



MILKYWAY The Chemical Supply Chain Innovator
since 1998

MILKYWAY INTERNATIONAL CHEMICAL SUPPLY CHAIN PTE. LTD.

(Company Registration No.: 202126563H)
(Incorporated in the Republic of Singapore)

21 September 2023

To: The Shareholders of LHN Logistics Limited

Dear Sir/Madam

COMPULSORY ACQUISITION OF SHARES IN THE CAPITAL OF LHN LOGISTICS LIMITED (“COMPANY”) PURSUANT TO SECTION 215(1) OF THE COMPANIES ACT 1967 (“COMPANIES ACT”) BY MILKYWAY INTERNATIONAL CHEMICAL SUPPLY CHAIN PTE. LTD. (“OFFEROR”) AND RIGHTS PURSUANT TO SECTION 215(3) OF THE COMPANIES ACT

1. INTRODUCTION

- 1.1 **Offer.** We refer to the formal offer document dated 16 August 2023 (“**Despatch Date**”) in relation to the voluntary conditional general offer (“**Offer**”) by RHT Capital Pte. Ltd. (“**RHTC**”), for and on our behalf, to acquire all the issued and paid-up ordinary shares (“**Shares**”) in the capital of the Company, in accordance with Rule 15 of the Singapore Code on Take-overs and Mergers (“**Offer Document**”).

*Unless otherwise defined, all capitalised terms used in this letter (“**Letter**”) shall bear the same meanings as ascribed to them in the Offer Document.*

If you have already (i) validly accepted the Offer in respect of all your Shares by completing and returning a valid Relevant Acceptance Form or (ii) sold all your Shares prior to the date of this Letter, please disregard this Letter and the accompanying Form 57 and Form 58 (as defined below).

YOU CAN STILL TENDER YOUR ACCEPTANCE AT ANY TIME BETWEEN THE DATE OF THIS LETTER AND 5.30 PM ON 27 SEPTEMBER 2023, BEING THE FINAL CLOSING DATE.

- 1.2 **Aggregate Shareholding.** As announced by RHTC, for and on our behalf, as at 6 p.m. (Singapore time) on 21 August 2023, the total number of Shares owned, controlled, acquired or agreed to be acquired by us and our concert parties (including valid acceptances of the Offer) amount to an aggregate of 151,926,100 Shares, representing approximately 90.61% of the total number of issued Shares.
- 1.3 **Compulsory Acquisition.** Pursuant to Section 215(1) of the Companies Act, as we have received valid acceptances and/or acquired Shares from the Despatch Date in respect of not less than 90% of the total number of issued Shares (excluding any Shares held in treasury), we are entitled, and intend, to exercise our right under Section 215(1) of the Companies Act to compulsorily acquire all the Shares held by Shareholders who have not accepted the Offer as at the date of this Letter (“**Dissenting Shareholders**”), at the Offer Price of S\$0.2266 per Share.

2. COMPULSORY ACQUISITION UNDER SECTION 215(1) OF THE COMPANIES ACT

2.1 **Dissenting Shareholder.** According to the records maintained by The Central Depository (Pte) Limited (“**CDP**”) and/or Boardroom Corporate & Advisory Services Pte. Ltd. (“**Registrar**”), as the case may be, you have not accepted the Offer in respect of all your Shares. Accordingly, we are writing to inform you that we are exercising our right under Section 215(1) of the Companies Act to acquire all the Shares held by you at the Offer Price of S\$0.2266 per Share (“**Offer Consideration**”). We enclose, for this purpose, a notice to Dissenting Shareholders in the form prescribed under the Companies Act (“**Form 57**”).

Please disregard this Letter and the accompanying Form 57 and Form 58 (as defined below in paragraph 3.1) if you have already validly accepted the Offer in respect of all your Shares or sold all your Shares prior to the date of this Letter.

2.2 **Exercise of Right of Compulsory Acquisition.** We will exercise the right of compulsory acquisition to acquire all the Shares held by you on or after 21 October 2023 (“**Transfer Date**”), being the date after the expiration of one (1) month from 21 September 2023, being the date of the Form 57, subject to and on the terms set out in the enclosed Form 57 and the provision of Section 215(4) of the Companies Act.

