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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)

DISCLOSEABLE TRANSACTION UNDER THE HONG KONG LISTING RULES

ESTABLISHMENT OF JOINT VENTURE FOR THE 471 BALESTIER PROPERTY

THE JOINT VENTURE AGREEMENT

The Board is pleased to announce that on 23 September 2021, Coliwoo Holdings, an indirect wholly-owned subsidiary of the Company and Four Star, a joint venture of the Group, established a new joint venture. On the same date, the Joint Venture Agreement was entered into between Coliwoo Holdings, Four Star and the JV Company which sets out the joint venture arrangements for the JV Company. The joint venture has been established for the intention to acquire the 471 Balestier Property located at 471/A/B/C Balestier Road, Singapore 329842 and 473/A/B/C Balestier Road, Singapore 329843. Subsequent to establishment of the joint venture, on the same day, the JV Company entered into an Option to Purchase, which forms a binding sale and purchase agreement, for the sale and purchase of the 471 Balestier Property at the Purchase Price.

LISTING RULES IMPLICATION

As one or more than one of the applicable percentage ratios in respect of the maximum financial contribution of the Group as contemplated under the Joint Venture Agreement is more than 5% and below 25%, the entering into the Joint Venture Agreement constitutes a discloseable transaction for the Company, and is therefore subject to notification and announcement requirements but is exempt from shareholders' approval requirement pursuant to Chapter 14 of the Listing Rules.

INTRODUCTION

The Board is pleased to announce that on 23 September 2021, Coliwoo Holdings, an indirect wholly-owned subsidiary of the Company and Four Star, a joint venture of the Group, established a new joint venture. On the same date, the Joint Venture Agreement was entered into between, among others, Coliwoo Holdings, Four Star and the JV Company which sets out the joint venture arrangements for the JV Company. The joint venture has been established for the intention to acquire the 471 Balestier Property located at 471/A/B/C Balestier Road, Singapore 329842 and 473/A/B/C Balestier Road, Singapore 329843. See "Information about the Parties – Information about the JV Company" below for further details.

Subsequent to establishing the joint venture with Four Star, the effective control of the Group in the JV Company will be 70%, of which, 40% is held through Coliwoo Holdings and 30% through Four Star. The Group will also have control over the JV Board. As such, the JV Company is then considered a non-wholly owned subsidiary of the Group and will be consolidated in the financial results of the Group.

THE JOINT VENTURE AGREEMENT

The principal terms of the Joint Venture Agreement are set out below:

- Date** : 23 September 2021
- Parties** : (1) Coliwoo Holdings
(2) Four Star
(3) the JV Company

For details of background of the parties, please refer to "Information about the Parties" below.

- Agreed Proportions** : The shareholding of the Holders in the JV Company shall be in the proportion set out below:
- Coliwoo Holdings (40%)
 - Four Star (60%)

- Share capital** : As at the date of this announcement, the share capital is S\$200,000 and comprises of Coliwoo Holdings holding 80,000 JV Shares at S\$80,000 and Four Star holding 120,000 JV Shares at S\$120,000.

- Objective of the JV Company** : The objective of the JV Company shall be confined to:
- (a) the acquisition and ownership of the 471 Balestier Property pursuant to the terms of the Option to Purchase to be entered into; and to any terms and conditions to be imposed by any relevant authorities;
 - (b) (i) the running and operation of the 471 Balestier Property for the JV Business;
(ii) all activities, concerns, functions and matters reasonably incidental thereto; and
 - (c) any business, undertaking or activity incidental to the operation of the business referred to in paragraphs (a) to (b).

- Property management** : Subject to the JV Company obtaining the necessary approvals from the Competent Authorities to carry out its business, the Parties agree that the JV Company shall enter into an agreement as appropriate to appoint Coliwoo Holdings or its appointed nominee to manage the 471 Balestier Property as the JV Business in accordance with such terms and conditions as may be imposed by the Competent Authorities, and the by-laws and regulations for the time being in force and applicable.

