
**PRE-CONDITIONAL VOLUNTARY GENERAL OFFER BY
RHT CAPITAL PTE. LTD. FOR AND ON BEHALF OF MILKYWAY INTERNATIONAL CHEMICAL
SUPPLY CHAIN PTE. LTD.**

1. INTRODUCTION

- 1.1 The Board of Directors (the “**Board**” or the “**Directors**”) of LHN Logistics Limited (the “**Company**”) wishes to refer shareholders of the Company (the “**Shareholders**”) to the announcement (the “**Pre-Conditional Offer Announcement**”) issued on 4 June 2023 by RHT Capital Pte. Ltd. (“**RHTC**”), for and on behalf of Milkyway International Chemical Supply Chain Pte. Ltd. (the “**Offeror**”), stating, *inter alia*, that subject to and contingent upon the satisfaction of the Pre-Conditions (as defined herein) by the Cut-Off Date (as defined herein) and the terms and conditions of the Offer to be set out in the formal offer document (the “**Offer Document**”) issued by RHTC, for and on behalf of the Offeror, the Offeror intends to make a voluntary conditional general offer (the “**Offer**”) for all the issued and paid-up ordinary shares (the “**Shares**”) in the capital of the Company (the “**Offer Shares**”), in accordance with Section 139 of the Securities and Futures Act 2001 of Singapore, and Rule 15 of the Singapore Code on Take-overs and Mergers (“**Code**”).
- 1.2 Further details of the Offer (if and when made) are set out in the Pre-Conditional Offer Announcement, a copy of which is attached and is available on the website of the Singapore Exchange Securities Trading Limited at <http://www.sgx.com>. Shareholders are advised to refer to the full text of the Pre-Conditional Offer Announcement for, *inter alia*, the principal terms of the Offer.
- 1.3 **Shareholders should note that, as stated in the Pre-Conditional Offer Announcement, the Offer will not be made unless and until the Pre-Conditions have been satisfied on or before 5.00 p.m. on 3 August 2023, being the date falling two (2) months after the date of the Pre-Conditional Offer Announcement (the “Pre-Conditional Offer Announcement Date”) (or such other date as the Offeror may determine in consultation with the Securities Industry Council of Singapore) (the “Cut-Off Date”). Accordingly, all references to the Offer in this Pre-Conditional Offer Announcement refer to the possible Offer which will only be made if and when the Pre-Conditions are satisfied.**

2. PRE-CONDITIONS

- 2.1 The making of the Offer will be subject to the satisfaction of the following conditions on or before 5.00 p.m. on the Cut-Off Date:
- (a) approval from shareholders of LHN Limited, the indirect controlling shareholder of the Company which is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) and the Main Board of the Stock Exchange of Hong Kong

Limited (“**SEHK**”), required for the disposal of the Shares under the listing rules of SGX-ST and SEHK (“**Shareholders’ Approval**”); and

- (b) written consent from JTC Corporation for the change in LHN Limited’s indirect ownership in Hean Nerng Logistics Pte Ltd, the Company’s wholly owned subsidiary, in connection with its holding of the property located at 7 Gul Avenue, Singapore 629651,

(the “**Pre-Conditions**”),

- 2.2 If and when the Pre-Conditions are satisfied, an announcement will be made by or on behalf of the Offeror of its firm intention to make the Offer (“**Formal Offer Announcement**”).
- 2.3 **However, in the event that any one or more of the Pre-Conditions are not satisfied on or before the Cut-Off Date, the Offer will not be made and the Offeror will issue an announcement confirming that fact as soon as reasonably practicable.**
- 2.4 **Shareholders should take note that there is no certainty that the Pre-Conditions will be satisfied and that the Offer will be made. Shareholders are advised to exercise caution and seek appropriate independent advice when dealing in the Shares.**

3. THE OFFER

- 3.1 The Pre-Conditional Offer Announcement states, *inter alia*, that subject to and contingent upon the satisfaction of the Pre-Conditions by the Cut-Off Date and the terms and conditions of the Offer to be set out in the Offer Document, the Offeror will make the Offer on the following basis:

- (a) **Offer Price.** The offer price for each Offer Share will be S\$0.2266 in cash (the “**Offer Price**”).

