



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 (BARTLEY) PTE. LTD. BETWEEN WEE HUR DEVELOPMENT PTE. LTD. AND WM (BARTLEY) PTE. LTD.

1. INTRODUCTION

The Board of Directors of Wee Hur Holdings Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that its wholly-owned subsidiary, Wee Hur Development Pte. Ltd. (“**WHD**”), had on 3 February 2020 entered into a joint venture and shareholders’ agreement (the “**Joint Venture and Shareholders’ Agreement**”) with WM (Bartley) Pte. Ltd. [“**WM (Bartley)**”] in respect of the proposed joint venture (the “**Proposed Joint Venture**”) to develop a land parcel at (Lot 10613W of Mukim 24) at Jalan Bunga Rampai into a residential development that comprises multiple-user strata titled units (the “**Development**”).

The joint venture company, Wee Hur (Bartley) Pte. Ltd. [“**Wee Hur (Bartley)**”] has been incorporated in Singapore on 22 January 2020 by WHD for the purposes of undertaking the Proposed Joint Venture. The issued and paid up capital of Wee Hur (Bartley) is S\$100 comprising 100 ordinary shares (the “**Shares**”) which was fully subscribed by WHD at the time of incorporation.

2. DETAILS OF THE PROPOSED JOINT VENTURE

Pursuant to the execution of the Joint Venture and Shareholders’ Agreement:

- (i) WM (Bartley) has acquired from WHD 25 ordinary shares in the issued share capital of Wee Hur (Bartley) at S\$1.00 per share, being the price in which the Shares were initially subscribed by WHD at the time of incorporation of Wee Hur (Bartley) (the “**Transfer of Shares**”).
- (ii) WHD and WM (Bartley) have also subscribed for 1,499,925 and 499,975 ordinary shares in the issued share capital of Wee Hur (Bartley) respectively at the subscription price of S\$1.00 per share (the “**Subscription of Shares**”).

Accordingly, the shareholdings of each of WHD and WM (Bartley) (collectively, the “**Joint Venture Parties**”) in Wee Hur (Bartley) upon execution of the Joint Venture and Shareholders’ Agreement are as follows:

Name of Shareholder	Number of Shares	Percentage shareholdings
WHD	1,500,000	75%
WM (Bartley)	500,000	25%

Following the Transfer of Shares and Subscription of Shares, Wee Hur (Bartley) is now a 75%-owned subsidiary of WHD.

The cost for the Development will be funded by the internal resources of Wee Hur (Bartley) or by external borrowings. Internal resources may consist of funds provided by the Joint Venture Parties, whether by way of subscription of capital or cash advances or the proceeds from the sale of the units of 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 WHD as the project manager of the Development;
 - (ii) 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;
- (b) WHD shall be entitled to appoint two (2) directors to the board of Wee Hur (Bartley) and WM (Bartley) shall be entitled to appoint one (1) director; and
- (c) the funds required in connection with the Proposed Joint Venture shall be provided by the Joint Venture Parties as shareholders of Wee Hur (Bartley) 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 (Bartley), from reputable financial institutions, as the board of Wee Hur (Bartley) 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 the Wee Hur (Bartley).

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 (Bartley) 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 associates hold an aggregate of 80 ordinary shares, representing 80% of the issued and paid up share capital of WM (Bartley). Messrs Goh are also directors and shareholders of the Company. Mr. Goh Yeow Lian is a controlling shareholder of the Company. WM (Bartley) 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”).

WHD 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.

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 (Bartley) (ii) WM (Bartley), Messrs Goh and Messrs Goh’s associates and (iii) all interested persons of the Company, for the period from 1 January 2020 to the date of this announcement and the percentage of the Group’s audited net tangible assets (“NTA”) as at 31 December 2018 represented by such values, are as follows:-

	<u>Prior to the Proposed Joint Venture</u>		<u>Including the Proposed Joint Venture</u>	
	Amount (S\$)	Percentage of audited NTA of the Group (%)	Amount (S\$)	Percentage of audited NTA of the Group (%)
Total value of all transactions with WM (Bartley)	NIL		1,500,000	0.41 ⁽¹⁾
Total value of all transactions with WM (Bartley), Messrs Goh and Messrs Goh’s associates	31,321,600 ⁽²⁾	8.56 ⁽¹⁾	32,821,600	8.97 ⁽¹⁾
Total value of all transactions with all interested persons of the Company	31,321,600	8.56	32,821,600	8.97

Notes:

- (1) Based on latest audited NTA of the Group of S\$365,699,000 as at 31 December 2018.
- (2) The amount comprises the following:
 - (i) subscription of securities in the Wee Hur PBSA Master Trust by Bull Mountain Investment Pte Ltd of which the directors and shareholders are Goh Yew Gee and his immediate family[#]; and
 - (ii) the proportionate corporate guarantee in the sum of S\$30,000,000 provided by the Company, which is the holding company of WHD, which has a 60% shareholding in Wee Hur (Woodlands 12) Pte Ltd [**"Wee Hur (Woodlands 12)"**] in respect of the total banking facilities of S\$50,000,000 granted by DBS Bank Ltd to Wee Hur (Woodlands 12) (please refer to announcements dated 22 January 2020 and 3 February 2020).

[#]Shareholders' approval obtained via Extraordinary General Meeting on 21 November 2017 on the subscription of securities in the Wee Hur PBSA Master Trust in which the collective interest by the Interested Persons, whether direct or indirectly through their respective special purpose vehicles, may be increased to not more than 15%.

As at the date hereof, the Interested Persons hold collectively, through their respective purpose vehicles, an interest of approximately 12.46% in the Wee Hur PBSA Master Trust.

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 WHD to the Proposed Joint Venture will not be prejudicial to the interests of the Company and its minority shareholders as the shareholders’ loans to be extended will be in proportion to the respective equity of the joint venture partners and on the same terms.

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 WHD to Wee Hur (Bartley) 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 WHD to Wee Hur (Bartley).

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 2020.

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
5 February 2020