偉合控股有限公司

WEE HUR HOLDINGS LTD.
(Company Registration Number 200619510K)
(Incorporated in the Republic of Singapore)

INTERESTED PERSON TRANSACTION – JOINT VENTURE IN WEE HUR (WOODLANDS 12) PTE. LTD. AMONG WEE HUR DEVELOPMENT PTE. LTD., WM (KAKI BUKIT) PTE. LTD. AND ZACD (WOODLANDS12) PTE. LTD.

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1. INTRODUCTION

The Board of Directors of Wee Hur Holdings Ltd. (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that the Company's wholly-owned subsidiary, Wee Hur Development Pte. Ltd. ("**Wee Hur Development**"), had on 21st July 2014 entered into a joint venture and shareholders' agreement (the "**Joint Venture and Shareholders' Agreement**") with WM (Kaki Bukit) Pte. Ltd. ("**WM**") and ZACD (Woodlands12) Pte. Ltd. ("**ZACD**") in respect of the proposed joint venture (the "**Proposed Joint Venture**") to develop a land parcel at Woodlands Avenue 12 into an industrial development that comprises multiple-user strata titled units (the "**Development**").

The joint venture company, Wee Hur (Woodlands 12) Pte. Ltd. ("**Wee Hur (Woodlands 12)**"), has been incorporated for the purposes of undertaking the Proposed Joint Venture. The issued and paid up capital of Wee Hur (Woodlands 12) is S$1,000,000 divided into 1,000,000 ordinary shares which was fully subscribed by Wee Hur Development, WM and ZACD at the time of incorporation.

2. DETAILS OF THE PROPOSED JOINT VENTURE

Pursuant to the execution of the Joint Venture and Shareholders' Agreement, Wee Hur Development, WM and ZACD have subscribed 600,000, 150,000 and 250,000 ordinary shares in the capital of Wee Hur (Woodlands 12) ("**Shares**") respectively at S$1.00 per Share.

Accordingly, the shareholdings of each of Wee Hur Development, WM and ZACD (collectively, the "**Joint Venture Parties**") in Wee Hur (Woodlands 12) are as follows:

Name of Shareholder	Number of Shares	Percentage shareholdings
Wee Hur Development	600,000	60%
WM	150,000	15%
ZACD	250,000	25%

Based on the above shareholdings, Wee Hur (Woodlands 12) is a subsidiary of Wee Hur Development.

The cost for the Development will be funded by internal resources of Wee Hur (Woodlands 12) or by external borrowings. Internal resources may consist of funds provided by the Joint Venture Parties, whether by way of equity, loans or the procurement of loans and/or proceeds from the sale of the units in the Development.

The salient terms of the Joint Venture and Shareholders' Agreement include the following:

(a) in connection with the business of the Proposed Joint Venture, the Joint Venture Parties have agreed to make the following appointments:

  (i) to appoint Wee Hur Construction Pte Ltd, a wholly-owned subsidiary of the Company, as the main contractor for the construction work to be done for the Development;

  (ii) to appoint Wee Hur Development to manage Wee Hur (Woodlands 12) and to be the project manager for the Development;

  (iii) to appoint ZACD International Pte. Ltd. to provide consultancy for design development until the building plan approval is granted; and

  (iv) to appoint SLP International Property Consultants Pte. Ltd. as the lead marketing agent for the Development;

(b) Wee Hur Development shall be entitled to appoint three (3) directors to the board of Wee Hur (Woodlands 12) and WM and ZACD shall be entitled to appoint one (1) director each;

(c) the funds required in connection with the Proposed Joint Venture shall be provided by the Joint Venture Parties as shareholders of Wee Hur (Woodlands 12) on the same terms and in proportion to their shareholdings and where such funds are obtained by way of procurement of financial facilities from third parties ("**External Financing**"), the External Financing shall be obtained at the best available terms and rates to Wee Hur (Woodlands 12), from reputable financial institutions, as the board of Wee Hur (Woodlands 12) may agree upon. In addition, the Joint Venture Parties have agreed that the External Financing shall be procured, wherever possible, without any additional security by way of guarantee or otherwise ("**Security**") from the Joint Venture Parties. However, where Security is required, the Security shall be given by the Joint Venture Parties as shareholders in proportion to their shareholdings for the time being in Wee Hur (Woodlands 12); and

(d) upon the request by the board of Wee Hur (Woodlands 12) for the provision of funds in connection with the Proposed Joint Venture and in the event that any of the Joint Venture Parties fails to provide its share of the funds by the stipulated time, such defaulting shareholder shall have its shareholdings diluted in accordance with the terms set out in the Joint Venture and Shareholders' Agreement.

3. RATIONALE FOR THE PROPOSED JOINT VENTURE

The Proposed Joint Venture will enable the Group to be better equipped to participate in acquiring more land parcels which are bigger in size. Further, the Group can also increase its order books for the construction business. This serves to build up the development portfolio of the Group, which would ultimately lead to the enhancement of shareholders' value.

4. THE JOINT VENTURE AS AN INTERESTED PERSON TRANSACTION

WM is a private limited company incorporated in Singapore and its directors are, Mr. Goh Yeow Lian, Mr. Goh Yew Tee, Mr. Goh Yeo Hwa and Mr. Goh Yew Gee (collectively, "**Messrs Goh**"). Messrs Goh together with their immediate family members hold an aggregate of 780,000 ordinary shares, representing 78% of the issued and paid up share capital of WM. Messrs Goh are also directors and shareholders of the Company. Mr. Goh Yeow Lian is a controlling shareholder of the Company. WM is therefore regarded to be an associate of Messrs Goh and as such, would be regarded to be an "interested person" within the meaning defined in Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**Listing Manual**").

