

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and the Singapore Exchange Securities Trading Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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

COMPLETION OF THE ACQUISITION OF THE GEYLANG PROPERTY

**UPDATE ON THE PROGRESS OF THE USE OF NET PROCEEDS
FROM THE GLOBAL OFFERING**

Completion of Acquisition of Geylang Property

Reference is made to the announcement (the “**Announcement**”) of LHN Limited (the “**Company**”) dated 31 October 2018 in relation to the Geylang Property Acquisition. Capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement unless otherwise defined.

The Board is pleased to announce that all the conditions precedent to the Option to Purchase Agreement have been fulfilled and the acquisition of the Geylang Property was completed on 7 January 2019 in accordance with the terms and conditions as set out in the Option to Purchase Agreement (“**Completion**”).

The total consideration for the Geylang Property Acquisition of S\$18,000,000 plus GST has been settled as of 7 January 2019, of which, S\$4.5 million (equivalent to HK\$26.8 million) has been funded from the net proceeds from the global offering of the Company allocated for the acquisition of property in Singapore for the Space Optimisation Business, and the remaining balance has been settled through a combination of internal source of funding and bank borrowings.

Update on the Progress of the Use of Net Proceeds from the Global Offering

Following the Completion, an updated breakdown of the use of net proceeds from the global offering of the Company is as follows:

S/N	Purpose of Net Proceeds	Amount Allocated	Amount Utilised	Balance
		HK\$'000	HK\$'000	HK\$'000
1	Expansion of our space optimisation business by acquiring a new property in Singapore	26,815	26,815	–
2	Acquiring a property in Singapore for our logistics services management business	10,611	–	10,611
3	Set out our first operation in the PRC	1,776	–	1,776
4	General working capital	4,439	4,439	–
5	Acquiring transportation equipment for our logistics services business	755	274	481
	Total	44,396	31,528	12,868

Amount utilised for general working capital of approximately HK\$4.4 million (equivalent to S\$0.7 million) consisted of payment for renovation cost in relation to master lease secured under our Space Optimisation Business.

The above utilisations are in accordance with the intended use of the net proceeds and percentage allocated, as stated in the Company's prospectus for the global offering dated 15 December 2017.

The Board will continue to update in periodic announcements on the utilisation of the balance of the proceeds from the global offering as and when the proceeds are materially disbursed and provide a status report on such use in its annual report and its quarterly and full year financial results announcements.

By order of the Board
LHN Limited
Lim Lung Tieng
Executive Chairman and Group Managing Director

Singapore, 7 January 2019

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 of the Company; and Ms. Ch'ng Li-Ling, Mr. Yong Chee Hiong and Mr. Chan Ka Leung Gary as independent non-executive directors of the Company.

** For identification purpose only*