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 FY2017 3RD QUARTER RESULTS ANNOUNCEMENT

The Board of Directors of Wee Hur Holdings Ltd (the "**Company**") and its subsidiaries (the "**Group**") wishes to announce the following responses to queries raised by Singapore Exchange Securities Trading Limited ("**SGX-ST**") in its email dated 15 December 2017 on the 3rd Quarter Results Announcement released to SGX-ST on 13 November 2017.

**Query 1:**

In the Company's third quarter results for financial year 2017 ("3Q FY2017"), "Other gains and losses" decreased from S$5.51mil to a loss of S$0.20mil. The Company explained that it incurred a loss of S$0.9mil from the repayment of AUD denominated loan receivables and the losses were offset by unrealised translation gain of S$0.8mil on AUD denominated loans to other subsidiaries in Australia. **Please explain for the remaining S$5.6mil reduction in other income in comparison to 3Q2016 and quantify the material changes.**

**Response 1:**

*(b) Other gains and losses (table extracted from 3QFY2017 Results Announcement)*

| | Group | | | | | |
|---|---|---|---|---|---|---|
| | 3rd Quarter Ended 30 September | | | 9 Months Ended 30 September | | |
| | 2017 | 2016 | Inc (Dcr) | 2017 | 2016 | Inc (Dcr) |
| | S$'000 | S$'000 | % | S$'000 | S$'000 | % |
| Gain on other financial assets at fair value through profit or loss | 75 | 142 | -47 | 1,063 | 506 | 110 |
| **Gain on foreign currency forward contract at fair value** | **1** | **1,545** | **-100** | **398** | **70** | **469** |
| **Foreign exchange gain (loss)** | **(84)** | **3,936** | **N.M** | **2,535** | **3,261** | **-22** |
| Loss on disposal of other financial assets | - | (115) | N.M | (81) | (450) | -82 |
| Gain (loss) on disposal of plant and equipment | - | (1) | N.M | - | 2 | N.M |
| Property, plant and equipment written off | (1) | - | N.M | (1) | - | N.M |
| Allowance for foreseeable losses for development property | (192) | - | N.M | (822) | (3) | 27,300 |
| **Total other gains and losses** | **(201)** | **5,507** | **N.M** | **3,092** | **3,386** | **-9** |

The two main factors that gave rise to other gains of S$5.507 million in 3rd quarter ended 30 September 2016 as compared to other losses of S$0.201 million in 3rd quarter ended 30 September 2017 are:

| | | As at 2017 | | | As at 2016 | | |
|---|---|---|---|---|---|---|---|
| | | 30 Sep | 30 Jun | Inc (Dcr) | 30 Sep | 30 Jun | Inc (Dcr) |
| (a) | Gain (loss) on foreign currency forward contract at fair value in S$'000 | 398 | 397 | 1 | 70 | (1,475) | 1,545 |
| (b) | Foreign exchange gain (loss) in S$'000 | 2,535 | 2,619 | (84) | 3,261 | (675) | 3,936 |
| | Closing rate for AUD to SGD | 1.066 | 1.060 | 0.6% | 1.0418 | 1.0031 | 3.87% |

(a) **Gain (loss) on foreign currency forward contract at fair value**: net foreign exchange gain of S$1.545 million on mark-to-market value of forward contracts denominated in AUD entered with the banks from a loss of S$1.475 million in June 2016 to a gain of S$0.07 million in September 2016, as compared to insignificant movement between June 2017 and September 2017.

(b) **Foreign exchange gain (loss)**: the appreciation of the Australian Dollar (AUD) from 1.0031 in June 2016 to 1.0418 in September 2016 has contributed to a substantial net foreign exchange gain of S$3.936 million recognised in 3QFY2016 from a loss of S$0.675 million as at 30 June 2016 to a gain of S$3.261 million as at 30 September 2016, as compared to a marginal appreciation from 1.060 in June 2017 to 1.066 in September 2017.

A significant portion of the Group's inter-company balances are denominated in AUD, these balances are loans extended to the Company's wholly-owned subsidiaries to fund their activities in Australia. The Group records foreign exchange gain or loss due to the revaluation of such inter-company balances at their fair values at the end of each reporting period which are affected by the foreign currency fluctuations.

**Query 2:**

In paragraph 8, it was disclosed that "the increase in development costs resulted to an increase in development properties". **Please provide details on status of development that resulted in an increase in development costs of S$44.4mil.**

**Response 2:**

The increase in development properties during the quarter under review was mainly due to additional development costs incurred on the Group's development properties in Singapore and Australia amounting to S$44.38 million. The breakdowns are as follows:

| | | As at | | |
|---|---|---|---|---|
| | | 30 Sep 2017 | 31 Dec 2016 | Inc (Dcr) |
| | | S$'000 | S$'000 | S$'000 |
| (a) | Reclassification of development property to property, plant and equipment | – | 15,453 | (15,453) |
| (b) | Industrial project - Mega@Woodlands, Singapore | 211,834 | 154,917 | 56,917 |
| (c) | Proposed mixed-use development at Buranda, Brisbane | 42,351 | 40,892 | 1,459 |
| (d) | Residential apartment at Buranda, Brisbane | 7,482 | 5,783 | 1,699 |
| (e) | Adjustment of cost for residential project - Parc Centros, Singapore | 120 | 300 | (180) |
| | **Total development properties** | **261,787** | **217,345** | **44,442** |

By Order of the Board

Tan Ching Chek
Company Secretary
18 December 2017