The Offer Price is final and the Offeror does not intend to revise the Offer Price.

- (b) **Shares.** The Offer, when made, will be extended to all Offer Shares at the Offer Price.
- (c) **No Encumbrance.** The Offer Shares are to be acquired (i) fully paid, (ii) free from any claim, charge, pledge, mortgage, encumbrance, lien, option, equity, power of sale, declaration of trust, hypothecation, retention of title, right of pre-emption, right of first refusal, moratorium or other third party right or security interest of any kind or an agreement, arrangement or obligation to create any of the foregoing, and (iii) together with all rights, benefits, entitlements and advantages attached thereto as at the Pre-Conditional Offer Announcement Date and hereafter attaching thereto, including but not limited to, the right to receive and retain all dividends, rights, other distributions and/or return of capital (if any) declared, paid or made by the Company in respect of the Offer Shares (collectively, “**Distributions**” and each, “**Distribution**”) on or after the Pre-Conditional Offer Announcement Date.

- (d) **Adjustment for Distributions.** Without prejudice to the foregoing and save for the Distribution declared as payable to the Shareholders and announced by way of the half year financial statements and dividend announcement of the Company dated 28 April 2023 (“**1H Distribution**”), the Offer Price has been determined on the basis that the Offer Shares will be acquired with the right to receive any Distribution that may be announced, declared, paid or made by the Company on or after the Pre-Conditional Offer Announcement Date.

Accordingly and except for the 1H Distribution which is expected to be paid on or about 16 June 2023 as per the dividend announcement of the Company dated 28 April 2023, in the event any Distribution is or has been announced, declared, paid or made by the Company in respect of the Offer Shares on or after the Pre-Conditional Offer Announcement Date, the Offer Price payable to a Shareholder who validly accepts or has validly accepted the Offer (“**Accepting Shareholder**”) shall be reduced by an amount which is equal to the amount of such Distribution, depending on when the settlement date in respect of the Offer Shares tendered in acceptance of the Offer by such Accepting Shareholder falls, as follows:

- (i) if such settlement date falls on or before the books closure date for the determination of entitlements to the Distribution (“**Books Closure Date**”), the Offer Price for each Offer Share shall remain unadjusted and the Offeror shall pay the Accepting Shareholder the unadjusted Offer Price for each Offer Share, as the Offeror will receive the Distribution in respect of such Offer Share from the Company; and
- (ii) if such settlement date falls after the Books Closure Date, the Offer Price for each Offer Share shall be reduced by an amount which is equal to the amount of the Distribution in respect of each Offer Share (the Offer Price after such reduction, “**Adjusted Offer Price**”) and the Offeror shall pay the Accepting Shareholder the Adjusted Offer Price for each Share, as the Offeror will not receive the Distribution in respect of such Offer Share from the Company.
- (e) **Minimum Acceptance Condition.** The Offer, if and when made, will be conditional on the Offeror having received, by the close of the Offer, valid acceptances pursuant to the Offer (which have not been validly withdrawn) in respect of such number of Shares which will result in the Offeror and parties acting or deemed to be acting in concert with it holding such number of shares carrying more than 50% of the voting rights attributable to the issued share capital of the Company as at the close of the Offer (“**Minimum Acceptance Condition**”).

Accordingly, the Offer will not become or be capable of being declared unconditional as to acceptances until the close of the Offer, unless at any time prior to the close of the Offer, the Offeror has received valid acceptances in respect of such number of Shares which will result in the Offeror and parties acting or deemed to be acting in

concert with it holding such number of shares carrying more than 50% of the voting rights attributable to the issued share capital of the Company as at the close of the Offer.

