



PRESS RELEASE

LHN Logistics Limited's profit from operation increased by 14.7% to S\$2.3 million for 1H2022

SINGAPORE, 5 May 2022 – LHN Logistics Limited (the “Company” or “LHN Logistics”), the Singapore-based logistics services arm of LHN Limited (SGX Code: 410/ HKEx Code: 1730), is pleased to announce that the unaudited profit from operation for 1H2022 increased by 14.7% to S\$2.3 million, compared to S\$2.0 million in 1H2021.

The Group's revenue remained stable with a slight increase of S\$0.1 million to S\$13.6 million in 1H2022. This was mainly due to the overall increase in demand from business volume handled in both the Transportation Business and Container Depot Services Business of the Group.

Our revenue generated from Malaysia for Transportation Business increased by S\$0.3 million to S\$1.2 million in 1H2022 as the Group acquired 5 prime movers in 1H2022 to meet the higher demand of the business.

The revenue generated from Thailand in relation to the Group's Container Depot Services Business increased by S\$0.3 million to S\$2.3 million in 1H2022 due to an increase of volume of containers handled by our depot in Thailand.

Business Outlook

According to the press release dated 17 February 2022 by Singapore's Ministry of Trade and Industry, the growth prospects for outward-oriented sectors (e.g., manufacturing and wholesale trade) remain strong given the continued global economic recovery. In particular, the manufacturing sector is projected to continue to expand. Further, the key Southeast Asian economies of Malaysia, Thailand and Indonesia are expected to grow at a faster pace this year due to a pickup in domestic demand and robust external demand.¹

The Group is mindful of the evolving changes in the business environment including foreign exchange risk, interest hiking and high global inflation rate. The Group will continue to take proactive initiatives to manage its operating cost and further enhance its capabilities, particularly in the container depot and chemical logistics sector in Singapore.

Initiatives for Transportation Business include but not limit to expansion of transportation fleet and redevelopment of ISO tank depot at 7 Gul Ave to provide chemical cleaning and repair services for ISO tanks, empty ISO tank storage services and laden ISO tank storage services for hazardous substances, and petroleum and flammable materials. For Container Depot Services Business, our Group is in the process of applying for and obtaining all the requisite business licences, permits and approvals for operations in Myanmar.

¹ https://www.mti.gov.sg/Newsroom/Press-Releases/2022/02/MTI-Maintains-2022-GDP-Growth-Forecast-at-3_0-to-5_0-per-cent



The COVID-19 pandemic continues to cause uncertainty, with both positive and negative effects. Higher freight rates carry both risks and opportunities, and this fluctuating and unstable environment means that the Group must continue to stay nimble and balance prudence with enterprising opportunities.

Barring any unforeseen circumstances, the Group is confident that it will continue to yield positive results in view of the signs of global recovery. The Group will commence its container depot operation in Myanmar by the second quarter of 2022 and is in a good position now to capture new market share and seize new opportunities in the post-COVID era.

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About LHN Logistics Limited

Established in 2003, LHN Logistics is a Singapore-based logistics services group with two principal business segments, namely, the transportation business and the container depot services business. Offering transportation services, container depot management services and container depot services, the Company provides ISO tank and container transportation services for various petrochemical products, base oils, bitumen and bulk cargo; and provides a wide range of container depot-related services which include container storage, container surveying, container cleaning and container repair and maintenance services for general purpose and refrigerated containers.

The Company has operations in Singapore, Malaysia and Thailand with parking yards and container depots strategically located near important ports in the region.

LHN Logistics is the logistics arm of LHN Limited, a real estate management and logistics services group dually-listed on the Catalist of the SGX-ST in 2015 (SGX Code: 410) and the Main Board of the Hong Kong Stock Exchange in 2017 (HKEx Code: 1730).

For more information, please visit <https://www.lhnlogistics.com/>.

This press release has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the SGX-ST and the SGX-ST assumed no responsibility for the contents of this press release, including the correctness of any of the statements or opinions made or reports contained in this press release.

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