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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)

**SUPPLEMENTAL ANNOUNCEMENT
DISCLOSEABLE TRANSACTION
IN RELATION TO
DISPOSAL OF 100% EQUITY INTEREST IN THE TARGET COMPANY**

Reference is made to the announcement of LHN Limited (the “**Company**”) dated 21 May 2025 (the “**Announcement**”) in relation to the disposal of 100% equity interest in the Target Company. Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

The unaudited pro forma financial information (the “**Unaudited Pro Forma Financial Information**”) of the Group is prepared to illustrate the impact of the Disposal on the Group’s financial position as at 30 September 2024 as if the Disposal had taken place on 30 September 2024 and the Group’s statement of comprehensive income for the financial year ended 30 September 2024 as if the Disposal had taken place on 1 October 2023.

The Unaudited Pro Forma Financial Information has been prepared by the directors of the Company in accordance with paragraph 4.29 of the Listing Rules for illustrative purposes only and because of its hypothetical nature, it may not purport to represent the true picture of the financial position of the Group as at 30 September 2024 or at any future date had the Disposal been completed on 30 September 2024, or what the Group’s statement of comprehensive income for the financial year ended 30 September 2024 or at any future date had the Disposal been completed on 1 October 2023.

The Unaudited Pro Forma Financial Information is prepared based on the audited consolidated statement of financial position and audited consolidated statement of comprehensive income of the Group for the financial year ended 30 September 2024 extracted from the published annual report of the Company for the financial year ended 30 September 2024, and adjusted for the effects of the Disposal to illustrate how the Disposal might have affected the financial position and statement of comprehensive income of the Group as if the Disposal took place on 30 September 2024 and 1 October 2023 respectively. The Unaudited Pro Forma Financial Information should be read in conjunction with the historical financial information of the Group as set out in the published annual report of the Company for the financial year ended 30 September 2024 and other financial information included in this announcement.

The Unaudited Pro Forma Financial Information had been prepared using the accounting policies consistent with those of the Group as set out in the published annual report of the Group for the financial year ended 30 September 2024.

Unaudited pro forma consolidated statement of financial position

	Audited consolidated statement of financial position S\$'000	Pro forma adjustments S\$'000 (Note 2)	Unaudited pro forma consolidated statement of financial position S\$'000
ASSETS			
Non-current assets			
Property, plant and equipment	31,719	(6)	31,713
Right-of-use assets	13,651	–	13,651
Investment properties	457,978	(25,732)	432,246
Investment in associates and joint ventures	34,098	–	34,098
Other financial assets	493	–	493
Deferred tax assets	55	–	55
Trade and other receivables	11,324	–	11,324
Loans to associates and joint ventures	16,137	–	16,137
Prepayments	279	–	279
Finance lease receivables	3,864	–	3,864
Fixed deposits with banks	500	–	500
	570,098	(25,738)	544,360
Current assets			
Development properties	43,866	–	43,866
Inventories	44	–	44
Trade and other receivables	13,052	(99)	12,953
Prepayments	1,760	(1)	1,759
Finance lease receivables	17,297	–	17,297
Fixed deposits with banks	4,159	(15)	4,144
Cash and bank balances	46,503	15,399	61,902
	126,681	15,284	141,965
Total assets	696,779	(10,454)	686,325
EQUITY AND LIABILITIES			
EQUITY			
Share capital	68,340	–	68,340
Reserves	185,841	146	185,987
Equity attributable to equity holders of the Company⁽⁴⁾	254,181	146	254,327
Non-controlling interests	2,855	–	2,855
Total equity	257,036	146	257,182
LIABILITIES			
Non-current liabilities			
Deferred tax liabilities	6,396	(152)	6,244
Other payables	16,590	(198)	16,392
Provisions	345	–	345
Bank borrowings	255,837	(9,928)	245,909
Lease liabilities	64,227	–	64,227
	343,395	(10,278)	333,117
Current liabilities			
Trade and other payables	32,904	(77)	32,827
Provisions	337	–	337
Bank borrowings	25,747	(245)	25,502
Lease liabilities	33,552	–	33,552
Current income tax liabilities	3,808	–	3,808
	96,348	(322)	96,026
Total liabilities	439,743	(10,600)	429,143
Total equity and liabilities	696,779	(10,454)	686,325
NTA per share (Singapore cents) ⁽¹⁾⁽⁴⁾	60.77	0.03	60.80

Notes:

- (1) NTA per share is computed based on the equity attributable to equity holders of our Company and the number of issued shares of 418,272,000 as at 30 September 2024.
- (2) The pro forma adjustments are based on the audited financial statements of the Target Company for the financial year ended 30 September 2024, which were prepared by management in accordance with the Singapore Financial Reporting Standards and audited by PricewaterhouseCoopers LLP, in accordance with Singapore Standards on Auditing.
- For the purposes of compiling the unaudited pro forma consolidated statement of financial position of the Group as at 30 September 2024, the net asset value of the Target Company as at 30 September 2024 has been used to determine the Consideration received by the Group in relation to the Disposal.
- (3) No adjustments have been made to reflect any trading results or other transactions entered into by the Group subsequent to 30 September 2024.
- (4) The variance in the NTA of the Group attributable to shareholders of the Company after the Disposal between the Announcement of S\$254,181,000 (NTA per share: 60.77 Singapore cents) and the Unaudited Pro Forma Financial Information of S\$254,327,000 (NTA per share: 60.80 Singapore cents) is due to adjustments made to account for the deferred tax liabilities and property, plant and equipment of the Target Company.

