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If you have sold or transferred all the shares in **Wei Yuan Holdings Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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Wei Yuan Holdings Limited

偉源控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1343)

VERY SUBSTANTIAL ACQUISITION IN RELATION TO THE LEASE OFFER FOR THE LEASE OF PREMISES AND NOTICE OF EXTRAORDINARY GENERAL MEETING

Capitalised terms used in this cover page shall have the same meanings as those defined in the section headed “Definitions” in this circular.

A letter from the Board is set out on pages 4 to 11 of this circular. A notice convening the EGM to be held at 37 Kranji Link, Singapore 728643 on Thursday, 24 April 2025 at 10:00 a.m. is set out on pages EGM-1 and EGM-2 of this circular. A form of proxy for use at the EGM is also enclosed with this circular.

Whether or not you are able to attend the EGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return the same to the Company’s Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at 17M/F, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM (i.e. at or before 10:00 a.m. on Tuesday, 22 April 2025) or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting should you so wish and in such event, the instrument appointing the proxy shall be deemed to be revoked. For the avoidance of doubt, holders of treasury Shares (if any) have no voting rights at the Company’s general meeting(s).

27 March 2025

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DEFINITIONS

In this circular, unless the context requires otherwise, the following expressions have the following meanings:

“Acceptance Letter”	the letter of acceptance of the Lease Offer (substantially in the form dated 26 February 2025 and on the terms and conditions set out in Appendix 4 to the Conditions of Tender) signed by WGC
“Announcement”	the announcement of the Company dated 26 February 2025 in relation to, among others, the Lease Offer for the lease of Premises
“associate(s)”	has the meaning ascribed thereto in the Listing Rules
“Board”	the board of the Directors
“close associate(s)”	has the meaning ascribed thereto in the Listing Rules
“Commencement Date”	26 April 2025, being the commencement date of the lease of Premises
“Company”	Wei Yuan Holdings Limited, a company incorporated in the Cayman Islands with limited liability of which the shares are listed on the Main Board of the Stock Exchange (Stock Code: 1343)
“Conditions of Tender”	the conditions of tender for the lease of Premises set out in the documents of the Tender
“Confirmation of Tenure”	the confirmation of tenure to be issued by JTC confirming the lease of Premises and the terms of the lease of Premises pursuant to the Lease Offer
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting to be convened and held by the Company to seek the Shareholders’ approval on the lease of Premises and the transactions contemplated thereunder
“FY2020”	the financial year ended 31 December 2020
“FY2021”	the financial year ended 31 December 2021
“FY2022”	the financial year ended 31 December 2022
“FY2023”	the financial year ended 31 December 2023

DEFINITIONS

“Group”	the Company and its subsidiaries from time to time
“GST”	goods and services tax chargeable under the Goods and Services Tax Act, Chapter 117A Laws of Singapore
“HK\$”	Hong Kong Dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“IFRS”	International Financial Reporting Standard issued by the International Accounting Standards Board
“Independent Valuer”	Knight Frank Petty Limited, an independent qualified valuer engaged by the Company to appraise the value of the Premises
“ISP works”	cable laying works in indoor applications from existing manhole fibre network to the main distribution server room inside a building
“JTC”	JTC Corporation, a statutory board under the Ministry of Trade and Industry of Singapore which is in charge of Singapore’s industrial progress
“Land and Building Premium”	the tendered land and building premium of S\$18,600,000 (exclusive of prevailing GST), being the bid price submitted by WGC under the Tender
“Latest Practicable Date”	26 March 2025, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Lease Offer”	the letter of offer dated 5 February 2025 including all the terms and conditions for the lease of Premises (substantially in the form and on the terms and conditions set out in Appendix 4 to the Conditions of Tender) issued by JTC pursuant to the Conditions of Tender
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	the Main Board of the Stock Exchange
“Model Code”	Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules

