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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)

POTENTIAL DISCLOSEABLE TRANSACTION UNDER THE HONG KONG LISTING RULES

PROPOSED SPIN-OFF AND SEPARATE LISTING OF LHN LOGISTICS ON THE CATALIST BOARD OF SGX-ST

This announcement is made pursuant to Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”) by the board of directors (the “**Board**”) of LHN Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”).

THE PROPOSED SPIN-OFF

The Board is pleased to announce that the Company has submitted a spin-off application pursuant to Practice Note 15 of the Listing Rules to The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) for the proposed spin-off and separate listing of the shares of LHN Logistics Pte. Ltd. (“**LHN Logistics**”) (a company incorporated under the laws of the Republic of Singapore with limited liability on 24 August 2021) which will hold the logistics services business of the Group (the “**Logistics Services Business**”) upon completion of an internal reorganisation (the “**Reorganisation**”) exercise to be undertaken (the “**Proposed Spin-off**”) for the purpose of the Proposed Spin-off, on the Catalist Board of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”).

A concurrent application has been made to the SGX-ST to seek its concurrence on the Proposed Spin-off pursuant to Rule 406(7) of the SGX-ST Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”) and its spin-off guidance.

The Company has appointed PrimePartners Corporate Finance Pte. Ltd. in Singapore as the full sponsor and issue manager in respect of the proposed listing of LHN Logistics on the Catalist Board of SGX-ST.

The businesses of the Group are divided into three separate and distinct business segments, namely, (i) the space optimisation business (the “**Space Optimisation Business**”); (ii) the facilities management business (the “**Facilities Management Business**”); and (iii) the Logistics Services Business. The business and operations of the Logistics Services Business are independent of the Space Optimisation Business and the Facilities Management Business. Based on the information currently available, assuming the Proposed Spin-off is successful, it is envisaged that the Company will continue to hold majority shareholding in LHN Logistics, and LHN Logistics (together with its subsidiaries after completion of the Reorganisation) will continue to be consolidated with the Group. As at the date of this announcement, the Stock Exchange and the SGX-ST are still considering the Company’s respective applications, and LHN Logistics has not submitted any formal listing application to any relevant regulatory authorities in Singapore. There is no assurance that the Stock Exchange and the SGX-ST will approve the Proposed Spin-off.

POTENTIAL LISTING RULES IMPLICATION

Based on the currently available information, the Proposed Spin-off, if materialised, may constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules as one or more than one of the applicable percentage ratios in respect of the deemed disposal of interests of the LHN Logistics (and its subsidiaries assuming the Reorganisation is completed) as contemplated under the Proposed Spin-off is more than 5% but below 25%, the Proposed Spin-off, if materialised, is expected to be subject to the notification and announcement requirements but exempt from shareholders' approval requirement pursuant to Chapter 14 of the Listing Rules.

CATALIST RULES IMPLICATION

The Proposed Spin-off would be subjected to approval of the shareholders of the Company. The Company will make further announcement in due course on details of the extraordinary general meeting to be held.

GENERAL

The Company will announce any material developments on the Proposed Spin-off and the proposed listing of LHN Logistics as and when appropriate.

Shareholders of the Company and potential investors should note that, the Proposed Spin-off and the final structure of LHN Logistics is in its preliminary stage and is dependent on and subject to, among others, the prevailing market conditions and approvals from the relevant authorities, including the Stock Exchange, the SGX-ST, and the Monetary Authority of Singapore. Accordingly, there is no assurance as to whether and when the Proposed Spin-off will be implemented or completed.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

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

Singapore, 24 November 2021

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*