Unaudited pro forma consolidated statement of comprehensive income

	Audited consolidated statement of comprehensive income S\$'000	Pro forma adjustments S\$'000 (Note 2)	Unaudited pro forma consolidated statement of comprehensive income S\$'000
Revenue	121,021	(958)	120,063
Cost of sales	(58,808)	191	(58,617)
Gross profit	62,213	(767)	61,446
Other gains/(losses) – net and other income	6,681	4,873	11,554
Other operating expenses			
– Impairment loss on trade, other and finance lease receivables	(357)	–	(357)
Selling and distribution expenses	(2,941)	73	(2,868)
Administrative expenses	(21,754)	49	(21,705)
Finance cost	(11,815)	515	(11,300)
Share of results of associates and joint ventures, net of tax	8,935	–	8,935
Fair value gain/(loss) on investment properties, net	10,459	(4,743)	5,716
Profit before income tax	51,421	–	51,421
Taxation	(3,548)	(4)	(3,552)
Profit for the year	47,873	(4)	47,869
Profit attributable to:			
Equity holders of the Company ⁽⁴⁾	47,290	(4)	47,286
Non-controlling interests	583	–	583
	47,873	(4)	47,869
Other comprehensive income			
<u>Items that may be reclassified subsequently to profit or loss</u>			
Currency translation differences arising from consolidation	(738)	–	(738)
<u>Items that will not be reclassified subsequently to profit or loss</u>			
Revaluation gains on leasehold properties, net	392	–	392
Financial assets, at FVOCI – Fair value gain – equity investment	176	–	176
Share of other comprehensive income/(loss) of joint venture	385	–	385
Other comprehensive income for the year	215	–	215
Total comprehensive income for the year	48,088	(4)	48,084
Total comprehensive income attributable to:			
Equity holders of the Company	47,504	(4)	47,500
Non-controlling interests	584	–	584
	48,088	(4)	48,084
Earnings per share for profit attributable to equity holders of the Company			
Basic and diluted (Singapore cents) ⁽¹⁾⁽⁴⁾	11.48	–	11.48

Notes:

- (1) The EPS has been computed based on the profit attributable to equity holders of our Company and our Company's weighted average number of shares of 412,105,000 for the financial year ended 30 September 2024.
- (2) The pro forma adjustments are based on the audited financial statements of the Target Company for the financial year ended 30 September 2024, which were prepared by management in accordance with the Singapore Financial Reporting Standards and audited by PricewaterhouseCoopers LLP, in accordance with Singapore Standards on Auditing.

For the purposes of compiling the unaudited pro forma consolidated statement of comprehensive income of the Group for the financial year ended 30 September 2024, the net asset value of the Target Company as at 1 October 2023 has been used to determine the Consideration received by the Group in relation to the Disposal.
- (3) No adjustments have been made to reflect any trading results or other transactions entered into by the Group subsequent to 30 September 2024.
- (4) The variance in the net profit of the Group attributable to shareholders of the Company after the Disposal between the Announcement of S\$47,309,000 (EPS: 11.48 Singapore cents) and the Unaudited Pro Forma Financial Information of S\$47,286,000 (EPS: 11.48 Singapore cents) is due to adjustments made mainly to account for certain intercompany adjustments.



INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

To the Directors of LHN Limited

LHN Limited
75 Beach Road, #04-01
Singapore 189689

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of LHN Limited (the "**Company**") and its subsidiaries (collectively the "**Group**") by the directors of the Company (the "**Directors**") for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma consolidated statement of financial position as at 30 September 2024 and the unaudited pro forma consolidated statement of comprehensive income for the financial year ended 30 September 2024, and related notes (the "**Unaudited Pro Forma Financial Information**") as set out on pages 1 to 4 of the Company's supplemental announcement dated 25 July 2025 (the "**Supplemental Announcement**"), in connection with the disposal of Berly Properties Pte. Ltd. (formally known as Emerald Properties Pte. Ltd. and referred to as the "**Target Company**") (the "**Transaction**") by the Company. The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described on pages 1 to 4 of the Supplemental Announcement.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the Transaction on the Group's financial position as at 30 September 2024 as if the Transaction had taken place at 30 September 2024 and the Group's financial results for the financial year ended 30 September 2024 if the Transaction had taken place as at 1 October 2023. As part of this process, information about the Group's financial position and financial results has been extracted by the Directors from the annual results announcement of the Group for the financial year ended 30 September 2024, on which an audit report has been published.

Directors' Responsibility for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and Accounting Guideline 7 *Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars* ("**AG 7**") issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**").

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Accounting and Corporate Regulatory Authority ("**ACRA**") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("**ACRA Code**"), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Singapore Standard on Quality Management 1 which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountant's Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, about whether the Unaudited Pro Forma Financial Information has been compiled, in all material respects, by the Directors in accordance with paragraph 4.29 of the Listing Rules and AG 7 issued by the HKICPA. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with International Standard on Assurance Engagements 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the International Auditing and Assurance Standards Board (“IAASB”). This standard requires that the Reporting Accountant plans and performs procedures to obtain reasonable assurance about whether the Directors have compiled, in all material respects, the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of Unaudited Pro Forma Financial Information included in a circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the Transaction would have been as presented as at 30 September 2024.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant’s judgment, having regard to the reporting accountant’s understanding of the nature of the company, the event or transaction in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled by the Directors on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Restriction of Use and Distribution

This report is made solely to you as a body for the inclusion in the Supplemental Announcement of the Company to be issued in relation to the Transaction.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 25 July 2025

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

Singapore, 25 July 2025

As at the date of this announcement, the executive directors of the Company are Mr. Lim Lung Tieng and Ms. Lim Bee Choo; and the independent non-executive directors of the Company are Mr. Chan Ka Leung Gary, Mr. Ang Poh Seong and Mr. Lim Kian Thong.

** For identification purpose only*