

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

EXERCISE OF OPTION TO PURCHASE A PROPERTY AND ENTRY INTO JOINT VENTURE AGREEMENT

Capitalised terms used herein, unless otherwise defined, shall have the definitions ascribed to them in the SGXnet announcement dated 24 June 2016 and 27 June 2016 (collectively the “Announcements”)

Purchase of a Property

Further to the incorporation of the joint venture company Metropolitan Parking Pte. Ltd. (the “**MPPL**”) on 27 June 2016, the Board of Directors (the “**Board**”) of LHN Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) wishes to announce that MPPL, as nominee for LHN Group Pte. Ltd., has on 29 June 2016 exercised an option to purchase (the “**Purchase Option**”) from Ottowest Pte. Ltd. (the “**Vendor**”) a carpark property located at No. 6001 Beach Road, Golden Mile Tower, Singapore 199589 (the “**Property**”) for a cash consideration of S\$26 million (the “**Purchase Price**”), subject to the terms of the Purchase Option and to any terms and conditions as may be imposed by the relevant competent authority appointed under the Planning Act (Chapter 232 of Singapore) (the “**Authority**”).

In exercising the Purchase Option, MPPL is required to pay a deposit amounting to five (5) per cent of the Purchase Price (the “**Deposit**”). The Purchase Price would be satisfied by MPPL’s internal resources which will be borne equally by its shareholders LHN GMT and GMTCC; and bank borrowings of MPPL.

Entry into a Joint Venture Agreement

MPPL and its shareholders, LHN GMT and GMTCC, have entered into a joint venture agreement dated 29 June 2016 for the conduct of business to be undertaken by MPPL (as described below) as well as for the purchase of the Property (the “**JV Agreement**”) (the “**Joint Venture**”).

The conduct of business of MPPL will be confined to the acquisition and ownership of the Property; as well as the running and operation of the Property and the running and operation of the car park business at the Property. Subject to MPPL obtaining the necessary approvals from the Authority and/or other relevant authorities, LHN GMT and GMTCC agree that MPPL shall enter into a separate agreement as appropriate to appoint LHN GMT or its nominee for the running and operation of the car park business at the Property in accordance with such terms and conditions as may be imposed by the Authority and/or other relevant authorities.

Pursuant to the JV Agreement, LHN GMT and GMTCC shall contribute an aggregate of up to S\$199,998 in equity capital (“**Capital**”) in equal proportion by way of subscription for 199,998 new ordinary shares in the capital of MPPL. Accordingly, LHN GMT’s proportion of Capital contribution would amount to S\$99,999 for the subscription of 99,999 new ordinary shares in MPPL and LHN GMT will continue to hold a 50% equity interest in the issued and paid up capital of MPPL. LHN GMT intends to fund its proportion of the Capital contribution through proceeds raised from the Company’s IPO. The Board of MPPL shall comprise of two (2) Directors, one (1) appointed by LHN GMT and one (1) appointed by GMTCC.

The Capital contribution and the Joint Venture are 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.

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

Update on Use of Proceeds from IPO

LHN GMT's fifty (50) per cent of the Deposit and other costs associated with the Purchase Option amounting to S\$1.0 million which is payable by MPPL will be funded through the utilisation of the Company's Initial Public Offering ("IPO") proceeds. Following the utilisation, an update on the use of IPO proceeds is as follows:

S/N	Purpose of IPO Proceeds	Amount Allocated	Amount Utilised	Balance
		S\$'000	S\$'000	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	1,037	1,963
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	2,536	395
6	Listing expenses	2,569	2,569	-
	Total	17,000	14,284	2,716

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 announcement 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
29 June 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.

The contact person for the Sponsor is Mr Thomas Lam, Associate Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.