
Issuer / Securities

GENERAL ANNOUNCEMENT::TERMINATION OF AGREEMENT FOR LEASE

Issuer / manager

LHT HOLDINGS LIMITED

Securities

LHT HOLDINGS LIMITED - SG1BG5000006 - BEI

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No

Announcement Details

Announcement Title

General Announcement

Date & Time of Broadcast

04-Oct-2024 17:41:29

Status

New

Announcement Sub Title

Termination of Agreement for Lease

Announcement Reference

SG241004OTHRUDV9

Submitted By (Co./ Ind. Name)

Yap Mui Kee

Designation

Managing Director

Description (Please provide a detailed description of the event in the box below)

Please see the attachment.

Attachments

[LHT - Termination of Agreement for Lease Announcement.pdf](#)

Total size =43K MB

LHT HOLDINGS LIMITED
(Company Registration No. 198003094E)
(the "**Company**", and together with its subsidiaries, the "**Group**")
(Incorporated in the Republic of Singapore)

**TERMINATION OF AGREEMENT FOR LEASE - PROPERTY KNOWN AS PTE LOT
A3008294 PID 8201710044 AT KRANJI INDUSTRIAL ESTATE ("PROPERTY")**

1. The Board of Directors ("**Board**") of LHT Holdings Limited ("**Company**") refers to the Company's announcement dated 12 December 2019 relating to the proposed lease of the Property and its announcement on 21 January 2020, that it had entered into an agreement for lease of the Property (the "**Agreement for Lease**").
2. The Board wishes to announce that the Agreement for Lease will terminate on 6 November 2024 as the Company will not be fulfilling or has not fulfilled the requirements for lease entitlement of a minimum of 10 years for the Property within the time required in the Agreement for Lease.
3. For the termination of the Agreement for Lease, the Company will be required to pay liquidated damages of about S\$518,000. In addition, the Company will also be liable for the costs of any reinstatement works to be carried out on the Property following a joint inspection of the Property with JTC Corporation. As and when appropriate, the Company will provide Shareholders with an update on the costs of the reinstatement works. As at the date hereof, the Company has not commenced any building works on the Property and the Property is vacant land.
4. Shareholders will note that the Agreement for Lease was entered into prior to the onset of the Covid-19 Pandemic, based on the economic outlook, interest rate environment and cost considerations in 2019. As previously disclosed, the total investment cost estimated to be incurred for the plant and equipment and the building required to be erected under the Agreement for Lease (collectively, the "**Building**") was then estimated to be S\$56 million. However, given the increases in interest rate and the costs of goods and services during the past few years, the estimate is no longer accurate. Based on current estimate, the total investment cost required to be incurred for the Building will be significantly more than the initial estimate of S\$56 million. Taking into account the prevailing and foreseeable economic and cost conditions, it would not be prudent for the Company to incur the total investment cost required for the construction of the Building.
5. The Company will continue to carry on its existing operations in Singapore at its premises at 27 Sungei Kadut Street 1 Singapore 729335 and 6 Tuas South Street 10 Singapore 636941.
6. Shareholders are advised to exercise caution in trading their shares. Where in doubt as to the action they should take, Shareholders should consult their stockbrokers, bank managers, solicitors or other professional advisors.

BY ORDER OF THE BOARD
LHT Holdings Limited

Yap Mui Kee
Managing Director

4 October 2024