DEFINITIONS

“OSP works”	construction of connectivity from existing fibre network to buildings in outdoor applications
“percentage ratios”	has the meaning ascribed to it under the Listing Rules
“Premises”	the premises comprising a piece of leasehold industrial land and its buildings situated at 18 Chin Bee Drive Singapore 619865 with a land area of approximately 9,861.80 square metres and factory buildings with a gross floor area of approximately 8,635.76 square metres erected thereon
“SFO”	Securities and Futures Ordinance, Chapter 571 Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the registered holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules
“S\$”	Singapore Dollar, the lawful currency of Singapore
“Tender”	the form of tender submitted by WGC for the lease of Premises by JTC by way of public tender
“Transaction”	the lease of Premises from JTC for a tenure of 20 years from the Commencement Date under the terms of the Conditions of Tender and the Lease Offer
“treasury Shares”	has the meaning ascribed to it under the Listing Rules
“WGC”	Wee Guan Construction Pte Ltd, a company incorporated in Singapore with limited liability and an indirect wholly-owned subsidiary of the Company
“%”	percentage

LETTER FROM THE BOARD

Wei Yuan Holdings Limited

偉源控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1343)

Executive Directors:

Mr. Ng Tian Soo (*Chairman*)

Mr. Ng Tian Fah (*Chief Executive Officer*)

Independent Non-Executive Directors:

Mr. Gary Ng Sin Tong

(alias Mr. Gary Huang Chendong)

Ms. Lee Wing Yin Jessica

Mr. George Christopher Holland

Registered Office:

Cricket Square

Hutchins Drive

PO Box 2681

Grand Cayman KY1-1111

Cayman Islands

Headquarters and Principal Place of

Business in Singapore:

37 Kranji Link

Singapore 728643

Principal Place of Business in

Hong Kong:

Unit B, 17/F, United Centre

95 Queensway, Hong Kong

27 March 2025

To the Shareholders

Dear Sir or Madam,

**VERY SUBSTANTIAL ACQUISITION
IN RELATION TO THE LEASE OFFER FOR
THE LEASE OF PREMISES
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

Reference is made to the announcement of the Company dated 26 February 2025 in relation to the lease offer for the lease of Premises.

On 26 February 2025, WGC, an indirect wholly-owned subsidiary of the Company, accepted the Lease Offer from JTC, a Singapore government agency, in respect of the lease of Premises at the Land and Building Premium of S\$18,600,000 (exclusive of prevailing GST).

LETTER FROM THE BOARD

The purpose of this circular is to provide you with information with, among others, (i) details of the lease of Premises and the transactions contemplated thereunder; (ii) the valuation report of the Premises; (iii) other information as required under the Listing Rules; and (iv) the notice of EGM.

THE LEASE OFFER

Commencement Date

26 April 2025

Parties

- (1) JTC (as tender issuer/lessor); and
- (2) WGC (as tenderer/lessee).

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, JTC is a third party independent of the Company and its connected persons.

The Lease and Information of the Premises

Pursuant to the terms of the Conditions of Tender and the Lease Offer, WGC has submitted the Acceptance Letter to JTC on 26 February 2025. After receiving the Acceptance Letter from WGC, JTC shall issue the Confirmation of Tenure and enter into the lease of Premises with WGC from the Commencement Date. JTC shall hand over the possession of the Premises within two months before the Commencement Date to WGC. WGC must install solar photovoltaic panels on the roof of the building to fulfil the green building obligations and such installation should be completed within two years from the Commencement Date.

The premises situated at 18 Chin Bee Drive Singapore 619865 with a land area of approximately 9,861.80 square metres and factory buildings with a gross floor area of approximately 8,635.76 square metres erected thereon. The Premises is currently vacant and authorised for the following usage: (i) workshop for repair and maintenance of the Group's vehicles; (ii) parking of the Group's vehicles; and (iii) ancillary dormitory. The lease of Premises has a lease term of 20 years from the Commencement Date (i.e. 26 April 2025). The Premises will be served as our headquarter, including office, warehouse and dormitory. The Company currently has no plan to lease out any part of the Premises.

