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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)

FINANCIAL ASSISTANCE AND GUARANTEES TO AFFILIATED COMPANIES

Background

This announcement is made pursuant to Rule 13.16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Reference is made to the announcement of LHN Limited (the “**Company**”) dated 3 June 2020 in relation to the entering of the Joint Venture Agreement for the establishment of a new joint venture and sets out the joint venture arrangements of the JV Company (the “**Announcement**”). Reference is also made to the overseas regulatory announcement dated 11 June 2020 in relation to the completion of acquisition of the JV Property by the JV Company (the “**JV Property Completion**”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

Financial Assistance and Guarantees

As at the date of this announcement, being the date of the JV Property Completion, taking into account the shareholders’ loan and guarantees for the banking facilities of the JV Company for the settlement of the Purchase Price of the JV Property plus GST, renovation, stamp duty and other related expenses provided and/or to be provided by WPS, an indirect wholly-owned subsidiary of the Company, the aggregate amount of the Group’s financial assistance given to and guarantees given for (and/or expected to be given for) facilities granted to affiliated companies (as defined under Rule 13.11(2)(a) of the Listing Rules) exceeded 8% of the asset ratio under the Listing Rules. Details are set out as follows:

Name of affiliated companies (the “Affiliated Companies”)	Effective interest held	Loans to the affiliated companies S\$’000	Committed capital injection yet to be injected S\$’000	Guarantees for facilities granted to the affiliated companies S\$’000	Unutilised guaranteed facilities granted to the affiliated companies S\$’000	Guaranteed facilities utilised by the affiliated companies S\$’000
Work Plus Store (AMK) Pte. Ltd.	50.0%	151 ⁽¹⁾	–	24,000	–	23,457
Four Star Industries Pte Ltd	50.0%	867 ⁽¹⁾	–	6,925	–	6,846
Metropolitan Parking Pte. Ltd.	50.0%	313 ⁽¹⁾	–	15,400	–	15,400
Work Plus Store (Kallang Bahru) Pte. Ltd.	50.0%	2,442 ⁽¹⁾	–	14,000	7,200	6,800
JV Company	40.0%	320 ⁽¹⁾	–	2,144 ⁽²⁾	2,144	–

Notes:

- (1) Interest charged at 3% per annum with no fixed terms of repayment. The loans were funded through internal sources of funding of the Group.
- (2) Being the proportionate guarantee amount expected to be provided by WPS for the banking facilities granted to the JV Company in relation to the settlement of the Purchase Price and renovation cost of the JV Property, subject to the bank's final confirmation and signing of the related guarantee document(s).

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

Singapore, 11 June 2020

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*