



偉合控股有限公司

WEE HUR HOLDINGS LTD.

(Company Registration Number 200619510K)

(Incorporated in the Republic of Singapore)

RESPONSE TO SGX QUERIES ON FY2016 1ST QUARTER RESULTS ANNOUNCEMENT

The Board of Directors of Wee Hur Holdings Ltd (the "**Company**") wishes to announce the following responses to queries raised by Singapore Exchange Securities Trading Limited ("**SGX-ST**") in its email dated 18 May 2016 on the 1st Quarter Results Announcement released to SGX-ST on 10 May 2016.

Query 1:

In the Income Statement, please provide details for the 64% increase, 26% decrease and 81% decrease in "Marketing and distribution costs", "Administrative expenses" and "Other losses" respectively.

Response 1:

	Group			
	1st Quarter Ended			
	31/03/16	31/03/15	Incr/(Decr)	
	S\$'000	S\$'000	S\$'000	%
Marketing and distribution costs	(161)	(98)	63	64
Administrative expenses	(4,573)	(6,220)	(1,647)	(26)
Other losses	(328)	(1,758)	(1,430)	(81)

(i) Marketing and distribution costs

	Group			
	1st Quarter Ended			
	31/03/16	31/03/15	Incr/(Decr)	
	S\$'000	S\$'000	S\$'000	%
Advertisements	(37)	(8)	29	363
Marketing expenses	(73)	(20)	53	265
Commissions	(38)	(18)	20	111
Other miscellaneous expense	(13)	(52)	(39)	(75)
Total marketing and distribution costs	(161)	(98)	63	64

(i) Administrative expenses

	Group			
	1st Quarter Ended			
	31/03/16	31/03/15	Incr/(Decr)	
	S\$'000	S\$'000	S\$'000	%
Professional fees	(80)	(124)	(44)	(35)
Rental of premises	(893)	(892)	1	NM
Depreciation of property, plant and equipment	(692)	(827)	(135)	(16)
Employee benefits expenses	(2,147)	(3,667)	(1,520)	(41)

Other operating expense	(761)	(710)	51	7
Total administrative expenses	(4,573)	(6,220)	(1,647)	(26)

(i) Other losses

	Group			
	1st Quarter Ended			
	31/03/16	31/03/15	Incr/(Decr)	
	S\$'000	S\$'000	S\$'000	%
Loss on disposal of other financial assets at fair value through profit or loss, net	(164)	-	164	NM
Fair value gain on other financial assets at fair value through profit or loss, net	139	-	(139)	NM
Unrealised foreign exchange loss	(71)	(1,758)	(1,687)	96
Unrealised loss on forward contracts	(232)	-	232	NM
Total other losses	(328)	(1,758)	(1,430)	81

NM – Not Meaningful

Query 2:

In paragraph 5 of the Company's 1Q2016 Results Announcement (the "Announcement"), it was disclosed that "On 1 January 2016, the Group adopted the new or amended FRS and Interpretations to FRS and Interpretations to FRS ("INT FRS") that are mandatory for application from that date. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS".

Please provide details on the changes to the Group's accounting policies.

Response 2:

New or revised Singapore Financial Reporting Standards and the related Interpretations to FRS ("INT FRS") were issued by the Singapore Accounting Standards Council and these will be effective for current financial years. Those applicable to the reporting entity for current financial years are listed below.

The transfer to the applicable new or revised standards from the effective dates is not expected to result in material adjustments to the financial position, results of operations, or cash flows for this financial year as there are no changes to the Group's accounting policies as at 31 March 2016.

FRS No.	Title	Effective date for periods beginning on or after
FRS 1	Amendments to FRS 1: Disclosure Initiative	1 January 2016
FRS 16 & 38	Amendments to FRS 16 and FRS 38: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
FRS 27	Amendments to FRS27: Equity Method in Separate Financial Statements	1 January 2016
FRS 115	Revenue from Contracts with Customers	1 January 2018
FRS 109	Financial Instruments	1 January 2018

Query 3:

In paragraph 8 of the Announcement, it was disclosed that:-

- a) The decrease in Revenue was mainly due to lower contribution from property development segment. Please provide details for the lower contribution from the property development segment; and
- b) Gross profit margin was 20% for 1QFY2016 as compared to 27% for 1QFY2015. Please provide details and explain for the lower Gross profit margin.

Response 3:

- a) Lower contribution from property development segment as the Group's residential development project, Parc Centros, was reaching the completion stage as at 31 March 2016. Parc Centros had obtained its TOP on 11 May 2016.

	Group			
	1st Quarter Ended			
	31/03/16	31/03/15	Incr/(Decr)	
Revenue	S\$'000	S\$'000	S\$'000	%
Property development segment				
- Parc Centros	5,463	86,094	(80,631)	(94)
Total revenue	47,169	117,268	(70,099)	(60)

- b) The Group registered total gross profit of S\$9.4 million in 1QFY2016 which was 70% lower than 1QFY2015. The decrease in gross profit was due to lower contribution from the higher profit margin residential development project, Parc Centros. As a result, gross profit margin closed at 20% for 1QFY2016 as compared to 27% in 1QFY2015.

	Group			
	1st Quarter Ended			
	31/03/16	31/03/15	Incr/(Decr)	
Gross profit	S\$'000	S\$'000	S\$'000	%
Property development segment				
- Parc Centros	1,619	25,049	(23,430)	(94)
Total gross profit	9,439	31,317	(21,878)	(70)

By Order of the Board

Tan Ching Chek
Company Secretary
20 May 2016