Consideration and Payment Terms

The Land and Building Premium is in the sum of S\$18,600,000 (exclusive of prevailing GST). The Land and Building Premium and other transaction costs thereon shall be settled by WGC in the following manner:

- (a) a tender deposit of S\$200,000 paid by way of bank transfer at the time when the tender was submitted and such tender deposit has been applied in part-payment of the Land and Building Premium;

LETTER FROM THE BOARD

- (b) a further deposit of S\$1,660,000 and other transaction costs of S\$11,418.67 plus the prevailing GST of S\$168,427.68 and stamp duty of S\$899,600 paid by way of bank transfer on or before the acceptance of the Lease Offer, and such deposit shall also be applied in part-payment of the Land and Building Premium; and
- (c) the remaining balance of the Land and Building Premium of S\$16,740,000 and the prevailing GST shall be paid by way of bank transfer before the Commencement Date.

The Land and Building Premium was determined by the Company with reference to the prevailing market value of comparable properties available in the vicinity. The Directors have made reference to three comparable properties when determining the Land and Building Premium. The selection criteria of the comparable properties include property type being leasehold industrial factory buildings, location in the vicinity of the Premises and the tender closing dates twelve months prior to September 2024, and on an exhaustive basis. The three comparable properties were selected because they meet all the aforementioned selection criteria. The Directors considered that three comparable properties were selected with tender closing date twelve months prior to September 2024 are sufficient, representative and appropriate for the analysis as such selected comparable properties could reflect the latest market value of leasehold industrial factory buildings located in the vicinity of the Premises.

Comparable Properties

	Property 1	Property 2	Property 3
Property	29 Gul Drive	11 Tractor Road	12 Joo Koon Road
Type of property	Leasehold industrial factories	Leasehold industrial factories	Leasehold industrial factories
Tenure leasehold	17 years	20 years	20 years
Approximate gross floor area (square metre)	4,839.2	2,230.6	9,861.2
Tender closing date	January 2024	May 2024	May 2024
Contract price	S\$8,049,000	S\$8,167,760	S\$16,888,999
Contract price per square metre over gross floor area	S\$1,663	S\$3,662	S\$1,713

LETTER FROM THE BOARD

	Property 1	Property 2	Property 3
Adjustment factors			
Tenure	Upward adjustment as the tenure is shorter than the Premises	Similar to the Premises	Similar to the Premises
Size	Downward adjustment as the Premises is almost 2 times larger than Property 1	Downward adjustment as the Premises is almost 4 times larger than Property 2	Upward adjustment as the Premises is slightly smaller than Property 3
Total adjustments	+4.3%	-19.2%	+3.7%
Adjusted price per square metre over gross floor area	S\$1,735	S\$2,959	S\$1,776

The Group has made relevant adjustments on the approximate price per square metre over gross floor area of the three comparable properties given the differences in gross floor area and tenure leasehold between the three comparable properties and the Premises. Such adjustments were made based on publicly available information and the Directors' experiences in relevant property market. The Land and Building Premium was determined at S\$18,600,000 based on the average adjusted price per square metre over gross floor area of the three comparable properties. The Company has engaged the Independent Valuer to perform valuation on the Premises and the valuation of the Premises as at 7 February 2025 was S\$18,600,000, which is consistent with the Land and Building Premium.

The Land and Building Premium together with other transaction costs thereon, the prevailing GST and stamp duty will be funded by the Group's internal resources and banking facilities available to the Group. The further deposit of S\$1,660,000 and other transaction costs of S\$11,418.67 plus the prevailing GST of S\$168,427.68 and stamp duty of S\$899,600 have been paid as at the Latest Practicable Date.

