

For Immediate Release

LHN Capitalises on Strategic Growth Opportunities in 3QFY2024

- **Coliwoo continues to grow, with 2,784 keys under management as of June 2024**
- **Secured 28 new and renewed 16 facilities management contracts in 3QFY2024**
- **Construction of 55 Tuas South food factory is progressing as planned with units expected to be ready for sale in September 2024**
- **Capital recycling initiatives in July 2024:**
 - **Acquired Wilmer Place via 50% joint venture to expand Coliwoo portfolio**
 - **Divested entire 40% stake in Bukit Timah Shopping Centre car park to boost cash flows**

SINGAPORE, 21 August 2024 - LHN Limited (SGX: 410 / SEHK: 1730) (“LHN” or the “Company”, and together with its subsidiaries, the “Group”) wishes to provide shareholders with a voluntary update on its operational performance for the third quarter ended 30 June 2024 (“**3QFY2024**”).

Space Optimisation Business

The Group’s Space Optimisation Business continues to be the Group’s major revenue contributor, driven by business activities from the industrial, commercial and residential properties during 3QFY2024.

No. of Keys by Projects (Table 1)

	Co-living – Singapore Projects		85 SOHO – Overseas Projects		Total
As at	Master Lease	Owned/ Joint Venture	Master Lease	Owned/ Joint Venture	
June 2024	1,851	550	275	108	2,784

In 3QFY2024, the Group secured an additional 250 keys, which included 62 keys at 260 Upper Bukit Timah Road and 188 keys at 141 Middle Road. As of 3QFY2024, the Group manages 2,784 keys across its Coliwoo co-living projects in Singapore and 85 SOHO projects overseas, compared to 2,534 keys as of March 2024 (“**1H2024**”).

As at 30 June 2024, overall occupancy rates for our industrial space, commercial space and Coliwoo co-living space (excluding joint venture properties and those under progressive handover) continued to perform strongly, maintaining high occupancy rates of over 90%.

Property Development

The construction of the Group’s nine-storey food processing industrial development at 55 Tuas South is progressing as planned. The property has a saleable area of 112,000 sqft and the Temporary Occupation Permit for the property is expected to be issued around the end of August 2024, with units ready for sale in September 2024.

The building features estimated unit sizes of over 2,000 sqft, high ceilings of 5 to 6 metres and a ground floor height of 10.5 metres. It offers excellent connectivity and proximity to the Tuas 2nd Link and the future Tuas Mega Port. Additionally, the property boasts ample parking and loading bays with dock levellers, designated cargo lifts for raw and cooked food, ensuite toilets and bin rooms, meeting a wide range of industrial needs.

Facilities Management Business

ICFM Contracts (Table 2)

Period	New	Renewed
3QFY2024	28	16

The Group secured 28 new contracts and renewed 16 existing facilities management contracts through its subsidiary, Industrial & Commercial Facilities Management Pte. Ltd. (“ICFM”).

Total Car Park Projects & Lots (Table 3)

As at	Car Park		Total	Lots		Total
	Singapore	Hong Kong		Singapore	Hong Kong	
June 2024	94	3	97	>25,000	>1,000	>26,000

The Group is increasing its market share in the car park industry by implementing advanced technologies to maximise space usage and improve efficiency. With the addition of new car park projects in 3QFY2024, the Group now manages a total of 94 car parks with over 25,000 lots in Singapore. This is an increase from 78 car parks and over 24,000 lots as of 1H2024, representing a growth of 16 car parks and over 1,000 lots. The number of car parks managed in Hong Kong remains unchanged at three, with over 1,000 lots.

Energy Business

In 3QFY2024, LHN Energy secured two solar energy contracts with a combined capacity of approximately 0.1 megawatts of renewable energy, bringing the Group’s total solar energy capacity to approximately 6.0 megawatts.

Additionally, the Group and its joint venture operate a total of 17 electric vehicle (“EV”) charging points. One more agreement was successfully secured during 3QFY2024 to install and operate EV charging points.

Kelvin Lim, Group Managing Director of LHN Limited, commented, **“Despite facing a challenging environment, we have remained resilient and agile in 3QFY2024. Our continued expansion in the co-living and facilities management sectors and proactive capital recycling initiatives have positioned us favourably for sustainable growth. As we progress toward the end of the financial year, we remain focused on enhancing our operational efficiencies and capturing new opportunities to drive value for our shareholders.”**

Business Outlook

Capital Recycling Initiatives

On 31 July 2024, the Group completed the purchase of Wilmer Place, located at 50 Armenian Street, for S\$26.5 million, with LHN's 50% share of the outlay being S\$13.25 million. At the same time, the Group's 40% joint venture company sold its car park at Bukit Timah Shopping Centre, located at 170 Upper Bukit Timah Road, for S\$22 million. These transactions align with the Group's capital recycling initiative, which involves selling non-core assets and reinvesting the capital to expand the Coliwoo co-living brand. The Group will continue to seek capital recycling opportunities to fund its growth and enhance shareholder value.

Continued Expansion of Coliwoo Portfolio and Energy Capacity

Recent data has shown a steady decline in private home rentals, with prices slipping 0.8% in the second quarter of 2024, following two previous quarterly declines. This trend can be attributed to an increased supply of private properties and a shift of renters to permanent homes. There has also been an outflow of expatriates leaving Singapore as a result of corporate restructuring. However, rental prices are expected to stabilise and potentially rebound in the latter half of the year as employment prospects improve.¹

With improving economic conditions, the Group expects foreign renters to return and seek affordable rental options in the second half of 2024. Given the Group's competitive pricing and position in the market, this will drive demand for the Group's Coliwoo co-living and industrial spaces. To meet the anticipated demand for quality and flexible accommodation, the Group recently announced the launch of Coliwoo projects located at 268 River Valley Road and unveiled another upcoming launch at 288 River Valley Road, with a combined total of 85 keys.

Additionally, two hostel-type accommodations under Coliwoo's management are set to commence operations around the end of August 2024.

Recently, the Group's energy business had successfully secured a contract to install and operate EV charging points. It also successfully secured three solar energy contracts with a combined capacity of approximately 0.8 megawatts.

#End#

¹ Singapore private home rentals fall for third straight quarter

About LHN Limited

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

The Group currently has four (4) main business segments, namely: (i) Space Optimisation Business; (ii) Property Development Business; (iii) Facilities Management Business; and (iv) Energy Business.

Under its Space Optimisation Business, the Group acquires its own properties, 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 the Group then leases out to its tenants. Space optimisation generally allows the Group to enhance the value of properties by increasing their net lettable area and potential rental yield per square foot.

The Property Development Business engages in (a) property development activities such as the acquisition, development and/or sale of various types of properties; and (b) property investment activities relating to the business of property development, property investment and property management.

The Group’s Facilities Management Business offers car park management services and property maintenance services such as cleaning, provision of amenities and utilities, and repair and general maintenance principally to the properties it leases and manages, as well as to external parties.

The Group’s Energy Business offers sustainable energy solutions, including the electricity retailing business, provision of electric vehicle charging stations and installation of solar power systems for properties we manage and for our customers.

The Group has business operations in Singapore, Indonesia, Myanmar, Cambodia and Hong Kong.

Issued for and on behalf of LHN Limited

For more information, please contact:

Investor Relations and Media Contact:

Emily Choo
Mobile: +65 97346565
Email: emily@gem-comm.com

Royston Tan
Mobile: +65 97664836
Email: roystontan@gem-comm.com

Raymond Chan
Mobile: +65 84993193
Email: raymond@gem-comm.com