The property management agreement to be entered into shall include:

- (i) the JV Company shall appoint LHN Group Pte Ltd ("**LHNG**") as the project management company whenever the JV Company embarks on assets enhancement initiatives ("**AEI**") for the Property. LHNG shall provide the full spectrum of project management services to coordinate and manage the works required by the various professional parties on the project preparation works to the procurement, design and the project construction delivery. For each project, the JV Company shall pay to LHNG a project management fee of 3.5% on the project AEI costs, subject to a minimum fee of S\$10,000 per month during the AEI period, to defray their project personnel cost and the supervisory cost of the AEI;

- (ii) the JV Company to pay Coliwoo Holdings or its appointed nominee monthly management charges of 10% of the JV Company's monthly revenue from the JV Business;
- (iii) Coliwoo Holdings or its appointed nominee shall provide the overall management of the running and operation of the JV Business;
- (iv) the JV Company shall run and operate the 471 Balestier Property as the JV Business. In doing so, the JV Company shall bear costs related to the day-to-day running and operation of the 471 Balestier Property, such as paying for the manpower required (including cleaners, security guards and receptionist);
- (v) the JV Company shall hire and pay for the sales and marketing services required to run and operate the JV Property as the JV Business; and
- (vi) the JV Company shall pay for the outgoings, expenses (including capital expenditures) and costs arising from the management of the 471 Balestier Property (including cost overruns).

Trademark : the Parties agree that Coliwoo Holdings shall procure the right to use the "Coliwoo brand" (the "**Brand**") from its legal owner, LHN Facilities Management Pte Ltd. Such rights shall not be in conflict with any obligation that LHN Facilities Management Pte Ltd may owe to any third party and is a non-exclusive royalty-free licence to use the Brand in relation to any sales and marketing services.

Board composition : The JV Board shall comprise of three directors, two to be appointed by Coliwoo Holdings and one to be appointed by Four Star. The chairman of the meetings of the JV Board shall be the director appointed by Coliwoo Holdings.

A director holding office at the time his appointor ceases to hold shares of the JV Company shall be deemed to have vacated office forthwith without any claim for compensation for loss of office or otherwise except salary and fees (if any) which have accrued.

Management of the JV Company : The majority decision of the JV Board shall determine the managerial and financial policies of the JV Company, including but not limited to the scope of its activities and operations.

General meetings : Notwithstanding anything in the Constitutional Documents of the JV Company to the contrary, no action of the JV Company shall be taken at any general meeting unless a quorum of Holders is present throughout the meeting. The quorum for all Holder's Meetings (including an adjourned meeting) shall be any two Holders including the chairman, Coliwoo Holdings, Four Star, or their representatives or proxies.

Tag along sale : If a Holder (the "**Tag Shareholder**") intends to sell all of its shares to a third party buyer (except a Prohibited Person), subject to other terms and conditions of the Joint Venture Agreement, then the Tag Shareholder must give a notice in writing ("**Sale Notice**") to each other Holder (the "**Offeree**") stating its intention to sell some or all of its shares to the third party buyer (except a Prohibited Person).

The Offeree may within ten Business Days of receipt of the Sale Notice give notice (the "**Tag Along Notice**") to the Tag Shareholder of its wish to sell the same proportion of the shares held by or on behalf of the Offeree at the date of the Sale Notice at the same price per share and otherwise on the terms contained in the Sale Notice.

If no Tag Along Notice is received by the Tag Shareholder from any Offeree within ten Business Days of receipt of the Sale Notice, then the Tag Shareholder may proceed on the sales. If an Offeree gives a Tag Along Notice to the Tag Shareholder, the Tag Shareholder may only sell its shares if all shares specified in each Tag Along Notice (Tag Along Shares) are sold at the same price per share and on the same terms and conditions as specified in the Sale Notice.

If the third party buyer (except a Prohibited Person) is unwilling or unable to purchase any of the Tag Along Shares, the Tag Shareholder may, contemporaneously with the sale of its shares purchase those Tag Along Shares on the same terms and conditions under the Tag Along Notice if the other Offeree is willing (but without any obligation) to sell.

Permitted transfers : Transfer or disposal made to the other Holder or a Permitted Transferee, provided always that where the Permitted Transferee ceases, or will cease, in relation to the seller of the shares of the JV Company, to be a corporation which wholly-owns, is wholly-owned by or is wholly-owned by the corporation which is wholly owned by such seller, and such seller shall procure that the interests are transferred back to it or to another of its Permitted Transferees prior to the first mentioned Permitted Transferee ceasing to be a corporation which wholly-owns, is wholly-owned by or is wholly-owned by the corporation which is wholly-owned by the said seller.

