

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

ENTRY INTO A SALE AND PURCHASE AGREEMENT

*Capitalised terms used herein, unless otherwise defined, shall have the definitions ascribed to them in the SGXnet announcement dated 23 October 2015 (the “**Announcement**”)*

Further to the incorporation of Work Plus Store (AMK) Pte. Ltd. (the “**JV Co**”) on 23 October 2015, the Board of Directors (the “**Board**”) of LHN Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the JV Co has on 1 December 2015 entered into a sale and purchase agreement (“**SPA**”) with Renesas Semiconductor Singapore Pte. Ltd. (the “**Vendor**”) for the purchase of a property located at 38 Ang Mo Kio Industrial Park 2 Singapore 569511 (the “**Property**”) for a purchase consideration of S\$30 million (the “**Purchase Consideration**”). Pursuant to the transfer by Mr Low of his 50% interest in JV Co to W&S Flexi Pte. Ltd. (“**W&S**”), the shareholders of JV Co are currently WPS and W&S each holding 50% interest in JV Co. W&S is a newly incorporated company which is 100% owned by Mr Low.

As a condition of the SPA, the JV Co is required to pay a deposit amounting to ten (10) per cent of the Purchase Consideration (the “**Deposit**”). The Purchase Consideration including the Deposit would be satisfied by the JV Co’s internal resources which will be borne equally by its shareholders and bank borrowings.

Shareholders should take note that the sale and purchase of the Property is subject to the approval by the relevant government authority (the “**Authority**”) and in the event that the Authority’s approval (the “**Authority’s Approval**”) is not obtained, the Deposit may be refundable to the JV Co subject to certain conditions. Accordingly, if the Authority’s Approval is not obtained, the SPA may be terminated and the JV Co may not commence any business activities.

The Company will update shareholders in due course if there are further material developments in connection with the SPA and the activities of the JV Co.

WPS intends to fund its Deposit contribution through proceeds raised from the Company’s initial public offering (“**IPO**”); and this is not expected to have any material impact on the earnings per share or net tangible assets per share of the Group for the current financial year ending 30 September 2016.

None of the Directors or controlling shareholders of the Company, as well as their respective associates, has any interest, direct or indirect, in the abovementioned transaction (other than through their interests in the shares of the Company).

A copy of the SPA will be made available for inspection during normal business hours at the Company’s registered office at 10 Raeburn Park, #02-18, Singapore 088702 for a period of three (3) months from the date of this announcement.

Update on Use of Proceeds from IPO

The Group's fifty (50) per cent share of the Deposit and other cost amounting to S\$2.1 million which are payable by the JV Co will be funded through the utilisation of the Company's IPO Proceeds. Following the utilisation, an update on the use of IPO Proceeds is as follows:

S/N	Purpose of IPO Proceeds	Amount Allocated	Amount Utilised	Balance
		S\$'000	S\$'000	S\$'000
1	To grow our property portfolio and acquire our own properties	5,000	4,612	388
2	Expansion of our Logistics Services Business and Facilities Management Business	3,000	-	3,000
3	Expansion of our operations in existing markets and into new markets	3,000	2,100	900
4	Development of technological capability	500	136	364
5	General working capital	2,931	669	2,262
6	Listing expenses	2,569	2,569	-
	Total	17,000	10,086	6,914

The above utilisation is in accordance with the intended use of proceeds of IPO as stated in the Offer Document dated 1 April 2015.

Amount utilised for general working capital of approximately S\$0.7 million consists of payment for:

- (i) partial rental cost and security deposit of approximately S\$0.4 million in relation to the new master lease secured for our second GreenHub Suited Offices in Jakarta; and
- (ii) renovation cost of approximately S\$0.3 million in relation to new master leases secured for our Space Optimisation Business segment.

The Company will continue to make periodic announcement via SGXNET on the utilisation of the balance of the gross proceeds from the IPO as and when such proceeds are materially disbursed.

By Order of the Board

Kelvin Lim
Executive Chairman and Group Managing Director
3 December 2015

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 announcement 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 announcement.

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

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.