

WEE HUR HOLDINGS LTD.

(Company Registration Number 200619510K)
(Incorporated in the Republic of Singapore)

Press Release – for immediate release

WEE HUR INCURRED NET LOSS OF \$24.96 MILLION FOR 1HFY2021

- Losses from construction and PBSA businesses
- Gain from Tuas View Dormitory reduced substantially
- To launch Bartley Vue soon
- Declare dividend of \$0.002 per share

Singapore, 13 August 2021 – Wee Hur Holdings Ltd., (“Wee Hur” or “the Group”) (偉合控股有限公司), a SGX mainboard-listed property developer and BCA Grade A1 builder, reported a net loss to its shareholders of \$24.96 million for its first six month ended 30 June 2021 (“1HFY2021”) largely due to the impact from the outbreak of COVID-19.

The Group registered a gross loss of \$13.91 million for 1HFY2021 as compared to gross profit of \$17.20 million in the corresponding period last year (“1HFY2020”). The loss was attributable to losses from the construction business and Purpose-Built Student Accommodation (PBSA) business. The losses from these two businesses were partially offset by the gains from the property development business and workers’ dormitory business. However, the gain from the worker dormitory business also declined substantially.

The Group’s construction business had been badly hit by COVID-19. The completion of projects will be delayed by nine to twelve months or even longer depending on the stage of the progress. Additional costs will be incurred to complete the projects mainly due to the prolongation of construction period, increase in labour costs, escalation of material prices and compliance of stringent safe management measures.

The number of beds allowed for occupation in Tuas View Dormitory was reduced from 16,800 to 11,808 under the new requirement for workers' dormitory. Revenue and profit for the Group's workers' dormitory business decreased due to reduced capacity and low occupancy. Low occupancy is attributable to the competitions from the newly build temporary worker dormitories and reduced number of foreign workforces.

The Group's PBSA business in Australia had been affected due to borders closure since 20 March 2020. The occupancy rate for our two operational properties, UniLodge Park Central in Brisbane and UniLodge City Garden in Adelaide decreased to around 36%. We are seeing more local students living in our properties and renewal rate is also high during the pandemic period. The newly completed PBSA in Adelaide, Y Suites on Waymouth remain closed since beginning of the year so as to keep the operational cost low. With the outbreak of Delta variant and low vaccination rate in Australia, it is likely that the borders will remain closed for the whole of 2021.

The gross loss was further widened due to operating expenses which include administrative expense, marketing cost incurred for our new development, Bartley Vue and additional financing costs. Other gains and losses decreased from gains of \$9.71 million in 1HFY2020 to losses of \$1.37 million in 1HFY2021 due mainly to currency exchange losses of \$1.81 million in 1HFY2021 and the absence of gains on disposal of property of \$2.32 million and gains on forgiveness of lease liabilities of \$2.68 million. The profit from our co-development project, Parc Botannia had also reduced substantially.

Mr. Goh Yeow Lian, Executive Chairman, commented, "The impact of COVID-19 to most of the Group's businesses has been severe. Having been in business for more than 40 years, this is the first time the Group is losing money, obviously due to COVID-19. With more countries accelerating the vaccination plan, we are optimistic that the impact of COVID-19 will be reduced when more countries are lifting their travel restrictions in the near future."



Fortunately, the residential property market in Singapore is holding well and healthy despite COVID-19. Riding on the current momentum, the Group targets to launch Bartley Vue, a 115 units condominium around Bartley and Paya Lebar area in September 2021.

The Group is still maintaining a healthy cash balance of \$37.2 million. The Group also expects to receive several receivables which includes its investment and profit in Parc Botannia soon. Despite the loss, the Group is proposing an interim dividend of \$0.002 per ordinary share to the shareholders. The proposed dividend is the same as corresponding period in 2020 and dividend payout will be \$1.84 million.

- The End -

About Wee Hur Holdings Ltd.

Wee Hur Holdings Ltd. is listed on the Singapore Exchange Main Board since 2008. Since then, it has expanded its core businesses from construction to include property development, investment property, worker's dormitory, purpose-built student accommodation, student accommodation operating management, fund management and venture capital investments. It has also ventured beyond Singapore.