Restrictions of share transfer : Subject always to any law, listing rules or other requirements of any regulatory authority (including but not limited to the requirements of the Catalist Rules and the Listing Rules) binding on a Holder (the "**Permitted Condition**"), and the prior written consent of the other Holder being obtained, a Holder (the "**Seller**") shall not be entitled to transfer or dispose all or any of its interest in shares to any person unless:

- (a) it is a permitted transfer referred to above;
- (b) in respect of any transfer or disposal of any Interests to any third party (except a Prohibited Person):
 - (i) the Seller has performed and complied with all its obligations as contemplated under the Joint Venture Agreement;
 - (ii) the number of JV Shares and the face value of a shareholder's loan to the JV Company that are supposed to be transferred by such Holder (the "**Sale Interest**"), are first offered by the Seller to the other Holder in accordance with the Joint Venture Agreement;
 - (iii) the Permitted Condition shall have been complied with or otherwise fulfilled;
 - (iv) in respect of the Sale Interests not taken up by the other Holder, the Seller shall be entitled to transfer all (and not part only) of such Sale Interests to the third party (except a Prohibited Person) identified in the transfer notice within 90 days of the lapse or rejection of the offer, on terms which are no less favourable than those first offered to the other Holder(s).

Funding and financing of the JV Company : The Purchase Price shall be financed through Third Party Financing. In the event that there is insufficient Third Party Financing, the shortfall required shall be financed by the Holders in the Agreed Proportions.

The Holders shall provide, within seven Business Days from the receipt of debit note or payment request from the JV Company, and in the Agreed Proportions, the necessary funds to enable the JV Company to make the following payments (the "**Initial Payments**"):

- (i) to the seller of the 471 Balestier Property, or such other party as may be required by the solicitors of the seller of the 471 Balestier Property in accordance with the Option to Purchase;

- (ii) the amount of the *ad valorem* duty chargeable on the Option to Purchase paid to the Commissioner of Stamp Duties, the Inland Revenue Authority of Singapore; and
- (iii) other costs associated with the purchase of the 471 Balestier Property.

If a notice is issued by the JV Board to require funding contribution in the Agreed Proportion, the Holders shall ensure that it contributes its portion of such funding contribution, through shareholders' loans, within seven Business Days after receipt of notifications from the JV Company of its portion of such payment amount or no later than three Business Days prior to the due date for payment to the JV Company of such amount, whichever is the later, or such other date as the JV Board, as the case may be, may determine. If any Holder defaults in providing all or any part of its Agreed Proportion of its funding contribution in respect of the JV Company (the "**Short-fall Capital**"), the other Holder (the "**Contributor**") shall, upon such default by the breaching Holder (the "**Breaching Holder**"), have the obligation to contribute the whole or part of the Short-fall Capital by way of shareholders' loans (the "**Substitute Contribution**").

Guarantees for financing : Coliwoo Holdings and Four Star shall provide guarantee for Third Party Financing severally in the Agreed Proportions.

Shareholders' loans : The Holders undertake with each other and with the JV Company to contribute in the Agreed Proportions that any funding required by the JV Company, which is in excess of Third Party Financing, which includes but is not limited to the following:—

- (a) not more than 35% of the Purchase Price (plus GST), if the Holders so agree, the Initial Payment and all sums payable by the JV Company to the relevant authorities;
- (b) outgoings and expenses (including capital expenditures) in respect of the 471 Balestier Property not covered by third party financing;
- (c) costs arising from the management of the 471 Balestier Property (including cost overruns) not covered by third party financing;
- (d) the fees to be included in the property management agreement; and
- (e) such additional funding requirements as determined by the JV Board and approved by the Holders and not covered by Third Party Financing,

and in this connection, the Holders shall severally grant shareholders' loans in the Agreed Proportions and in any other manner resolved by the Board from time to time.