Valuation of the Premises

Experience and qualifications of the Independent Valuer assessed by the Directors

The Directors has reviewed and enquired into the qualifications and experience of the Independent Valuer in relation to the preparation of the valuation report of the Premises. The Directors understand that Mr. Cyrus Fong ("**Mr. Fong**"), the executive director of the Independent Valuer and one of the signors of the valuation report of the Premises, has about 15 years of extensive experiences in valuation of properties including development sites, residential, commercial, industrial properties in Hong Kong, Asia Pacific region for various valuation purposes. The Directors understand that Mr. Joel Teh ("**Mr. Teh**"), the director of the Independent Valuer and one of the signors of the valuation report of the Premises, has about 10 years of extensive experiences in valuation of properties including development sites, residential, commercial, industrial properties in Hong Kong and the Asia Pacific region. The Directors have also obtained information on the Independent Valuer's track records on other property valuations and noted that the Independent Valuer had been the valuer for properties in

LETTER FROM THE BOARD

Singapore. As such, the Directors are of the view that the Independent Valuer, Mr. Fong and Mr. Teh are qualified, experienced and competent in performing property valuations and providing a reliable opinion in respect of the valuation of the Premises.

Valuation methodology and key assumptions adopted

In arriving the opinion of the market value, the Independent Valuer followed the “The HKIS Valuation Standards” issued by The Hong Kong Institute of Surveyors (“**HKIS**”), “The RICS Valuation — Global Standards” issued by the Royal Institution of Chartered Surveyors (“**RICS**”) and the Singapore Institute of Surveyors and Valuers (“**SISV**”) Valuation Standards and Practice Guidelines.

The Independent Valuer has valued the Premises by using market approach by making reference to appropriate comparable transactions as available in the open market. To ensure fairness and reasonability of the valuation, the Independent Valuer has made appropriate adjustments to reflect the differences between the Premises and the selected comparable properties. The adjustments considered include tenure, location, age/condition, number of storeys, size, and other material factors. The Directors noted from the Independent Valuer that these adjustments are commonly adopted in the valuation of properties.

Further, the Directors understand that the valuation has been made on the assumption that the Premises is not subject to any unusual or onerous covenants, restrictions, encumbrances or outgoing. No allowance has been made for any charges, mortgages or amounts owing on the Premises nor for any expenses or taxation which may be incurred in effecting a sale. In addition, it is assumed the Premises was constructed, occupied, and used in full compliance with, and without contravention of any ordinance, statutory requirement and notices except only where otherwise stated. It is also assumed that, for any use of the Premises, any and all required licenses, permits, certificates, consents, approvals, and authorisation have been obtained, expected only where otherwise stated. The Directors noted from the Independent Valuer that these assumptions are commonly adopted in the valuation of properties.

For details of the valuation of the Premises, please refer to the property valuation report as set out in Appendix II to this circular.

INFORMATION OF THE PARTIES AND THE GROUP

JTC

JTC is a statutory board under the Ministry of Trade and Industry of Singapore which is in charge of Singapore’s industrial progress. To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, JTC is a third party independent of the Company and its connected persons.

LETTER FROM THE BOARD

WGC

WGC is a company incorporated in Singapore with limited liability which is an indirect wholly-owned subsidiary of the Company. WGC engages in providing general construction of other civil engineering projects in Singapore.

The Group

The Company was incorporated in the Cayman Islands with limited liability and an investment holding company holding the interest of other subsidiaries of the Group. The Group is involved as a main contractor or subcontractor in both private and public sector civil engineering projects in Singapore and the revenue was principally derived from (i) contract works in relation to the installation of power cables, telecommunication cables (including ISP works and OSP works) and sewerage pipelines by applying methods such as open cut excavation or trenchless methods; (ii) road milling and resurfacing services; (iii) ancillary support and other services; and (iv) sales of goods and milled waste.

REASONS FOR AND BENEFITS OF THE TRANSACTION

The existing lease of the Group's headquarter in Singapore, 37 Kranji Link Singapore 728643, will be expired on 30 December 2025 while the lessor of the existing headquarter is JTC. The headquarter currently serves as office, warehouse and dormitory. The Group was informed by JTC that Kranji estates, where the existing headquarter located in, would be redeveloped and JTC would not consider any request for lease renewal of the existing headquarter.

The Directors considered that leasing the Premises for a tenure of 20 years could avoid (i) the risk of inability to find suitable premises for relocation upon expiration or termination of the leases as the Group may not be able to renew the leases with comparable and/or commercially acceptable terms and condition; and (ii) the renovation expenses and time costs that may be incurred by the Group for further relocation within 20 years.

