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**LHN
GROUP**
SPACE OPTIMISED

LHN LIMITED
賢能集團有限公司*

(Incorporated in the Republic of Singapore with limited liability)

(Hong Kong Stock Code: 1730)

(Singapore Stock Code: 410)

OVERSEAS REGULATORY ANNOUNCEMENT

This overseas regulatory announcement is made by LHN Limited (the “**Company**”) pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, which requires a listed issuer to announce any information released to any other stock exchange on which its securities are listed at the same time as the information is released to that other exchange.

Please refer to the following pages of the document which has been published by the Company on the website of the Singapore Exchange Securities Trading Limited on 9 June 2023. In case of any inconsistency between the English version and the Chinese version, the English version shall prevail.

By Order of the Board

LHN Limited

Lim Lung Tieng

Executive Chairman and Group Managing Director

Singapore, 9 June 2023

As at the date of this announcement, the board of directors of the Company comprises Mr. Lim Lung Tieng and Ms. Lim Bee Choo as executive directors; and Ms. Ch’ng Li-Ling, Mr. Yong Chee Hiong and Mr. Chan Ka Leung Gary as independent non-executive directors.

* For identification purpose only

For Immediate Release

**LHN Limited Receives Notice of Intention to Make
a Voluntary Conditional General Offer for its Logistics Subsidiary
(Subject to Certain Pre-Conditions)**

- **Subject to the fulfilment of certain pre-conditions and the offer being made, LHN expects a gain on disposal of S\$21 million¹ from an all-cash offering for its Logistics subsidiary**
- **The offer represents a premium over LHN Logistics' pre-offer market price**
- **If completed, the transaction is expected to generate S\$32 million in cash proceeds, equivalent to 23% of LHN's market capitalisation²**

SINGAPORE, 9 June 2023 – LHN Limited (SGX: 410/SEHK: 1730) (“LHN” or the “Company”, and together with its subsidiaries, the “Group”), has received notice of intention to make a voluntary conditional general offer (the “Offer”), subject to the satisfaction of certain pre-conditions, for its 84.05%-indirectly owned subsidiary, LHN Logistics Limited (“LHN Logistics”, (SGX: GIH)), from Milkyway International Chemical Supply Chain Pte. Ltd. (a wholly-owned subsidiary of MilkyWay Chemical Supply Chain Service Co., Ltd., a listed company on the Shanghai Stock Exchange (stock code: 603713)). The acceptance by the Company of the Offer (the “proposed transaction”), if and when made, aligns with the Group's long-term goal of enhancing shareholders' value.

The Offer, if and when made, is for S\$0.2266 per share, which represents a 35% premium over the closing price of S\$0.1680 per share as of close on 1 June 2023, a 45% premium over the six-month volume weighted average price ending on 1 June 2023, and a 13% premium to its listing price of S\$0.20 per share on 29 April 2022. If completed, the proposed transaction is expected to generate approximately S\$32 million in cash proceeds for LHN, which is equivalent to around 23% of its market capitalisation of S\$139 million as of close on 1 June 2023.

As part of the Group's ongoing commitment to maximise long-term shareholders' value, the Group considers this proposed transaction beneficial to the Company and its shareholders for several reasons. Firstly, LHN Logistics has been trading on low volume since its initial public offering (“IPO”). The premium offered over the prevailing market prices in the transaction would enable LHN to immediately realise its entire investment, resulting in an estimated net gain of approximately S\$21 million¹ from the disposal of its LHN Logistics shares.

Secondly, LHN Logistics was spun off in 2022 to unlock shareholders' value. Early investors and shareholders who participated in LHN Logistics' IPO price of S\$0.20 on 29 April 2022, will be able to, subject to the offer being made and completion of the proposed transaction, enjoy a return of over 13% with a holding period of slightly more than a year.

Thirdly, management expects to, subject to the offer being made and completion of the proposed transaction, utilise the expected cash infusion of approximately S\$32 million for general working capital purposes.

“The Company and the Board view the offer (if and when made) presented by Milkyway International Chemical Supply Chain Pte. Ltd. as being in the best interest of the Company and Shareholders as a whole,” stated Kelvin Lim, Executive Chairman of LHN Limited. “We firmly believe that this transaction is the most strategic and prudent path forward as it will enable us to channel resources to our other core business segments.”

Responsibility Statement

The directors of the Company (including those who have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated in this announcement and all opinions expressed herein are fair and accurate and that no material facts have been omitted from this announcement (the omission of which would render any statement in this announcement misleading in any material aspect), and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from the offeror, the sole responsibility of the directors of the Company has been to ensure, through reasonable enquiries, that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this announcement.

#End#

¹ Based on LHN's proportionate shareholding of LHN Logistics' book value as at 31 March 2023 (unaudited interim results for the six months ended 31 March 2023).

² Based on market capitalisation of LHN on 1 June 2023.

About LHN Limited

LHN Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) is a real estate management services group, with the ability to generate value for its landlords and tenants through its expertise in space optimisation, and logistics service provider headquartered in Singapore.

The Group currently has five (5) main business segments, namely: (i) Space Optimisation Business; (ii) Property Development Business; (iii) Facilities Management Business; (iv) Energy Business; and (v) Logistics Services Business (which is carried out through the Company’s indirect non-wholly owned subsidiary, LHN Logistics Limited (SGX stock code: GIH)).

Under its Space Optimisation Business, the Group acquires its own properties, secures master leases of unused, old and under-utilised commercial, industrial and residential properties and through re-designing and planning, transforms them into more efficient usable spaces, which are then leased out by the Group to its tenants. Space optimisation generally allows the Group to enhance the value of properties by increasing their net lettable area as well as potential rental yield per square feet.

The Property Development Business engages in (a) property development activities such as the acquisition, development and/or sale of various types of properties; and (b) property investment activities relating to the business of property development, property investment and property management.

The Group’s Facilities Management Business offers car park management services and property maintenance services such as cleaning, provision of amenities and utilities, and repair and general maintenance principally to the properties it leases and manages, as well as to external parties.

The Energy Business offers sustainable energy solutions including the electricity retailing business, provision of electric vehicle charging stations and installation of solar power systems for properties we manage and for our customers.

Under its Logistics Services Business, the Group provides transportation services, container depot management services and container depot services. The Group transports mainly ISO tanks, containers, base oil and bitumen, provides container depot management services and provides container depot services which include container surveying, container cleaning, on-site repair and storage of empty general purpose and refrigerated containers (reefer).

The Group currently operates mainly in Singapore, Indonesia, Thailand, Myanmar, Malaysia, Cambodia and Hong Kong.

Issued for and on behalf of LHN Limited

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