The local property development and investment business is undertaken by Wee Hur Development Pte Ltd (WHD), a wholly owned subsidiary of Wee Hur Holdings Ltd. WHD acquires vacant plots of land or existing properties which have redevelopment potentials and develop these land parcels into either residential, industrial, commercial or mixed development in accordance with the approved use of these land parcels by the relevant authorities. The developments may comprise strata titled units which can be sold individually or be held as investment properties for recurring income. Each development project may be undertaken by a separate entity which can be wholly owned by WHD or co-owned with Joint Ventures partners.

Our overseas property development and investment business is undertaken by Wee Hur International Pte Ltd (WHI), a wholly owned subsidiary of Wee Hur Holdings Ltd. We will set up a holding company for each country we are investing in. Currently, we have overseas property development projects in Australia, which is undertaken by Wee Hur Australia Pte Ltd, a wholly owned subsidiary of WHI.

The construction business is being undertaken by the Group's wholly owned subsidiary, Wee Hur Construction Pte Ltd (WHC) which was established since 1980. WHC is a BCA registered contractor with financial grade A1 which allows it to tender for all public projects with unlimited contract value. We undertake various types of construction projects from both private and public sectors. Construction projects include residential, commercial, industrial, institutional, religious, restoration and conservation projects. Besides new constructions, we also undertake projects involving additions and alterations or refurbishment and upgrading to existing buildings and restoration and conservation of heritage and conservation buildings.

Wee Hur Dormitory Pte Ltd (WHDY), the Group's wholly owned subsidiary, undertakes our workers' dormitory business. Our workers' dormitory business provides conducive living environment for foreign workers from construction, marine, process and manufacturing industries. We may acquire/lease land which have been approved for workers' dormitory from Government or private sector and develop the land parcel into a workers' dormitory complex which may include commercial and non-commercial amenities such as indoor recreational/multi-purpose room, indoor gymnasiums, TV rooms, reading rooms, canteens, minimarts, retail shops, outdoor game courts and etc. WHDY has a 60% stake in Active System Engineering Pte Ltd which owns Tuas View Dormitory, and a 75% stake in Active System Development Pte Ltd which owns Pioneer Lodge.

The PBSA business is being undertaken via Wee Hur PBSA Master Trust ("Fund 1") and Wee Hur PBSA Fund II ("Fund 2"). These funds are managed by our wholly owned subsidiary Wee Hur Capital Pte Ltd. Our PBSA business provides quality accommodation to tertiary students. These facilities are strategically located in the major capital cities of Australia and within close proximity to universities, public transportation nodes and amenities. We grow our PBSA portfolio through a greenfield strategy with the objectives to generate stable recurring income and capital appreciation. Our PBSAs are developed with the end occupiers in mind and therefore boast huge communal spaces. for students to interact and supporting amenities to create a conducive living environment. We work closely with our appointed operators to ensure that all students who come through our PBSAs have a great experience staying with us.

We made our first foray into the PBSA business in 2015 by developing a 1,578-bed PBSA at Buranda in Brisbane Australia. This PBSA was subsequently seeded to Fund 1 in 2017. To date, we have successfully acquired a total of 8 land parcels to yield approximately 6,021 PBSA beds in the major cities of Australia. 2 assets are currently operational, 1 asset pending operations and the rest are at various stages of development to begin operations between 2022 to 2024.

The fund management business is undertaken by Wee Hur Capital Pte Ltd ("WHCP"). WHCP, a wholly owned subsidiary of Wee Hur Holdings Ltd., originates and manages private equity real estate funds. WHCP proactively manages each stage of the fund's real estate life cycle through expertise in acquisition, development and asset management. Our mission is to match investors' capital with suitable real estate strategies to provide attractive risk adjusted returns. We constantly strive to develop meaningful real estate solutions for the community, with specific attention to detail to create gem real estate assets. Our current focus is on the alternative real estate asset class of PBSA where we own and manage the fourth largest PBSA portfolio in Australia.



偉合控股有限公司

In 2020, Y Suites was launched out of our vision to develop a global student accommodation brand that puts student experience at the forefront of its mission. It was established in 2020 under Wee Hur Hospitality Pte. Ltd., a subsidiary of Wee Hur Holdings Ltd. The foundation of Y Suites rests on Wee Hur's presence in the Australian PBSA industry for the past five years. With our insights and experience in operations, sales and marketing, setting up Y Suites is a natural progression to streamline our capabilities and achieve our long-term goals in the PBSA industry.

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