Please see Section 4 of this announcement for details of the irrevocable undertaking given by Fragrance Ltd., a controlling shareholder of the Company, pursuant to which Fragrance Ltd. had undertaken, among others, to procure the acceptance by LHN Group Pte. Ltd. (“**LHNGPL**”) of the Offer for all its Offer Shares. Upon such acceptance by LHNGPL of the Offer, the Offer will become unconditional as to acceptances given that such Offer Shares carry in aggregate 84.05% of the voting rights attributable to the issued share capital of the Company.

(f) **Further Information.** Further information on the Offer and the terms and conditions upon which the Offer will be made will be set out in the Formal Offer Announcement and the Offer Document.

3.2 Further details of the Offer (if and when made) are set out in the Pre-Conditional Offer Announcement, a copy of which is attached and is available on the website of the Singapore Exchange Securities Trading Limited at <http://www.sgx.com>. Shareholders are advised to refer to the full text of the Pre-Conditional Offer Announcement for, *inter alia*, the principal terms of the Offer.

4. IRREVOCABLE UNDERTAKING

4.1 **Undertaking Party.** As at the Pre-Conditional Offer Announcement Date, the Offeror has received an irrevocable undertaking from Fragrance Ltd (“**Undertaking Party**”), pursuant to which the Undertaking Party has, amongst other things, unconditionally and irrevocably undertaken, represented and warranted to the Offeror that they will (i) procure that there shall be no disposal of any of the 140,940,800 Shares held by LHNGPL prior to the Offer (the “**Relevant Shares**”), (ii) vote in favour of the resolution(s) granting the Shareholders’ Approval in relation to the disposal of the Relevant Shares by LHNGPL, and (iii) procure the acceptance by LHNGPL of the Offer for all the Relevant Shares (“**Irrevocable Undertaking**”). As at the Pre-Conditional Offer Announcement Date, the Undertaking Party beneficially holds in aggregate 140,940,800 Shares, representing 84.05% of the total number of Shares.

4.2 **Further Details.** The Irrevocable Undertaking shall lapse on the date on the earliest of the Formal Offer Announcement not being released by 5.00 p.m. (Singapore time) on 3 August 2023, the Offer Document not being posted within 21 days after the date of the release of the Formal Offer Announcement and the date on which the Offer lapses or is withdrawn.

5. INDEPENDENT FINANCIAL ADVISER

5.1 If and when the Offer is made:

- (a) the Board will appoint an independent financial adviser (the “**IFA**”) to advise the Directors who are considered to be independent for the purposes of the Offer (the “**Independent Directors**”), in respect of the Offer. An announcement relating to the same will be made by the Company in due course; and
- (b) a circular containing, inter alia, the advice of the IFA and the recommendation of the Independent Directors in respect of the Offer (the “**Offeree Circular**”) will be sent to Shareholders within 14 days from the date of the despatch of the Offer Document.

5.2 **In the meantime, Shareholders are advised to exercise caution when dealing in their Shares or otherwise refrain from taking any action in relation to their Shares, which may be prejudicial to their interests until they or their advisers have considered the information and the recommendations of the Independent Directors as well as the advice of the IFA which will be set out in the Offeree Circular.**

6. **RESPONSIBILITY STATEMENT**

The Directors (including those who have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated in this announcement and all opinions expressed herein are fair and accurate and that no material facts have been omitted from this announcement (the omission of which would render any statement in this announcement misleading in any material aspect), and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Offeror (including, without limitation, the Pre-Conditional Offer Announcement), the sole responsibility of the Directors has been to ensure, through reasonable enquiries, that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this announcement.

BY ORDER OF THE BOARD

Lim Lung Tieng
Executive Chairman

4 June 2023

*LHN Logistics Limited (the “**Company**”) was listed on Catalist of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 29 April 2022. The initial public offering of the Company was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the “**Sponsor**”).*



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This announcement has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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