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**NEWS RELEASE**

**WE HOLDINGS SIGNS MOU TO ACQUIRE HUA KAI, A REGIONAL LAND RECLAMATION BUSINESS, FOR S$25 MILLION**

- ***Marks continued drive to seek growth opportunities in the commodities sector***
- ***Hua Kai has marine sand supply contracts for land reclamation projects in Singapore and Brunei***
- ***Vendor, Koh Lee Hoo, to provide a personal guarantee for the profit guarantee of S$6 million net profit per year for Hua Kai's 2016, 2017 and 2018 fiscal years***
- ***WE Holdings to launch a 3-year fixed rate bond offering to fund its commodity business and investments in Myanmar and the working capital needs of the Company***

***Singapore, March 11, 2015*** – WE Holdings Ltd ("WE Holdings", the "Company" or the "Group") today announced that the Group has entered into a non-binding memorandum of understanding (the "MOU") with Hua Kai for the proposed 100% acquisition of the latter (the "Proposed Acquisition") for a consideration of S$25.0 million.

**The Proposed Acquisition**

Hua Kai is primarily engaged in the trading of sand, dredging and supply of processed sand needed for land reclamation activities in the South East Asia **("SEA")** region, and has ongoing projects with partners in Singapore and Brunei.

Hua Kai recently secured an agreement to supply and deliver at least 100 million cubic metres of marine sand within eight years for reclamation works relating to the Pulau Muara Besar (PMB) project in Brunei.

PMB is a 955-hectare island situated in Brunei Bay, next to Muara municipality. Strategically located at the east-west maritime trade route, PMB is ideally positioned for export-oriented activities relating to oil and gas industry such as an integrated petrochemical refinery as well as a marine supply base. Appropriate infrastructure will also be developed to support and facilitate the establishment of such industries at PMB.[1]

In addition, Hua Kai has an existing contract with StarHigh Asia Pacific Pte Ltd to supply and deliver marine sand for a reclamation project in Singapore where the reclamation works are expected to be completed in August 2018. Hua Kai is also actively negotiating for new contracts relating to reclamation works in Tuas and Pulau Tekong.

Through joint ventures with the requisite licenses and approved permits, Hua Kai has access to two dredging and sand concessions in Cambodia and four other concessions in Vietnam. In total, these Cambodian and Vietnamese concessions are expected to produce an output of processed sand amounting to approximately 7 million tonnes per annum and approximately 12 million tonnes per annum respectively. Total output is expected to increase as more infrastructure and facilities are brought into the concessions in these two countries.

***Mr Terence Tea, Executive Chairman and Managing Director of WE Holdings, said: "When completed, the Proposed Acquisition will provide the Group with a ready entry into the land reclamation business.***

***With various developmental and industrialisation projects along coastlines in the region, we anticipate a greater demand for reclamation activities, and in turn, for sand used in reclamation activities. Backed by Hua Kai's concessions and supply contracts, the Proposed Acquisition is poised to contribute positively to the Company's top and bottom lines."***

[1] http://www.bedb.com.bn/keyindustrialsites.html#pmb

***Mr Koh Lee Hoo, Director of Hua Kai, said: "I am confident that this partnership will be mutually beneficial to all parties. With the network and enhanced public profile provided by WE Holdings and our inherent industry knowledge and experience, we will now be able to launch bids for larger scale projects around the region and affirm our standing as a trusted provider of land reclamation services."***

**Proposed Payment Terms**

In relation to the Proposed Acquisition, the Company will pay S$8 million in cash and S$2 million in shares of the Company to Koh Lee Hoo (the "Vendor") upon the signing of the sale and purchase agreement, provided due diligence determines that the net tangible asset of Hua Kai and its affiliates is no less than S$10 million. Koh Lee Hoo shall provide a personal guarantee for the profit guarantee that Hua Kai achieves a net profit of S$6 million per year for its financial year end of 2016, 2017 and 2018**.**

The remaining S$15 million may be paid over a three-year earn-out period, subject to conditions relating to Hua Kai's net profit performance for the 2016, 2017 and 2018 fiscal years.

***Mr Tea added: "The Proposed Acquisition is in line with the Company's intention to expand our commodities business and we are also exploring opportunities presented by the cement, oil and gas and petroleum sectors in Myanmar. To date, we have successfully gained a foothold across different spheres of the commodities sector in the region and are ready to ride on growth opportunities as they unfold."***

**Proposed Bond Offering**

In connection with the proposed acquisition, WE Holdings has entered into a non-binding MOU with NRA Capital Pte Ltd for the proposed issue of New Convertible Non-Redeemable Bonds (the “Bonds Issue”).

Under the terms of this MOU, the Company may issue a S$25 million in principal amount bond offering at an issue price of 100.00% of the principal amount of the New Convertible Non-Redeemable Bonds. The bonds will carry a 3-year maturity and offered in S$250,000 blocks. The Bonds Issue carry a fixed interest rate of 8.00% per annum, to be paid half-yearly.

Proceeds from the bond sale will be used to finance the Company’s commodity business and investments in Myanmar and the working capital needs of the Company.

**About WE Holdings Ltd (Bloomberg ticker: WTE SP)**

WE Holdings Ltd was first incorporated in Singapore in March 1986 and was publicly listed on the Singapore Exchange in May 2002.

As part of its expansion plan, WE Holdings has identified growth opportunities in Myanmar and looks towards transforming its business to focus on resources such as petroleum and oil and gas in the region.

On 18 May 2013, WE Holdings entered into a non-binding term sheet for the proposed acquisition of shares in Dragon Cement Co., Ltd, a company that is principally engaged in the business of cement manufacturing, and is majority owned by His Excellency Nay Win Tun ("H.E Nay Win Tun"). H.E Nay Win Tun is a prominent Myanmar businessman and the Chairman of the Ruby Dragon Group of companies.

WE Holdings has also acquired a joint venture company in Singapore, WE Dragon Resources Pte. Ltd., together with H.E. Nay Win Tun to assess potential petroleum, oil and gas, and related resources business opportunities in Myanmar. The Company has also entered into a nonbinding Memorandum of Understanding with H.E. Nay Win Tun for a proposed collaboration to carry out petroleum operations projects in five target oilfields in Myanmar through a project company.

In January 2015, WE Holdings signed a conditional sale and purchase agreement to acquire Maritrans Recycler, Inc., an integrated environmental service provider incorporated in the Philippines.

With the explosive growth of low cost electronic devices and their short product lifespans, electronics scraps is a lucrative source of raw materials for precious metals. Maritrans Recycler, Inc. has the expertise to reprocess these secondary raw materials and recover precious metals.

In addition to assessing potential petroleum, oil and gas, and related resources business opportunities in Myanmar, the Company will also explore opportunities in the exploration, extraction/mining and trading of energy and metal resources and the production and trading of cement, sand and steel, subject to shareholders' approval.

Notice

*This Announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (SGX-ST). The Company's Sponsor has not independently verified the contents of this Announcement.*

*This Announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Announcement, including the correctness of any of the statements or opinions made or reports contained in this Announcement.*

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