

ACQUISITION OF LAND IN JOHOR, MALAYSIA BY SUBSIDIARY, LE PREMIER DEVELOPMENT SDN. BHD.

The Board of Directors (the “**Board**”) of Logistics Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that its indirect wholly-owned subsidiary Le Premier Development Sdn. Bhd. (“**Purchaser**”) has on 28 August 2014 entered into a Sale and Purchase Agreement (“**SPA**”) with an unrelated and independent party, Budi Sejati Sdn. Bhd. (“**Vendor**”), to acquire a piece of land located in the precinct of the Senai Industrial Park in Senai, District of Kulajjaya, Johor, Malaysia (“**Land**”) (the “**Acquisition**”).

INFORMATION ON THE LAND ACQUIRED

The freehold Land described as industrial land, has an area of approximately 1.24 million square feet and is located in the precinct of the Senai Industrial Park, District of Kulajjaya, Johor. The Senai Industrial Park is part of Flagship E of Iskandar Malaysia where important economic activities such as logistics, manufacturing (especially in hi-technology and aerospace-related), tourism and cybercity will be located. Immediately outside the Senai Industrial Park is the Scientex Innoparc, a new township which is slated to be a premier industrial hub comprising factories and residential units.

The Group intends to build light and medium industrial factories to meet the expected demand of industrial space fueled by these budding new townships, which are important components of the larger Iskandar Malaysia Development master plan. The expected population growth in the Iskandar region will not only fuel the need for residential space but also for commercial and industrial space.

RATIONALE FOR THE ACQUISITION

The factories that the Group is building can serve not just for the domestic demand but also cater to foreign companies from Singapore or China who are interested to set up processing or manufacturing facilities in Iskandar. Furthermore, the new overseas property development business is also expected to open another income stream for the Group.

CONSIDERATION

The purchase consideration of RM38.8 million (equivalent to approximately S\$15.3 million based on the exchange rate of S\$1.00:RM2.5366 as at the date of this announcement) for the Land (the "**Purchase Consideration**") was arrived based on arm's length negotiations taking into consideration the indicative valuation of RM38.8 million by a professional valuer provided in August 2014.

A deposit of ten per cent. (10%) of the Purchase Price ("**Deposit**") has been paid by the Purchaser to the Vendor. The balance of the Purchase Price shall be paid upon completion of the Acquisition which is scheduled to take place within three (3) months from the date the SPA.

The balance of the Purchase Consideration will be funded by internal resources and bank borrowings.

FINANCIAL EFFECTS OF THE ACQUISITION

The Acquisition is not expected to have any material impact on the earnings per share and net tangible assets per share of the Group for the financial year ending 30 June 2015.

INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or controlling shareholders of the Company (other than in their capacity as directors or shareholders of the Company and/or through their respective shareholding interests in the Company) has any interest, direct or indirect, in the Acquisition.

DOCUMENT AVAILABLE FOR INSPECTION

A copy of the SPA is available for inspection during normal business hours at the Company's registered office at 24 Kranji Road, Singapore 739465 for three months from the date of this announcement.

By Order of the Board

Phua Lam Soon
Chief Executive Officer
3 September 2014

The Company was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 18 January 2013. 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 relevant rules of the SGX-ST. The Sponsor has not independently verified the contents of this announcement.

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

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