Each shareholders' loan advanced shall bear interest at 3% or at mutually agreed rate, to be accrued annually. Payment of all accrued interest shall be made on such date or dates as the JV Board may decide and shall be made proportionately to all Holders so that no accrued interest in respect of any tranche of a shareholders' loan shall be paid to any Holder in full unless the interest then accrued and owing to the other Holder in respect of that tranche shall at such time also be paid in full and no accrued interest in respect of a tranche shall be paid in part unless all accrued interest then outstanding in respect of that tranche shall be proportionately paid in part to all Holders.

Shareholders' loan may be repaid in whole or in part by the JV Company on such date or dates as the JV Board may decide, provided that (unless the JV Board decides otherwise) repayment shall be made to all Holders in proportion to the outstanding principal amount of each of their respective shareholders' loans.

Advances : The JV Company agrees with and undertakes to the Holders that it shall bear the aggregate amount of any liability incurred by the Holders on behalf of the JV Company arising under or in connection with the Option to Purchase and shall indemnify the Holders for any such payment made by a Holder and agreed to by the other Holder.

Maximum financial contribution : The maximum financial contribution by the Holders (including the subscription consideration for additional shares of the JV Company, the Purchase Price, the guarantees to be provided for Third Party Financing, and the shareholders' loans under the Joint Venture Agreement) shall not exceed:

Party	Maximum financial contribution
Coliwoo Holdings	S\$8,000,000
Four Star	S\$12,000,000

Coliwoo Holdings and Four Star will finance its shareholders' loans to the JV Company through internal sources of funding.

Breaches and indemnity : If any Holder (the "**Indemnifying Holder**") breaches any of its payment obligations for the Initial Payments, such Holder shall indemnify the other Holder (the "**Indemnified Holder**") for all losses, costs, damages, claims, demands, actions, proceedings, liabilities and expenses whatsoever (including but not limited to all legal costs or attorney's fees on a full indemnity basis) which the Indemnified Holder may suffer arising from such breach by the Indemnifying Holder, including but not limited to all losses, costs, damages, claims, demands, actions, proceedings, liabilities and expenses whatsoever (including but not limited to all legal costs or attorney's fees on a full indemnity basis) without prejudice to any other rights or remedies which the Indemnified Holder may have as a result of the said breach by the Indemnifying Holder.

Any payment required to be made by way of indemnity under this clause must be paid within 30 days of receipt of written notice requesting payment. Any Holder who fails to comply with the notice by the end of the 30 day period shall pay interest to the Holder making the request on any sum or sums which he has not then paid, at the rate of 2% plus prime rate or financing bank rate, whichever is higher, compounded with monthly rests and payable monthly on the last day of each month, provided that if the last day of such month is not a Business Day, then on the next Business Day.

The Holder who has given the Undertaking shall be duly indemnified based on the Agreed Proportions by the other Holder in the event of default of payment obligation by the JV Company resulting in the credit providing institution enforcing the relevant Undertakings.

The Breaching Holder shall be liable to pay to the Contributor, the Substitute Contribution, together with interest at the rate of 2% plus prime rate or financing bank rate, whichever is higher, compounded with monthly rests and payable monthly on the last day of each month, provided that if the last day of such month is not a Business Day, then on the next Business Day, or from the date when such Short-fall Capital was due to the JV Company until the date the Breaching Holder contributes the whole of such amount to the Contributor, such repayment by the Breaching Holder to be made within six months from the date of the Substitute Contribution by the Contributor, unless otherwise agreed to by the Contributor in writing. For the avoidance of doubt, the Contributor shall be under no obligation to extend the repayment period beyond the six-month period for the Breaching Holder.

In the event repayment of the Substitute Contribution, together with interest accrued hereon, is not repaid by the Breaching Holder to the Contributor, and no extension for repayment has been granted by the Contributor, or such extension as granted by the Contributor has expired, the Contributor or a third party named by the Contributor (other than Prohibited Person) ("**3rd-Party Purchaser**") shall have the right to purchase the Shares held by the Breaching Holder, subject always to the Permitted Conditions.