2.3 **Registration of Transfer.** Upon the settlement of the Offer Consideration to the Company by us, the Company will cause to be transferred to us all the Shares held by you and register us as the holder of all those Shares as soon as practicable. The Offer Consideration will be held by the Company on trust for you in a separate bank account to be established by the Company.

2.4 **Settlement.** Subject to and in accordance with the provisions of Section 215(1) of the Companies Act and the terms set out in the Form 57, as soon as practicable after the Transfer Date:

2.4.1 If you have subscribed to CDP’s Direct Crediting Services (“**DCS**”), CDP will, on behalf of the Company, credit directly into your designated bank account for S\$ via CDP’s DCS. If you have not subscribed to CDP’s DCS, any monies to be paid to you shall be credited to your Cash Ledger and be subject to the same terms and conditions as Cash Distributions under the CDP Operation of Securities Account with the Depository Terms and Conditions (Cash Ledger and Cash Distribution are as defined therein); and

2.4.2 If you hold share certificate(s) which are not deposited with CDP, the Registrar will, on behalf of the Company, despatch a S\$ crossed cheque drawn on a bank operating in Singapore by ordinary post, at your own risk, to your address as indicated in the register of members of the Company, as maintained by the Registrar.

2.5 **No Action Needed.** No action needs to be taken by you in relation to Form 57 to effect the transfer of your Shares and entitle you to payment, which will be made to you in accordance with paragraphs 2.3 and 2.4 above.

3. RIGHTS UNDER SECTION 215(3) OF THE COMPANIES ACT

3.1 **Non-Assenting Shareholder.** Under Section 215(3) of the Companies Act, you have the right to require us to acquire your Shares. In connection therewith, a notice to non-assenting Shareholders in the form prescribed under the Companies Act (“**Form 58**”) is enclosed with this Letter. You may, within three (3) months from the date of the Form 58, require us to acquire your Shares and we shall be entitled and bound to acquire those Shares on the same terms as those offered under the Offer at the Offer Price of S\$0.2266 per Share.

3.2 **No Action Needed.** As we would be proceeding to compulsorily acquire your Shares pursuant to Section 215(1) of the Companies Act, you need not take any action in relation to the Form 58. Shareholders who wish to exercise their right under Section 215(3) of the Companies Act are advised to seek their own independent legal advice.

4. DELISTING

- 4.1 **Listing Status of the Company.** Rule 723 of the Catalist Rules requires the Company to ensure that at least 10% of the total number of issued Shares (excluding preference shares, convertible equity securities and treasury shares) is at all times held by the public ("**Free Float Requirement**"). As announced by the Company on 22 August 2023, the Free Float Requirement is no longer satisfied. As stated in the Offer Document, we intend to privatise the Company and do not intend to preserve the listing status of the Company. Accordingly, we do not intend to undertake or support any action for any trading suspension by the SGX-ST to be lifted.
- 4.2 **Application and Timing of Delisting.** An application will be made to the SGX-ST for the delisting of the Company, subject to the completion of the compulsory acquisition by us under Section 215(1) of the Companies Act ("**Delisting Application**"). Subject to the result of the Delisting Application, the Company will be delisted from the SGX-ST upon the completion of the compulsory acquisition by us under Section 215(1) of the Companies Act. The date on which the Company will be delisted from the SGX-ST will be announced in due course.
- 4.3 **Trading Suspension.** Pursuant to Rule 1303(1) of the Catalist Rules, the SGX-ST will suspend trading of the Shares only at the close of the Offer.

5. GENERAL

If you are in any doubt about any of the matters referred to in this Letter, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

6. RESPONSIBILITY STATEMENT

- 6.1 The Directors of the Offeror (including those who may have delegated detailed supervision of this Letter) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Letter are fair and accurate and that no material facts have been omitted from this Letter, and the Directors accept responsibility accordingly.
- 6.2 Where any information in this Letter has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, information relating to the Group), the sole responsibility of the Directors of the Offeror has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Letter.

Yours faithfully

For and on behalf of

MILKYWAY INTERNATIONAL CHEMICAL SUPPLY CHAIN PTE. LTD.



Miao Leimin

Director

Enclosed: Form 57 and Form 58