners of the Company (S\$'000)	257,483,000	257,483,000 ⁽¹⁾
Number of Shares ('000)	158,685,890	158,685,890
NTA per Share (cents)	1.62	1.62

6.2 Earning per Share ("EPS")

	Before the Proposed Subscription	After the Proposed Subscription
Net earning attributable to owners of the Company (S\$'000)	7,717,000	7,717,000 ⁽³⁾
Weighted average number of Shares ('000) ⁽²⁾	158,685,890	158,685,890
EPS (cents)	4.86	4.86

Note:

- (1) There is no change to the Group's NTA after completion of the Proposed Subscription because the parties do not expect any change in the value of the Proposed Subscription on completion.
- (2) The weighted average number of shares in the Company for FY2018 is equivalent to the number of shares in the Company at the beginning of FY2018 as no new shares in the Company were issued in FY2018.
- (3) There is no change to the Group's Profits After Tax after completion of the Proposed Subscription because the Group will only acquire 1.6% of Matchmove. Thus, the Group will record the Proposed Subscription as an investment and there will be no sharing of Matchmove's profit.

7. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or controlling shareholders or their associates have any interest, direct or indirect in the Proposed Subscription, other than through their respective shareholdings in the Company.

8. SERVICE AGREEMENTS

No person is proposed to be appointed as a Director of the Company in connection with the Proposed Subscription.

9. DOCUMENTS FOR INSPECTION

A copy of the Subscription Agreement is available for inspection at the Company's registered office at 150 Cecil Street #01-00 Singapore 069543, for a period of three (3) months from the date of this announcement.

BY THE ORDER OF THE BOARD

Ngiam May Ling
Company Secretary
16 October 2019