According to the website of JTC, the average of the 25th percentile rent per month in the west region of Singapore was approximately S\$18.7 per square metre in the fourth quarter in 2024. Having considered (i) the land area of the Premises of approximately 9,861.80 square metres; and (ii) the average lower quartile rent per month in the west region of Singapore of approximately S\$18.7 per square metre, the estimated rent of the Premises for 20 years would be approximately S\$44.3 million, which is higher than the Land and Building Premium.

LETTER FROM THE BOARD

The Directors are of the view that the lease of Premises is in the ordinary and usual course of the Group's business, and is consistent with the Group's current (and prevailing) business strategies and conduct. Taking into consideration (i) the inability to renew the lease of the existing headquarter; (ii) leasing the Premises for a tenure of 20 years could avoid the risk of inability to find suitable premises and associated renovation expenses and time costs within 20 years; and (iii) the Land and Building Premium paid would be lower than the estimated rent of the Premises for 20 years calculated based on the average lower quartile rent per month in the west region of Singapore, the Directors are of the view that the lease of Premises (including the terms of the Conditions of Tender and the Lease Offer) is fair and reasonable, and also having taken into account the above reasons and benefits, considering that the lease of Premises and the transactions contemplated thereunder are on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

ACCOUNTING TREATMENT AND FINANCIAL EFFECTS OF THE TRANSACTION

Pursuant to IFRS 16, the entering into the lease of Premises as lessee will require the Group to recognise the Premises as right-of-use assets, thus entering into the lease of Premises and the transactions contemplated thereunder will be regarded as an acquisition of asset by the Group under the Listing Rules. The value (unaudited) of the right-of-use assets to be recognised by the Group under the lease of Premises will be amounted to approximately S\$19.5 million, being the sum of Land and Building Premium of S\$18,600,000 plus other transaction costs of \$11,418.67 and stamp duty of S\$899,600.

FINANCIAL EFFECTS OF THE TRANSACTIONS

As a result of the recognition of the right-of-use assets under the lease of Premises, it is contemplated that (1) the Group's total consolidated assets will increase as a result of the recognition and increase in the right-of-use assets under the lease of Premises; and (2) the Group's total consolidated liabilities will increase as a result of the bank borrowings. The right-of-use assets will be depreciated over the term of the lease of Premises. The Group's earnings are expected to experience a decrease due to the depreciation on the right-of-use assets and interest expenses on bank borrowings.

Save as disclosed above, the Directors consider that the Transaction will not have any other material effect on the earnings and the assets and liabilities of the Group.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Transaction is more than 100%, the Transaction constitutes a very substantial acquisition for the Company and is therefore subject to announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

LETTER FROM THE BOARD

The EGM will be convened and held by the Company to seek the Shareholders' approval on the lease of Premises and the transactions contemplated thereunder. To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, no Shareholder or any of their respective associates has any material interest in the lease of Premises. Accordingly, none of the Shareholders is required to abstain from voting in favour of the resolution to approve the lease of Premises and the transactions contemplated thereunder.

RECOMMENDATION

The Board consider that the terms and conditions of the Lease Offer are fair and reasonable and the Transaction is in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM to approve the Transaction.

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this circular.

Yours faithfully,
By Order of the Board
Wei Yuan Holdings Limited
Ng Tian Soo
Chairman and Executive Director

1. FINANCIAL INFORMATION

The financial information of the Group for FY2021, FY2022, FY2023 and the six months ended 30 June 2024 are disclosed in the following documents which have been published on the website of the Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (<http://www.weiyuanholdings.com>):

- Annual report of the Group for FY2021 at pages 67 to 166:
<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0428/2022042800754.pdf>
- Annual report of the Group for FY2022 at pages 62 to 158:
<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0425/2023042500739.pdf>
- Annual report of the Group for FY2023 at pages 65 to 156:
<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0424/2024042400528.pdf>
- Interim report of the Group for the six months ended 30 June 2024 at pages 5 to 60:
<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0925/2024092500728.pdf>

2. INDEBTEDNESS STATEMENT

Lease liabilities

As at the close of business on 31 January 2025, being the latest practicable date for the purpose of this statement of indebtedness, the Group had current and non-current lease liabilities of approximately S\$0.3 million and approximately S\$2.4 million, respectively, which were secured, guaranteed and were denominated in Singapore dollars.