- Deadlock** : If a deadlock arises in that any of the following events has occurred in relation to the JV Company (the "**Deadlock Matter**"):
- (a) no quorum is present at a meeting and its adjourned meeting of the Board duly convened;
 - (b) no quorum is present at a shareholders' meeting and its adjourned shareholders' meeting duly convened;
 - (c) a resolution of the JV Board for the transaction of any business of the JV Company cannot be passed after two successive attempts; or
 - (d) a resolution of the Holders for the transaction of any business of the JV Company cannot be passed after two successive attempts;

the JV Board shall, within seven days of the occurrence of such Deadlock Matter, refer the Deadlock Matter to the chief executive officer for the time being of the respective Coliwoo Holdings and Four Star, who shall jointly appoint a mediator who shall discuss the matter in good faith and endeavour to resolve the Deadlock Matter amicably within 30 days following the occurrence of the Deadlock Matter ("**CEO Resolution Period**").

In the event that no mediator can be agreed upon within 30 days of the occurrence of the Deadlock Matter, or the deadlock is not resolved within the CEO Resolution Period, a Holder shall, without prejudice to any other rights and remedies it may have, be entitled to serve within 14 Business Days after the expiry of 30 days of the occurrence of the Deadlock Matter or the CEO Resolution Period, as the case may be, a notice on the other Holder requiring that the Deadlock Matter be referred to an independent arbitrator for determination and resolution.

- Distribution of income** : Except as may otherwise be agreed in writing by the Holders and subject to any restrictions under the Singapore Companies Act (Chapter 50 of Singapore), the JV Company shall distribute all of its audited profits after taxation (in each of its financial year) which are lawfully available for distribution, subject to its working capital requirements, to its respective Holders in the Agreed Proportions by way of dividend or capital reduction as soon as reasonably practicable after such accounts have been approved by the JV Board.

- Reserved matters** : The following reserved matters shall not be undertaken by the JV Company without the prior written approval of all the Holders:
- (a) decision on the acquisition or disposal of the JV Company's assets of more than S\$500,000;
 - (b) decision on acquisition and disposal of the JV business; and
 - (c) changes to the business activities of the JV Company.

- Duration and termination** : The Joint Venture Agreement shall take effect from the date of the Joint Venture Agreement, subject to such approval as may be required under the Listing Rules and Catalist Rules, without limit in point of time and shall cease and determine upon the dissolution of the JV Company.

In the context of the Joint Venture Agreement, "Business Day" refers to a day (other than a Saturday, a Sunday or a gazetted public holiday) on which commercial banks are open for business in Singapore.

INFORMATION ABOUT THE PARTIES

Information about the Company and Coliwoo Holdings

The Company is a real estate management services group, with the expertise and experience 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 three main business segments, namely: (i) space optimisation business; (ii) facilities management business; and (iii) logistics services business, which are fully integrated and complement one another. The Group currently operates mainly in Singapore, Indonesia, Thailand, Myanmar, Hong Kong, Malaysia and Cambodia.

Coliwoo Holdings is an indirect wholly-owned subsidiary of the Company, which is an investment holding company.

Information about Four Star

Four Star is a joint venture of the Group, which is owned as to 50% by Singapore Handicrafts Pte. Ltd., a wholly-owned subsidiary of the Group, and 50% by W&S Star Pte. Ltd. The principal business activity of Four Star is trading of spring mattresses and related furniture products.

W&S Star Pte. Ltd. is principally engaged in general warehousing and it is wholly-owned by Mr. Low.

Both W&S Star Pte. Ltd. and Mr. Low are third parties independent from the Company and its connected persons, as well as the Company's Directors, substantial shareholders and their respective associates (as defined under the Listing Rules and the Catalist Rules), to the best of the Directors' knowledge, information and belief having made all reasonable enquiries.

Information about the JV Company

As at the date of this announcement, the JV Company has not commenced operations and its registered principal activity is to provide co-living accommodation services for foreign expatriates, working professionals and other individuals. The JV Company has been established for the intention to acquire the 471 Balestier Property located at 471/A/B/C Balestier Road, Singapore 329842 and 473/A/B/C Balestier Road, Singapore 329843, which has a total gross floor area of approximately 10,000 square feet and is a freehold property.

Under the Joint Venture Agreement, the 471 Balestier Property is intended to be acquired for the running and operation of the co-living hotel by the JV Company.

