

(Company Registration No.: 201420225D)
(Incorporated in the Republic of Singapore on 10 July 2014)

Newly-listed LHN Limited reports a 7% increase in revenue to S\$46.8 million in 1H2015

- Excluding IPO expenses, Net Attributable Profit rose 38% to S\$4.2 million
- Growth driven by all three core businesses - Space Optimisation, Facilities Management and Logistics Services

Financial Highlights for the Period Ended 31 March 2015

S\$ 'million	1H2015	1H2014	Change (%)
Revenue	46.8	43.7	7.0
Gross profit	12.2	11.4	7.2
Profit attributable to equity owners	2.8	3.0	(8.1)
Earnings per share* (cents)	1.01	1.10	(8.2)

*Based on the weighted average number of ordinary shares in issue of 275,139,000 for the 6 months ended 31 March 2015 and 275,000,000 for the 6 months ended 31 March 2014.

Singapore, 13 May 2015 – Newly-listed on the SGX-ST Catalist Board on 13 April 2015, **LHN Limited** (“LHN”, and together with its subsidiaries and associated companies, the “Group”) today announced a 7.0% increase in revenue from approximately S\$43.7 million for the six months ended 31 March 2014 (“1H2014”) to approximately S\$46.8 million for the six months ended 31 March 2015 (“1H2015”), driven by healthy demand for industrial and commercial properties within its Space Optimisation Business, and growth in its complementary Facilities Management Business and Logistics Services Business.

While the Group reported a 7.2% increase in gross profit to approximately S\$12.2 million, net profit attributable to equity owners of approximately S\$2.8 million in 1H2015 was 8.1% lower than the same period last year due to IPO expenses of approximately S\$1.4 million. If the IPO expenses are excluded, the Group would have achieved a 38% rise in net profit attributable to equity owners of approximately S\$4.2 million.

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The Group posted earnings per share of 1.01 cents in 1H2015 as compared to earnings per share of 1.10 cents in 1H2014¹. Net asset value per share was 13.16 cents as at 31 March 2015, up from 11.38 cents recorded as at 30 September 2014².

The Group's financial position remained in good stead with strong cash and fixed deposits holdings of approximately S\$16.2 million as at 31 March 2015 before its listing on 13 April 2015.

Segmental Revenue

S\$ 'million	1H2015	1H2014	Change (%)
Industrial Properties	22.2	18.9	17.5
Commercial Properties	11.6	10.3	12.6
Residential Properties	1.2	5.0	(76.0)
Space Optimisation Business	35.0	34.2	2.3
Facilities Management Business	4.6	4.1	12.2
Logistics Services Business	7.2	5.4	33.3
Total	46.8	43.7	7.0

The Group's **Space Optimisation Business** grew 2.3% in revenue to approximately S\$35.0 million in 1H2015, driven by higher revenue contribution from both industrial and commercial properties. Revenue from industrial properties rose 17.5% to approximately S\$22.2 million due to increase in rental income from existing and newly-acquired industrial properties, as well as from new master leases secured. The average occupancy rate of industrial properties managed by the Group in 1H2015 remained stable at approximately 95%.

For its commercial properties, revenue increased 12.6% to approximately S\$11.6 million mainly due to a new master lease secured and an increase in rental income from existing properties in its commercial

¹ For comparative and illustrative purposes, the earnings per ordinary share for the financial period ended 31 March 2014 was computed based on the number of ordinary shares issued after share split of 275,000,000 which was completed on 10 March 2015.

² For comparative and illustrative purposes, the net asset value per ordinary share for the financial period ended 30 September 2014 was computed based on the number of ordinary shares in issue as at 31 March 2015.

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portfolio. The average occupancy rate of the Group's commercial properties was approximately 95% in 1H2015.

The Group's **Facilities Management Business** and **Logistics Services Business** showed strong performance as revenue rose 12.2% and 33.3% to S\$4.6 million and S\$7.2 million respectively in 1H2015. The increase in revenue from its **Facilities Management Business** was a result of new contracts secured for its security services and car park management services. The increase in revenue from the Group's **Logistics Services Business** was mainly attributable to the higher demand for transportation services, as well as contribution from the container depot business

Business Outlook

The Group's new project at 18 Tampines Industrial Crescent has received encouraging response with a pre commitment rate of 28% as at the date of this announcement, prior to the building obtaining its Temporary Occupation Permit.

Barring unforeseen circumstances, the Group is cautiously optimistic about the average occupancy rate remaining stable and is in active negotiations with landlords to secure more master leases of properties which are strategically located and have good leasing potential.

The Group's businesses depend on myriad of economic conditions where healthy economic growth in Singapore and the region would bolster growth in its business segments. Today, while the Group operates mainly in Singapore, it also has business operations in Indonesia, Myanmar and Thailand. The Group intends to expand its businesses in the ASEAN region and will be on a lookout for acquisitions, joint ventures and/or strategic alliances which will give it access to new markets and customers as well as new businesses.

Said Mr Kelvin Lim (林隆田), Executive Chairman and Group Managing Director, *"We are confident in the growth prospects of our three complementary core businesses in Singapore and overseas. Anchored by steady economic growth of the ASEAN region, Singapore will continue to be an attractive financial, trade and transportation hub. We believe that our business model, our experience and skill sets are our competitive advantages to expand our business presence in the ASEAN markets."*

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About LHN Limited

LHN Limited (the “**Company**”, and together with its subsidiaries and associated companies, the “**Group**”) is a real estate management services group with the distinguishing ability to generate value for its landlords and tenants through its expertise in space optimisation.

The Group currently has three (3) main business segments, namely: (i) space optimisation business; (ii) facilities management business; and (iii) logistics services business, which are fully integrated and complement one another.

Under its space optimisation business, the Group secures master leases of unused, old and under-utilised commercial, industrial and residential properties and through re-designing and planning, transforms them into more efficient usable spaces, which are then leased out by the Group to its tenants. Space optimisation generally allows the Group to enhance the value of properties by increasing their net lettable area as well as potential rental yield per square feet. Currently, the Group manages 39 commercial, industrial and residential properties with a total NLA of over 4.5 million sq ft.

The Group’s facilities management business offers security services, car park management services and property maintenance services such as cleaning, landscaping, pest control, repair and general maintenance principally to the properties it leases and manages, as well as to external parties.

Under its logistics services business, the Group provides transportation services and container depot management services. The Group transports mainly ISO tanks, containers, base oil and bitumen, and provides container depot management services which include container surveying, on-site repair and storage of empty general purpose and refrigerated containers (reefer).

The Group currently operates mainly in Singapore, Indonesia, Thailand and Myanmar.

Issued for and on behalf of LHN Limited by August Consulting

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*LHN Limited (the “**Company**”) was listed on Catalist of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 13 April 2015. The initial public offering of the Company was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the “**Sponsor**”).*

*This press release has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this press release.*

This press release has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this press release, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this press release.

The contact person for the Sponsor is Mr Thomas Lam, Associate Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.
