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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 UNDER THE HONG KONG LISTING RULES
DISPOSAL OF INTERESTS IN GETGO TECHNOLOGIES PTE. LTD.

DISPOSAL OF INTERESTS IN GETGO TECHNOLOGIES

The Board is pleased to announce that on 30 September 2022, the Seller, an indirect wholly-owned subsidiary of the Company, and the Buyers have entered into the Share Purchase Agreement for the sale and purchase of the Sale Shares, pursuant to which the Seller agreed to sell and the Buyers agreed to buy the Sale Shares at the Consideration, being S\$7,925,649.

LISTING RULES IMPLICATIONS

As at the date of the Share Purchase Agreement, one or more than one of the applicable percentage ratios for the Acquisition as contemplated under the Share Purchase Agreement is more than 5% and below 25% under Rule 14.07 of the Listing Rules, the Disposal therefore constitutes a discloseable transaction for the Company, and is therefore subject to the notification and announcement requirements but exempt from circular and shareholders' approval requirements pursuant to Chapter 14 of the Listing Rules.

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THE SHARE PURCHASE AGREEMENT

The major terms for the Share Purchase Agreement are set out below:

- Parties** : (1) the Seller, being LHN Mobility Pte. Ltd., an indirect wholly-owned subsidiary of the Company, as the seller
- (2) the Buyers, being Mr. Lim and Mr. Toh, Independent Third Parties, as the buyers

For detailed background of the parties, please refer to "Information about the Parties" below.

- Disposal** : The disposal of the Sale Shares by the Seller to the Buyers, of which, Mr. Lim will acquire 5,000 shares of GetGo Technologies and Mr. Toh will acquire 35,000 shares of GetGo Technologies
- Consideration** : The Consideration was S\$7,925,649 of which:
- (a) S\$990,706 is payable by Mr. Lim to the Seller in respect of the 5,000 shares of GetGo Technologies to be acquired by Mr. Lim; and
 - (b) S\$6,934,943 is payable by Mr. Toh to the Seller in respect of the 35,000 shares of GetGo Technologies to be acquired by Mr. Toh
- The Parties have determined the Consideration through arm's length negotiation on normal commercial terms, on a willing buyer willing seller basis after taking into consideration, among others, the future prospects of GetGo Technologies and the book value of the Sale Shares in "Information about GetGo Technologies, and Reasons and Benefits for the Disposal" as disclosed below.
- Payment of Consideration** : Each Buyer shall pay to the Seller the respective amount of the portion of the Consideration into the Seller's bank account by electronic transfer of funds for same day value without deduction for bank or other similar charges
- Conditions precedent** : The sale and purchase of the Sale Shares is conditional on the completion of the GetGo Subscription Agreement
- Termination** : The Share Purchase Agreement shall automatically terminate without liability on the part of any party to the Share Purchase Agreement for such termination, if any of the following occurs:
- (a) the completion of the GetGo Subscription Agreement has not been taken place on or before 5:00 p.m. on the Long Stop Date; or
 - (b) the termination of the GetGo Subscription Agreement
- Completion Date** : shall be the same date on the completion of the GetGo Subscription Agreement, or a date as the parties shall agree in writing

INFORMATION ABOUT GETGO TECHNOLOGIES, AND REASONS AND BENEFITS FOR THE DISPOSAL

GetGo Technologies is a company incorporated in the Republic of Singapore on 18 August 2020 and is primarily engaged in carsharing service with more than 1,700 cars in over 1,300 locations in Singapore. As at the date of this announcement, GetGo Technologies are held approximately 20% by the Seller, 20% by Mr. Lim, 40% by Mr. Toh and the remaining 20% in aggregate by Lim Ah Poh, Tan Tuan Boon, Muhammad Malik Bin Badaruddin and Chan Jun Kai. Other than the Seller is an indirectly wholly-owned subsidiary of the Company, the other shareholders of GetGo Technologies are Independent Third Parties to the Group to the best of the Directors' knowledge, information and belief having made all reasonable enquiries.

Based on the best knowledge, information and belief of the Directors, GetGo Technologies is reviewing its business plans and growth, therefore Mr. Lim (chief marketing officer, shareholder and co-founder of GetGo Technologies) and Mr. Toh (chief executive officer, shareholder and co-founder of GetGo Technologies) would like to purchase the Sale Shares from the Seller provided that the GetGo Subscription Agreement will complete as set out above.