INFORMATION ABOUT THE 471 BALESTIER PROPERTY

The 471 Balestier Property is currently a hotel. The seller of the 471 Balestier Property is an Independent Third Party independent from the Company and its connected persons, as well as the Company's Directors, substantial shareholders, Four Star and Mr. Low, and their respective associates (as defined under the Listing Rules and the Catalist Rules), to the best of the Directors' knowledge, information and belief having made all reasonable enquiries.

On 23 September 2021, subsequent to forming the joint venture, the JV Company entered into an Option to Purchase for the sale and purchase of the 471 Balestier Property at the Purchase Price (being S\$15,000,000, excluding GST). The Option to Purchase is the binding sale and purchase agreement for the 471 Balestier Property. As at the date of this announcement, the JV Company had paid a sum of S\$750,000 excluding GST, being 5% of the Purchase Price, to the seller of the 471 Balestier Property as deposit. The completion will take place six weeks from 23 September 2021 or 22 December 2021, whichever is earlier.

REASONS FOR ESTABLISHING THE JOINT VENTURE

The entry into the Joint Venture Agreement and the establishment of the joint venture as contemplated under the Joint Venture Agreement would enable the Group to expand its offerings of co-living properties under the space optimisation business segment of the Group as it intends to operate the 471 Balestier Property as a co-living hotel under its COLIWOO brand, and further increase the brand value of COLIWOO of the Group.

The terms and conditions of the Joint Venture Agreement, including the consideration for the subscription of shares of the JV Company and the terms of the shareholders' loans and guarantees to be provided, were arrived at after arm's length negotiations between the JV Parties with reference to their respective shareholding in the JV Company. The Board is of the view that the terms of the Joint Venture Agreement and the transactions contemplated thereunder were negotiated on an arm's length basis between the JV Parties and are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

FINANCIAL EFFECT OF THE JOINT VENTURE

As referred to in "Information about the Parties – Information about the JV Company" above, as at the date of this announcement, the JV Company has not commenced operations.

Subsequent to establishing the joint venture with Four Star, the effective control of the Group in the JV Company will be 70%, of which, 40% is held directly through Coliwoo Holdings and 30% through Four Star. The Group will also have control over the JV Board. As such, the JV Company is then considered a non-wholly owned subsidiary of the Group and will be consolidated in the financial results of the Group.

LISTING RULES IMPLICATION

As one or more than one of the applicable percentage ratios in respect of the maximum financial contribution of the Group as contemplated under the Joint Venture Agreement is more than 5% and below 25%, the entering into the Joint Venture Agreement constitutes a discloseable transaction for the Company, and is therefore subject to the notification and announcement requirements, but exempt from shareholders' approval requirement pursuant to Chapter 14 of the Listing Rules.

CATALIST RULES IMPLICATION

As disclosed above under "Information about the Parties – Information about the Company and Coliwoo Holdings", the Group has three main business segments, namely: (i) space optimisation business; (ii) facilities management business; and (iii) logistics services business. The entry into the Joint Venture Agreement for the acquisition of the 471 Balestier Property which is part of the Group's strategy and plan to expand its portfolio of co-living properties of the Group. Profits generated from the 471 Balestier Property would be accounted under the Space Optimisation Business. Accordingly, the entry into the Option to Purchase for the purposes of acquiring and operating the 471 Balestier Property is in the Group's ordinary course of business.

The disclosure requirements of this announcement in respect of the entry into the Joint Venture Agreement are referenced from Chapter 7 of the Catalist Rules. The acquisition of the 471 Balestier Property and the establishment of the JV Company are not expected to have any material financial impact on the consolidated net tangible asset per share and the consolidated earnings per share of the Group for the financial year ending 30 September 2021. Being dual-primary listed on both the Catalist of the SGX-ST and the Stock Exchange, the Company has undertaken to comply with the more onerous set of listing rules. Accordingly, this announcement had been prepared in accordance with the disclosure requirements of Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