Wee Hur Development is a wholly-owned subsidiary of the Company and is therefore regarded to be an "entity at risk" within the meaning defined in Chapter 9 of the Listing Manual.

Accordingly, the Proposed Joint Venture would be regarded as an interested person transaction and the requirements under Chapter 9 of the Listing Manual are applicable.

ZACD is not related to any of the directors and controlling shareholders of the Company and is therefore not regarded to be an "interested person" within the meaning defined in Chapter 9 of the Listing Manual.

5. TOTAL VALUE OF ALL INTERESTED PERSON TRANSACTIONS

The current total value of all interested person transactions, excluding transactions which are less than S$100,000, with (i) WM, (ii) WM, Messrs Goh and Messrs Goh's associates; and (iii) all interested persons of the Company, for the period from 1 January 2014 to the date of this announcement (prior to and including the Proposed Joint Venture), and the percentage of the Group's audited net tangible assets ("**NTA**") as at 31 December 2013 represented by such values, are as follows:-

	Prior to the Proposed Joint Venture		**Including the Proposed Joint Venture**	
	Amount (S$'000)	**Percentage of audited NTA of the Group (%)**	**Amount (S$'000)**	**Percentage of audited NTA of the Group (%)**
Total value of all transactions with WM	-	-	600[(1)]	0.28%

Total value of all transactions with WM, Messrs Goh and Messrs Goh's associates	40,800[(2)]	19.14%	41,400[(3)]	19.42%
Total value of all transactions with all interested persons of the Company	40,800	19.14%	41,400	19.42%

Notes:-

(1) This is the amount of Wee Hur Development's investment in the share capital of Wee Hur (Woodlands 12).

(2) This amount comprises the following:-

(i) a guarantee in the sum of S$37,800,000 provided by the Company in respect of a loan given to Active System Engineering Pte. Ltd. ("**Active System**"). The said guarantee was given by the Company, the immediate holding company of Wee Hur Dormitory Pte. Ltd. ("**Wee Hur Dormitory**") which is the joint venture partner of Active System, in proportion of Wee Hur Dormitory's shareholding in Active System on the same terms applicable to all joint venture partners of Active System. Please refer to the announcement dated 23 July 2014; and

(ii) a loan in the sum of S$3,000,000 given by Wee Hur Dormitory to Active System. The said loan is given by Wee Hur Dormitory, as a joint venture partner, in proportion of its shareholding in Active System and on the same terms applicable to all joint venture partners. Please refer to the announcement dated 23 July 2014.

(3) This amount is the aggregate of the amounts referred to at (1) and (2).

6. EXCEPTION TO THE REQUIREMENT FOR SHAREHOLDERS' APPROVAL AND STATEMENT OF THE AUDIT COMMITTEE

Pursuant to Rule 916(2) of the Listing Manual, shareholders' approval is not required for an investment in a joint venture with an interested person if:

(a) the risks and rewards are in proportion to the equity of each joint venture partner;

(b) the issuer confirms by an announcement that its audit committee is of the view that the risks and rewards of the joint venture are in proportion to the equity of each joint venture partner and the terms of the joint venture are not prejudicial to the interests of the issuer and its minority shareholders; and

(c) the interested person does not have an existing equity interest in the joint venture prior to the participation of the entity at risk in the joint venture.

Pursuant to Rule 916(3) of the Listing Manual, shareholders' approval is not required for the provision of a loan to a joint venture with an interested person if:

(a) the loan is extended by all joint venture partners in proportion to their equity and on the same terms;

(b) the interested person does not have an existing equity interest in the joint venture prior to the participation of the entity at risk in the joint venture; and

(c) the issuer confirms by an announcement that its audit committee is of the view that:

(i) the provision of the loan is not prejudicial to the interests of the issuer and its minority shareholders; and

(ii) the risks and rewards of the joint venture are in proportion to the equity of each joint venture partner and the terms of the joint venture are not prejudicial to the interests of the issuer and its minority shareholders.

The audit committee of the Company (the "**Audit Committee**") has reviewed the terms of the Proposed Joint Venture and is of the view that:

(a) the risks and rewards of the Proposed Joint Venture are in proportion to the equity of each of the Joint Venture Parties;

(b) the terms of the Proposed Joint Venture are not prejudicial to the interests of the Company and its minority shareholders; and

(c) the provision of any shareholders' loan by Wee Hur Development to the Proposed Joint Venture will not be prejudicial to the interests of the Company and its minority shareholders.

Therefore, although the value of the Proposed Joint Venture to the Company is expected to be more than 5% of the latest audited NTA of the Group, the Proposed Joint Venture and the provision of any shareholders' loan by Wee Hur Development to Wee Hur (Woodlands 12) have met the exceptions under Rule 916(2) and Rule 916(3) of the Listing Manual. Accordingly, the Company is exempted from the requirement of seeking shareholders' approval for the Proposed Joint Venture and the provision of any shareholders' loan by Wee Hur Development to Wee Hur (Woodlands 12).

7. FINANCIAL EFFECTS OF THE PROPOSED JOINT VENTURE

The Proposed Joint Venture is not expected to have a material impact on the consolidated net tangible assets per share and consolidated earnings per share of the Group for the financial year ending 31 December 2014.

8. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save as disclosed herein, none of the other Directors or substantial or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Joint Venture.

By order of the Board
Wee Hur Holdings Ltd.

Goh Yeow Lian
Executive Chairman
23rd July 2014