The Seller progressively subscribed to the Sale Shares since August 2020. As at 31 August 2022, the book value of GetGo Technologies amounted to approximately S\$642,000 and the Seller's investment in the Sale Shares amounted to approximately S\$128,000. The Disposal will allow the Group to realise an expected gain of approximately S\$6.5 million (net of tax) over the book value which makes it an attractive financial gain to the Group. The proceeds from the Disposal will be used for the Group's general working capital purposes.

For reasons above, the Board considers that the Disposal and the transactions contemplated under the Share Purchase Agreement (including the Consideration) are fair and reasonable, on normal commercial terms, and are in the interests of the Company and the Shareholders as a whole.

INFORMATION ABOUT THE PARTIES

Information about the Company and the Seller

The Company is a real estate management services group, with the expertise and experience to generate value for its landlords and tenants through its expertise in space optimisation, and logistics service provider headquartered in Singapore. The Group currently has three main business segments, namely: (i) space optimisation business; (ii) facilities management business; and (iii) logistics services business (through the Company's indirect non-wholly owned subsidiary, LHN Logistics Limited (SGX stock code: GIH)), which complements one another. The Group currently operates mainly in Singapore, Indonesia, Thailand, Myanmar, Hong Kong, Malaysia and Cambodia.

The Seller is an investment holding company and is an indirect wholly-owned subsidiary of the Company in Singapore.

Information about the Buyers

The Buyers, Mr. Lim is the chief marketing officer, shareholder and co-founder of GetGo Technologies, whereas Mr. Toh is the chief executive officer, shareholder and co-founder of GetGo Technologies. Both Mr. Lim and Mr. Toh are Independent Third Parties to the Group to the best of the Directors' knowledge, information and belief having made all reasonable enquiries.

LISTING RULES IMPLICATIONS

As at the date of the Share Purchase Agreement, one or more than one of the applicable percentage ratios for the Acquisition as contemplated under the Share Purchase Agreement is more than 5% and below 25% under Rule 14.07 of the Listing Rules, the Disposal therefore constitutes a discloseable transaction for the Company, and is therefore subject to the notification and announcement requirements but exempt from circular and shareholders' approval requirements pursuant to Chapter 14 of the Listing Rules.

CATALIST RULES IMPLICATIONS

Relative Figures under Rule 1006 of the Catalist Rules

The relative figures for the Disposal computed on the bases set out in Rule 1006 of the Catalist Rules are as follows:

Rule 1006	Bases	Relative Figures (%)
(a)	The net asset value ⁽¹⁾ of the assets to be disposed of, compared with the group's net asset value.	0.05
(b)	The net profits ⁽²⁾ attributable to the assets acquired or disposed of, compared with the group's net profits.	0.07
(c)	The aggregate value of the consideration given or received, compared with the issuer's market capitalisation based on the total number of issued shares excluding treasury shares.	6.92 ⁽³⁾
(d)	The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets. If the reserves are not directly comparable, the Exchange may permit valuations to be used instead of volume or amount.	Not applicable

Notes:

- (1) Net asset value of the assets to be disposed of and the net asset value of the Group as at 31 March 2022 was approximately S\$81,000 and S\$178,002,000, respectively.
- (2) Net profits is defined to be profit or loss before income tax, non-controlling interests and extraordinary items. Based on the unaudited net profits of approximately S\$24,000 for the six months financial period ended 31 March 2022 of the assets to be disposed, and the Group's net profits of S\$35,895,000 for the six months financial period ended 31 March 2022.
- (3) Based on the Consideration of S\$7,925,649, and the market capitalisation of the Company of approximately S\$114,505,000, being 408,945,400 ordinary shares in issue multiplied by the volume weighted average price of the shares of S\$0.28 on 29 September 2022, being the last traded full market day immediately preceding the signing of the Share Purchase Agreement on 30 September 2022.

As the relative figures computed under Catalist Rule 1006(c) exceeds 5% but is less than 50%, accordingly, the Disposal constitutes a “Discloseable Transaction” as defined under Chapter 10 of the Catalist Rules.

