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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)

POSITIVE PROFIT ALERT FOR THE SIX MONTHS ENDED 31 MARCH 2021

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

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to issue a positive profit alert announcement following the preliminary assessment of the Group’s unaudited financial results for the six months ended 31 March 2021 (“**1H2021**”).

Based on information currently available, the Group expects to record a higher net profit before tax for 1H2021 of no less than approximately S\$17 million as compared to the six months ended 31 March 2020 of approximately S\$3.8 million. The higher net profit before tax for 1H2021 arises mainly from (i) gains from subleases which were derived based on differences between the right-of-use asset derecognised and the net investment in sublease, pursuant to IFRS 16; (ii) lower fair value loss on investment properties; (iii) short-term contracts for the management of dormitories which may end in the second half of the financial year ending 30 September 2021; and (iv) reduction in rental costs due to rental rebates received for the carpark division.

The Company is in the process of finalising its unaudited financial results for 1H2021 and will announce it in due course pursuant to the requirements of Section B: Rules of Catalist of the Listing Manual of the Singapore Exchange Securities Trading Limited and the Listing Rules. The financial information contained in this announcement has not been reviewed by the Company’s auditors or the audit committee of the Company.

Shareholders and investors are advised to exercise caution when dealing in the shares of the Company. When in doubt, shareholders and potential investors are advised to seek independent advice from their professional advisors before trading or making any investment decision on the Company’s securities.

By Order of the Board

LHN Limited

Lim Lung Tieng

Executive Chairman and Group Managing Director

Singapore, 20 April 2021

As at the date of this announcement, the executive Directors are Mr. Lim Lung Tieng and Ms. Lim Bee Choo; and the independent non-executive Directors are Ms. Ch’ng Li-Ling, Mr. Yong Chee Hiong and Mr. Chan Ka Leung Gary.

* For identification purpose only