Bank and other borrowings

As at the close of business on 31 January 2025, being the latest practicable date for the purpose of this statement of indebtedness, the Group had aggregate outstanding secured, guaranteed and interest-bearing borrowings of approximately S\$22.7 million, which were denominated in Singapore dollars. Such bank and other borrowings were secured by the investment properties, self-occupied properties, carrying amount of motor vehicles and plant and machinery held under hire purchase commitments, pledged bank deposits, corporate guarantee by the Company and personal guarantees by shareholders of one of the subsidiaries of the Company.

As at 31 January 2025, the Group's bank and other borrowings of approximately of S\$5.7 million bear interest at fixed interest rates, while bank borrowings of approximately S\$17.0 million bear interest at floating interest rates. The Group's borrowings have not been hedged by any interest rate financial instruments.

Pledge of assets

As at 31 January 2025, the Group's investment properties with fair value of approximately S\$2.4 million, carrying amount of self-occupied properties of approximately S\$9.9 million, carrying amounts of motor vehicles and plant and machinery held under hire purchase commitments of approximately S\$3.9 million and S\$2.1 million, respectively, and pledged bank deposits of approximately S\$2.0 million were pledged for bank and other borrowings. Pursuant to a revised banking facility letter dated 13 February 2025, the Group was granted revised facilities up to the maximum amount of S\$25.8 million by Maybank Singapore Limited, which were secured by the Premises and the properties of the Group.

Contingent liabilities

The Group had performance bonds for guarantees of completion of projects issued by insurance companies and banks amounting to approximately S\$10.7 million as at 31 January 2025, which were secured by corporate guarantees by the Company, in exception to personal guarantees to an insurance company provided by the directors of one of the subsidiary of the Company Mr. Ng TS, Mr. Ng TF and Mr. Ng TK and by shareholders of one of the subsidiary of the Company.

The Group had security bonds made under section 12 of Employment of Foreign Manpower (Work Passes) Regulations amounting to approximately S\$2.4 million as at 31 January 2025.

Save as aforesaid and apart from intra-group liabilities and normal trade and other payables in the ordinary course of business, as at the close of business on 31 January 2025, the Group did not have any debt securities issued and outstanding, and authorised or otherwise created but unissued, term loans, bank overdrafts, liabilities under acceptances or acceptance credits, loans or other similar indebtedness, debentures, mortgages, charges, finance leases, hire purchase commitments, guarantees or other material contingent liabilities.

3. WORKING CAPITAL

After taking into account the Group's internal resources, cash flows from operations and available banking facilities and the effect of the Transaction, and in the absence of unforeseeable circumstances, the Directors are of the opinion that the working capital available to the Group is sufficient for the Group's requirements for at least 12 months from the date of this circular.

The Company has obtained the relevant confirmations as required under Rule 14.66(12) of the Listing Rules.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2023, being the date to which the latest published audited consolidated financial statements of the Group were made up.

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The Group is involved as a main contractor or subcontractor in both private and public sector civil engineering projects in Singapore and the revenue was principally derived from (i) contract works in relation to the installation of power cables, telecommunication cables (including ISP works and OSP works) and sewerage pipelines by applying methods such as open cut excavation or trenchless methods; (ii) road milling and resurfacing services; (iii) ancillary support and other services; and (iv) sales of goods and milled waste.

Industry overview

According to the Ministry of Trade and Industry Singapore announcement on 13 August 2024, the construction sector grew by 3.8% year-on-year in the second quarter of 2024, extending the 4.1% growth in the preceding quarter. The construction sector has experienced significant growth, driven by public sector projects and a strong focus on infrastructure development. Key impacts on the sector include advancements in digital integration, efforts towards sustainability, and a steady pipeline of construction activities. Despite global economic uncertainties, the sector's resilience is bolstered by ongoing government support and strategic initiatives aimed at enhancing productivity and innovation.

