



Media Release

29 May 2019

LUMRISK FINTECH SUBSIDIARY RAISES CHF 7.5 MILLION IN DIRECT FINANCING THROUGH THE ISSUE OF CONVERTIBLE NOTES

LumX Group Limited (ticker: LUMX) (“LumX”, the “Group”, the “Company”, or “we”), an alternative investment specialist focused on providing leading investment, risk management, and structuring solutions, announces that its FinTech and RegTech subsidiary, **LumRisk SA, has successfully raised CHF 7.5 million in a first round of direct funding from professional investors.** The proceeds will be used to continue and accelerate product development, to fund growth opportunities, and to refinance past investments.

LumRisk has reached five ambitious milestones:

- **LumRisk has successfully completed its first direct round of financing for CHF 7.5 million from professional investors**
- LumRisk has successfully entered into agreements with **all the leading bank alternative risk premia (ARP) providers in the world**, bringing investors transparency and the ability to aggregate multi-provider ARP portfolios
- LumRisk’s **revenues have reached a new historic high** and are expected to see continued growth over the second half of 2019
- LumRisk has made inroads into the **multi-asset market**, which has major growth potential for the business
- LumRisk has undergone **a rigorous independent audit of its Information Security Management Systems**, which will lead to its certification under a recognized international security standard in the near future, underscoring LumRisk’s commitment to maintaining the highest level of security at all times

LumRisk has secured this financing by issuing unsecured subordinated convertible notes maturing on 31 March 2022. The notes give noteholders the option to convert their notes into shares of LumRisk SA upon completion of a qualified future equity financing round of at least CHF 3,000,000, or a sale of LumRisk SA, and carry interest at a rate of 10% through 31 December 2019. Thereafter, the rate will increase by 2.5% per quarter up to a maximum of 20%. The conversion price is set at 75% of the lower of (i) the issuance price per share, in case of a qualified equity financing round, or the selling price per share in the event of a sale, and (ii) the price per share at an equity value of CHF 37,333,333. The noteholders are also entitled to pro-rata equity warrants on the common shares representing 4.5% of the share capital of the company prior to the conversion event.

The Executive Chairman of LumX Group, Arpad Busson, commented:

“The success of LumRisk’s first direct financing round brings concrete confirmation of its solid growth prospects. Over the past months, LumRisk has achieved major milestones which will underpin its continued development. LumRisk has strengthened its dominant position in risk transparency, aggregation and reporting services for the ARP industry, it has expanded into the promising multi-asset market, and its security infrastructure has successfully undergone a rigorous audit, which will lead to a formal certification in the near future.

LumRisk also has many promising opportunities in new areas of growth such as derivatives, investment overlays, smart beta and structured products, where full risk look-through and modelling of complex portfolios are key to effective decision making. We are honoured to



welcome these new investors who, like us, see LumRisk's strong potential for future growth. I also want to express my deep gratitude to the entire LumRisk team for their hard work and dedication and to all our stakeholders for helping us achieve these important milestones.”

About LumRisk

LumRisk is an independent Swiss-based FinTech and RegTech company built on over a decade of R&D and significant investments in technology. It has developed a disruptive service platform to meet the need of asset owners and asset allocators for advanced position-level transparency to enable informed risk management and portfolio allocation decisions.

About LumX Group Limited

Incorporated in Guernsey and listed on the SIX Swiss Exchange, **LumX Group Limited** (ticker: LUMX) is the holding company of an alternative investment specialist focused on bringing leading investment, risk management, and structuring solutions to global investors. The Group has offices in Guernsey, Geneva (Nyon), London, Luxembourg and an affiliate office in Melbourne.

For Additional Information

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