偉合控股有限公司

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

- INCORPORATION OF A WHOLLY-OWNED SUBSIDIARY
- PROPOSED INVESTMENT IN REAL ESTATE PROJECTS IN HUAI'AN, JIANGSU, PRC

1. INTRODUCTION

1.1 Setting Up Wholly-owned Subsidiary

The board of directors ("**Board**") of Wee Hur Holdings Ltd. ("**Company**", together with its subsidiaries, the "**Group**") refers to the announcement dated 23 July 2014 on the setting up of Wee Hur International Pte. Ltd. ("**Wee Hur International**"), a wholly-owned subsidiary in Singapore.

1.2 Investment in PRC Real Estate Projects

The Board is pleased to announce that further to the Company's announcement dated 23 April 2014, the Group has, through Wee Hur International, entered into the following joint venture agreements in relation to its proposed investment in the following projects (collectively, the "**Proposed Investments**"):

(a) joint venture agreement dated 4 August 2014 with Mr Li Chunnan (李春南), Mr Xu Weixiang (徐伟翔), Mr Ji Xinlin (季新林) (collectively, "**Partners**") and Huirui Holdings Limited, a company incorporated in the Cayman Islands which is 100% beneficially owned by the Partners ("**Huirui**") in connection with a proposed acquisition of the entire stake in a mixed-use development project, which is currently under development ("**Existing Project**"), in Qinghe District, Huai'an City, Jiangsu Province, the People's Republic of China ("**PRC**"); and

(b) joint venture agreement dated 4 August 2014 with the Partners and Mr Tong Chi Ho (collectively, "**JV Partners**") in connection with a proposed submission of a tender for a mixed-use development project ("**New Project**") in Huai'an City, Jiangsu Province, PRC ("**Proposed Tender**").

2. INFORMATION ON THE JV PARTNERS

The Partners are experienced in and have established track record in real estate development in Huai'an City, Jiangsu Province, PRC and have developed residential, commercial, retail and mixed-use projects, all in Huai'an City.

As at the date of this announcement, Mr. Li Chunnan, Mr Xu Weixiang and Mr Ji Xinlin own approximately 40.24%, 27.08% and 4.77% respectively of the equity interests in Shanghai Wanxiang Industry Co., Ltd. (上海万香实业有限公司) ("**Shanghai Wanxiang**"), which in turn owns the entire stake in the Existing Project.

Mr Tong Chi Ho is a business associate of the Partners and is currently the non-executive chairman of Blackgold International Holdings Limited, a company listed on the Australian Securities Exchange. Mr Tong has gathered over 12 years of experience in venture capital investment and assisted various companies to raise funds via initial public offerings.

3. INVESTMENT IN THE EXISTING PROJECT

The Existing Project is a mixed-use real estate development project in Qinghe District, Huai'an City, Jiangsu Province, PRC, known as "Huifeng Central Square" (汇丰中央广场) consisting of retail, office and residential properties, with a total GFA (including basement) of approximately 143,700 square metres. The development of the Existing Project comprises two phases. Phase 1 of the Existing Project is targeted for completion by end 2014 and Phase 2 is expected to commence in the second half of 2014.

Under the joint venture agreement for the Existing Project, Huirui and Wee Hur International shall each hold 63% and 37% stake respectively in a joint venture company to be set up in Singapore, which will in turn ultimately own the entire stake in the Existing Project. The board of directors of the Singapore joint venture company shall comprise 5 directors, of which Wee Hur International shall be entitled to appoint 2 directors and Huirui shall be entitled to appoint 3 directors. The foregoing board arrangement will apply to the project company in the PRC holding the Existing Project and the legal representative of the said PRC project company shall be a director appointed by Huirui.

The Partners will procure Shanghai Wanxiang to enter into a conditional sale and purchase agreement in connection with the sale of its entire stake in the Existing Project to the joint venture at the purchase consideration of RMB27,250,000 ("**Proposed Acquisition**"). The purchase consideration of RMB27,250,000 for the Proposed Acquisition was determined on an arm's length basis, taking into consideration *inter alia* Huirui's shareholding in the Singapore joint venture company.

Subject to, amongst others, completion of the Proposed Acquisition, Wee Hur International is expected to inject a total amount of S$9 million for its 37% stake in the joint venture company. If the Proposed Tender in respect of the New Project below is unsuccessful, we will inject another S$5 million in the Existing Project and the total investment will increase to S$14 million. The funds injected by Wee Hur International will be utilised to pay for the Proposed Acquisition as well as working capital for Phases 1 and 2 of the Existing Project.

As part of the aforesaid investment, the Partners and Huirui have jointly and severally represented and warranted to Wee Hur International that the Existing Project would be able to achieve at least RMB380 million ("**Development Target**") by 31 December 2017 based on the aggregate of the following (i) all dividends and distributable profit of the Singapore joint venture company and its subsidiaries; and (ii) market value of all unsold units of the Existing Project as at 31 December 2017. In the event that the Development Target is not attained, Wee Hur International shall be entitled to claim against the Partners and/or Huirui for any shortfall in accordance with the terms of the joint venture agreement.

