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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)

## **POSITIVE PROFIT ALERT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022**

This announcement is made by LHN Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to issue a positive profit alert announcement following the preliminary assessment of the Group’s unaudited financial results for the financial year ended 30 September 2022 (“**FY2022**”).

Based on information currently available, the Group expects to record a higher net profit before tax for FY2022 of no less than approximately S\$52 million as compared to the financial year ended 30 September 2021 of approximately S\$34.3 million. The higher net profit before tax for FY2022 arises mainly from the Space Optimisation Business due to (i) gains from subleases which were derived based on differences between the right-of-use asset derecognised and the net investment in sublease; (ii) higher fair value gains on the Group’s investment properties and joint ventures’ investment properties; and (iii) increase in profit from the Group’s co-living business under the residential properties.

The increase in net profit before tax for FY2022 is expected to be partially offset by (i) a one-off loss relating to the Group’s leasehold property at 7 Gul Avenue under the Logistics Services Business where the existing building structure was demolished for redevelopment to an ISO tank washing depot and ISO tank storage yard; (ii) one-off listing expenses incurred for the separate listing of our logistics business; and (iii) impairment loss on property, plant and equipment under the Space Optimisation Business.

The Company will announce its financial results for FY2022 with further details on the Group’s financial performance in due course pursuant to the requirements of Section B: Rules of Catalist of the Listing Manual of the Singapore Exchange Securities Trading Limited and the Listing Rules. Shareholders should note that the aforementioned positive profit alert is only based on a preliminary assessment by the Board on information currently available, and may be subject to further adjustments and finalisation upon further review by the external auditors of the Company and the Board.

**Shareholders and investors are advised to exercise caution when dealing in the shares of the Company. When in doubt, shareholders and potential investors are advised to seek independent advice from their professional advisors before trading or making any investment decision on the Company’s securities.**

By Order of the Board

**LHN Limited**

**Lim Lung Tieng**

*Executive Chairman and Group Managing Director*

Singapore, 10 November 2022

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

*\* For identification purpose only*