

(Company Registration No.: 201420225D)
(Incorporated in the Republic of Singapore on 10 July 2014)

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- INCREASE IN PAID UP CAPITAL OF JOINT VENTURE COMPANY
 - COMPLETION OF SALE AND PURCHASE AGREEMENT FOR THE PURCHASE OF 38 ANG MO KIO INDUSTRIAL PARK 2
 - UPDATE ON THE USE OF PROCEEDS
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Capitalised terms used herein, unless otherwise defined, shall have the definitions ascribed to them in the SGXnet announcement dated 23 October 2015, 3 December 2015, 8 December 2015 and 12 February 2016 (collectively the “Announcements”)

The Board of Directors (the “**Board**”) of LHN Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Group’s subsidiary, WPS, together with its joint venture partner, W&S, had on 12 May 2016 each subscribed in equal proportions of fifty (50) percent towards the increase in the paid up ordinary share capital of Work Plus Store (AMK) Pte. Ltd. (the “**JV Co**”).

In accordance with the JV Agreement entered between WPS, W&S and the JV Co, each of WPS and W&S had contributed S\$499,999 to the issued and paid up ordinary share capital of the JV Co (the “**Capital Contribution**”).

Pursuant to the Capital Contribution, the resultant issued and paid up ordinary share capital of the JV Co had increased from S\$2 comprising 2 ordinary shares, to S\$1,000,000 comprising 1,000,000 ordinary shares. WPS had funded its proportion of the Capital Contribution through the use of proceeds from the Company’s initial public offering (“**IPO**”). The Capital Contribution is not expected to have any material impact on the earnings per share or net tangible assets per share of the Group for the current financial year ending 30 September 2016.

In addition, further to the In-principle No Objection from HDB for the purchase of the property located at 38 Ang Mo Kio Industrial Park 2 Singapore 569511 (the “**Property**”) by the JV Co as announced on 12 February 2016 (the “**Purchase of 38 AMK**”), the Board wishes to announce that the sale and purchase agreement in relation to the Purchase of 38 AMK has been completed.

None of the Directors or controlling shareholders of the Company, as well as their respective associates, has any interest, direct or indirect, in the abovementioned transactions (other than through their respective interests in the shares of the Company).

Update on Use of Proceeds from IPO ("IPO Proceeds")

The Group's Capital Contribution amounting to S\$499,999 which are payable by WPS will be funded through the utilisation of the Company's IPO Proceeds. Following the utilisation, an update on the use of IPO Proceeds is as follows:

S/N	Purpose of IPO Proceeds	Amount Allocated S\$'000	Amount Utilised S\$'000	Balance S\$'000
1	To grow our property portfolio and acquire our own properties	5,000	5,000	-
2	Expansion of our Logistics Services Business and Facilities Management Business	3,000	-	3,000
3	Expansion of our operations in existing markets and into new markets	3,000	3,000	-
4	Development of technological capability	500	142	358
5	General working capital	2,931	2,489	442
6	Listing expenses	2,569	2,569	-
	Total	17,000	13,200	3,800

The above utilisation is in accordance with the intended use of proceeds of IPO as stated in the Offer Document dated 1 April 2015.

Amount utilised for general working capital of approximately S\$2.5 million consisted of payment for:

- (i) partial rental cost and security deposit of approximately S\$0.4 million in relation to master lease secured for our second GreenHub Suited Offices in Jakarta; and
- (ii) renovation cost of approximately S\$2.1 million in relation to master leases secured for our Space Optimisation Business.

The Company will continue to make periodic announcements via SGXnet on the utilisation of the balance of the gross proceeds from the IPO as and when such proceeds are materially disbursed.

By Order of the Board

Kelvin Lim
Executive Chairman and Group Managing Director
12 May 2016

LHN Limited (the "**Company**") was listed on Catalist of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 13 April 2015. The initial public offering of the Company was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**").

*This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.*

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

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