4. INVESTMENT IN THE NEW PROJECT

Subject to the completion of the Proposed Acquisition, the parties intend to submit a tender bid for the New Project through another joint venture company to be set up in Singapore. Under the terms of this joint venture, Mr Tong Chi Ho and Wee Hur International will each invest in and hold 63% and 37% stake respectively in the foregoing joint venture company. Similarly, the board of directors of the joint venture company shall comprise 5 directors, of which Wee Hur International shall be entitled to appoint 2 directors and Mr Tong Chi Ho shall be entitled to appoint 3 directors.

For the purpose of submitting the tender bid, Wee Hur International will provide an interest-free convertible shareholder loan ("**Convertible Loan**") to the joint venture company, subject to the satisfaction of certain conditions, such as eligibility to participate in the tender. If the Proposed Tender bid for the New Project is successful, the joint venture company shall set up a project company in the PRC for the purpose of undertaking the New Project. Mr Tong Chi Ho will also transfer his 63% stake in the Singapore joint venture company to the Partners. The PRC project company shall have the same board arrangement as aforesaid and its legal representative shall be a director appointed by the JV Partners. If however, the Proposed Tender bid for the New Project is unsuccessful, the aforesaid Convertible Loan would be refunded to Wee Hur International.

The estimated total investment commitment on the part of Wee Hur International for the New Project is approximately S$15 million.

5. RATIONALE FOR THE PROPOSED INVESTMENTS

The Board views the Proposed Investments as an opportunity for the Company to participate in the real estate development market in the PRC and to tap on the substantial expertise and experience of the JV Partners in the real estate market in the PRC.

6. FUNDING

The contribution by Wee Hur International for the Proposed Investments will be financed by internal resources of the Group.

7. FINANCIAL EFFECTS

7.1 The Proposed Acquisition is a transaction in the ordinary course of the Group's business and is not expected to have any material impact on the consolidated earnings per share and the consolidated net tangible assets per share of the Group for the financial year ending 31 December 2014.

7.2 The pro forma financial effects of the Proposed Acquisition on (a) the consolidated net tangible assets ("**NTA**") per share of the Company; and (b) the consolidated earnings per share ("**EPS**") of the Company set out below are prepared purely for illustrative purposes only and do not reflect the actual financial effects or the future financial performance and condition of the Company and/or the Group after the Proposed Acquisition. The following pro forma effects have been prepared based on the audited consolidated financial statements of the Company for the financial year ended 31 December 2013 ("**FY2013**"), being the most recently completed financial year and assuming that (i) the Proposed Acquisition had been effected during FY2013; and (ii) goodwill in respect of the Existing Project of S$15,120,000 has been written off:

NTA per share

	Before the Proposed Acquisition	**After the Proposed Acquisition**
Number of shares	911,256,560	911,256,560
NTA attributable to shareholders	213,160,123	198,040,123

	Before the Proposed Acquisition	After the Proposed Acquisition
NTA per share (cents)	23.39	21.73

EPS

	Before the Proposed Acquisition	After the Proposed Acquisition
Weighted average number of ordinary shares on fully diluted basis	892,750,994	892,750,994
Earnings attributable to Shareholders	20,086,702	1,750,098
EPS (cents)	2.25	0.20

8. RELATIVE FIGURES UNDER CHAPTER 10 OF THE LISTING MANUAL

Based on the audited financial statements of the Group for the financial year ended 31 December 2013 as well as the unaudited financial statements of the Group for the first quarter ended 31 March 2014, and assuming that Wee Hur International invests the maximum aggregate amount of S$14 million in the Existing Project, the relative figures computed on the bases set out in Rule 1006 of the Listing Manual in relation to the Existing Project are as follows:-

Rule 1006	Bases	Relative Figures based on the audited financial statements of the Group for the financial year ended 31 December 2013 (%)	Relative Figures based on the unaudited financial statements of the Group for the first quarter ended 31 March 2014 (%)
(a)	Net asset value of the assets disposed of, compared with the Group's net asset value	Not applicable	Not applicable
(b)	Net profits attributable to the assets acquired, compared with the Group's net profits	Not applicable [(1)]	Not applicable [(1)]
(c)	Aggregate value of the consideration given, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares [(2)]	4.5	4.4
(d)	Number of equity securities issued by the Company as consideration for the acquisition, compared with the number of equity securities previously in issue	Not applicable [(3)]	Not applicable [(3)]

Notes:-

(1) This is not applicable as the Existing Project is currently under development and has not made a profit

(2) Pursuant to Rule 1002(5) of the Listing Manual, the market capitalisation of the Company was determined by multiplying the number of shares in issue by the weighted average price per share of such shares on the relevant date

(3) No shares in the capital of the Company will be issued as consideration in connection with the Proposed Acquisition

As none of the relative figures set out above exceed 5%, the Proposed Acquisition does not constitute a discloseable transaction under Rule 1014 of the Listing Manual.

9. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the Proposed Investments.

10. CAUTIONARY STATEMENT

Shareholders are advised to exercise caution in dealing with the shares of the Company as there is no certainty or assurance that any of the Proposed Investments will materialise. Shareholders who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitors or other professional advisers.

By Order of the Board

Tan Ching Chek
Company Secretary
5 August 2014