"471 Balestier Property"	the property located at 471/A/B/C Balestier Road, Singapore 329842 and 473/A/B/C Balestier Road, Singapore 329843
"Agreed Proportions"	the proportion of shareholding interests of the Holders in the JV Company, namely, 40% by Coliwoo Holdings and 60% by Four Star
"Board"	the board of Directors
"Catalist Rules"	Section B: Rules of Catalist of the Listing Manual of the SGX-ST as amended, supplemented or modified from time to time
"Coliwoo Holdings"	Coliwoo Holdings Pte. Ltd., a limited liability company incorporated in Singapore on 7 September 2020 and an indirect wholly-owned subsidiary of the Company

“Company”	LHN Limited (formerly known as LHN Pte. Ltd.) a company incorporated with limited liability on 10 July 2014 under the laws of Singapore, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1730) and Catalist of the SGX-ST (SGX symbol: 410)
“Competent Authority(ies)”	the relevant competent authority(ies) appointed under the Planning Act (Chapter 232 of Singapore)
“Director(s)”	director(s) of the Company
“Four Star”	Four Star Industries Pte Ltd, a limited liability company incorporated in Singapore on 31 March 1976 and a joint venture of the Group, which is held as to 50% by Singapore Handicrafts Pte. Ltd., a wholly-owned subsidiary of the Group, and 50% by W&S Star Pte. Ltd.
“Group”	the Company and its subsidiaries
“GST”	Goods and services tax in Singapore (based on the prevailing rate as at the date of the Option to Purchase)
“Holder(s)”	the holder(s) of the share(s) of the JV Company
“Independent Third Party(ies)”	third party(ies) independent from the Company and its connected persons, as well as the Company’s Directors, substantial shareholders and their respective associates (as defined under the Listing Rules and the Catalist Rules)
“Joint Venture Agreement”	the joint venture agreement entered into between Coliwoo Holdings, Four Star and the JV Company dated 23 September 2021 in relation to, among others, the joint venture arrangements for the JV Company
“JV Board”	the board of directors of the JV Company
“JV Business”	the business of the JV Company, namely, to run and operate the 471 Balestier Property as co-living hotel
“JV Company”	471 Balestier Pte. Ltd., a company incorporated in Singapore with limited liability on 4 June 2021, which is owned as to 40% by Coliwoo Holdings and 60% by Four Star with a total share capital of S\$200,000
“JV Parties”	Coliwoo Holdings and Four Star
“JV Share(s)”	the issued share(s) in the share capital of the JV Company
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Mr. Low”	Mr. Low See Ching (Liu Shijin), an independent third party and the ultimate sole shareholder of W&S Star Pte. Ltd.
“Option to Purchase”	the option to purchase dated 23 September 2021 entered into between the seller of the 471 Balestier Property, an Independent Third Party, and the JV Company for the sale and purchase of 471 Balestier Property at the Purchase Price, which forms the binding sale and purchase agreement for the transaction
“Party(ies)”	party(ies) to the Joint Venture Agreement
“Permitted Transferee”	in relation to any Holder, any other corporation which wholly-owns, is wholly-owned by or is wholly-owned by the corporation which is wholly owned by such Holder, and which remains so during the term of the Joint Venture Agreement

“Prohibited Person”	(a) any direct competitor of the other Holder; (b) any person with whom an association would be unlawful or impractical for the JV Company or other Holder (including, without limitation, by virtue of sanctions issued by the European Union, the United States of America, Singapore, or another jurisdiction material to the business of the JV Company or the other Holder); or (c) any person with whom an association would be materially reputationally harmful to the JV Company or the other Holder (including, without limitation, by virtue of a publicised history of criminal conduct of such person, its affiliates, or management), considered relative to the public reputation of the existing Holders and the JV Company.
“Purchase Price”	the purchase price stated in the Option to Purchase for the 471 Balestier Property, being S\$15,000,000 (excluding GST)
“Regulatory Authority”	The Stock Exchange or any regulatory authorities including the SGX-ST
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“S\$”	Singapore dollars, the lawful currency of Singapore
“Third Party Financing”	financing from external sources by way of loans and other credit facilities from banks or other credit providing institutions obtained by the JV Company, on terms reasonably acceptable to the Holders
“Undertakings”	bonds, undertakings, guarantees, indemnities, warranties or other form of security provided for Third Party Financing
“%”	per cent

By order of the Board

LHN Limited

Lim Lung Tieng

Executive Chairman and Group Managing Director

Singapore, 23 September 2021

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*