Financial Effects of the Disposal

The NTA and EPS effects of the Disposal on the Group as set out below are purely for illustrative purposes only and are neither indicative nor do they represent any projection of the financial performance or position of the Group after completion of the Disposal.

The financial effects have been prepared on a pro forma basis using the latest audited financial statements of the Group for the financial year ended 30 September 2021 and assuming an expected gain on Disposal (net of tax).

Net Tangible Asset per Share

	Before the Disposal	After the Disposal
NTA of the Group attributable to shareholders of the Company (S\$'000)	145,726	152,257
Number of issued shares ('000)	408,945	408,945
NTA per share (Singapore cents)	35.63	37.23

Earnings per Share

	Before the Disposal	After the Disposal
Net profit of the Group attributable to shareholders of the Company (S\$'000)	28,063	34,600
Weighted average number of shares ('000)	404,208	404,208
EPS (Singapore cents)	6.94	8.56

Interests of Directors and Substantial Shareholders

Save for their respective interests arising by way of their directorships and/or shareholders in the Company, none of the Directors or the substantial shareholders of the Company has any interest, direct or indirect, in the Disposal.

Service Contracts with Directors

There will be no person proposed to be appointed as a Director of the Company or any of its subsidiaries in connection with the Disposal. Accordingly, no service contract is proposed to be entered into in connection with the Disposal.

Documents Available for Inspection

Copies of the Share Purchase Agreement will be made available for inspection, at the registered office of the Company at 75 Beach Road, #04-01, Singapore 189689 during normal business hours during any weekday (excluding public holidays) for a period of three (3) months from the date of this announcement.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“Board”	the board of Directors
“Buyers”	Mr. Lim and Mr. Toh
“Catalist Rules”	Section B of the listing manual of the SGX-ST as amended, supplemented or modified from time to time
“Company”	LHN Limited (formerly known as LHN Pte. Ltd.) a company incorporated with limited liability on 10 July 2014 under the laws of Singapore, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1730) and Catalist of the SGX-ST (SGX symbol: 410)
“Completion Date”	the date of the GetGo Subscription Completion
“Consideration”	S\$7,925,649, of which, (a) an aggregate amount of S\$990,706 is payable by Mr. Lim; and (b) an aggregate amount of S\$6,934,943 is payable by Mr. Toh
“Director(s)”	director(s) of the Company
“Disposal”	disposal of the Sale Shares as contemplated under the Share Purchase Agreement
“EPS”	earnings per share
“GetGo Subscription Agreement”	the share subscription agreement to be entered into between, among others, GetGo Technologies, the Buyers and a potential investor in GetGo Technologies, in relation to such investor’s subscription for further shares and the issuance of such shares by GetGo Technologies to such investor
“GetGo Technologies”	GetGo Technologies Pte. Ltd., a company incorporated in the Republic of Singapore on 18 August 2020
“Group”	the Company and its subsidiaries
“Independent Third Party(ies)”	third party(ies) independent from the Company and its connected persons, as well as the Company’s Directors, chief executive officer (or equivalent), substantial shareholders and their respective associates (as defined under the Listing Rules and the Catalist Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
“Long Stop Date”	31 January 2023, or such other date as the Buyers and Seller may agree in writing
“Mr. Lim”	Mr. Johnson Lim Zheng Xiong, the buyer of 5,000 shares of GetGo Technologies, an Independent Third Party
“Mr. Toh”	Mr. Toh Ting Feng, the buyer of 35,000 shares of GetGo Technologies, an Independent Third Party
“NTA”	net tangible asset
“Sale Shares”	40,000 ordinary shares of GetGo Technologies, representing approximately 20% of the issued share capital of GetGo Technologies
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Shareholders”	shareholders of the Company

“Share Purchase Agreement”	the share purchase agreement entered into between the Buyers and the Seller for the sale and purchase of the Sale Shares on 30 September 2022
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“S\$”	Singapore dollars, the lawful currency of Singapore
“Seller”	LHN Mobility Pte. Ltd., a company incorporated in the Republic of Singapore on 7 July 2020 with limited liability, an indirectly wholly-owned subsidiary of the Company
“%”	per cent.

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

Singapore, 30 September 2022

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

** For identification purpose only*