Business review and prospect

In 2024, the Group expects business environment to remain challenging after three-year COVID-19 pandemic. The rise in global interest rates and geopolitical tensions will continue to cast a shadow on the business environment. Therefore, the Group will adopt a prudent approach in carrying out its businesses amid these challenges. For the six months ended 30 June 2024, the Group recorded a total revenue of approximately S\$45.4 million, representing a decrease of approximately S\$0.7 million from approximately S\$46.1 million for the six months ended 30 June 2023. The decrease in revenue was mainly due to lower revenue generated from road milling and resurfacing services during the six months ended 30 June 2024 compared to the six months ended 30 June 2023. The civil engineering industry faces additional constraints, including (i) the change to the dependency ceiling ratio of foreign workers to total workforce that a company in a given sector can employ commenced from January 2024, which could impact productivity; and (ii) the prices of materials and energy soar, which are major contributors to the overall increase in construction costs for the ongoing projects. In addition, the current interest rate environment is expected to raise. It could put upward pressure on borrowing costs of the Group's which consequently affects its overall margins. These unfavourable factors have affected the operations of the Group in Singapore.

Business strategies of the Group remained unchanged for the six months ended 30 June 2024. Looking ahead, the Group will (i) closely monitor the global economic trend and market situation and take timely measures to improve its operation and production efficiency; (ii) continue to leverage its solid track record and proven expertise to tender for public and private sector projects; (iii) prioritise cash conservation; (iv) adopt tighter cost control measures; (v) actively participate in tendering for new projects to strengthen the Group's market position; and (vi) exercise caution when exploring business opportunities.

Ongoing projects

As at 30 June 2024, the Group had 28 ongoing projects, including 24 ongoing power cable installation projects and four telecommunication cable installation projects with an aggregated contract sum of approximately S\$290.6 million, of which approximately S\$86.4 million has been recognised as revenue up to 30 June 2024. The remaining balance will be recognised as the Group's revenue in subsequent periods in accordance with the respective stage of completion.

6. MANAGEMENT DISCUSSION AND ANALYSIS

Set out below is the management discussion and analysis of the Group for each of the three years ended 31 December 2021, 2022 and 2023 and for the six months ended 30 June 2024.

For FY2021, the revenue of the Group increased by approximately S\$36.1 million from approximately S\$57.1 million for FY2020 to approximately S\$93.2 million in FY2021, representing an increase of approximately 63.2%. This increase was mainly attributable to increase in revenue from contract works by approximately S\$32.3 million with combined effects of (a) elevated set of safe distancing measures implemented by the Singapore Government from 7 April 2020 to 1 June 2020 where the Group experienced disruption in the corresponding year in 2020 with strict measures; (b) the increase in revenue from power cable installation projects by approximately S\$28.5 million was mainly due to substantial progress of projects with revenue recognised for FY2021 compared to FY2020; and (c) the increase in revenue from telecommunication cable installation projects by approximately S\$3.8 million, which was due to substantial progress of one of the project with revenue recognised for FY2021 compared to FY2020.

For FY2022, the revenue of the Group increased by approximately S\$9.5 million from approximately S\$93.2 million in FY2021 to approximately S\$102.7 million in FY2022, representing an increase of approximately 10.2%. This increase was mainly attributable to the increase in revenue from contract works by approximately S\$6.7 million with combined effects of (a) construction work has gradually recovered from the impact of COVID-19; (b) the increase in revenue from power cable installation projects by approximately S\$5.4 million was mainly due to substantial progress of projects with revenue recognised for FY2022 compared to FY2021; and (c) the increase in revenue from telecommunication cable installation projects by approximately S\$1.3 million, which was due to substantial progress of projects with revenue recognised for FY2022 compared to FY2021.

For FY2023, the Group's overall revenue decreased by approximately S\$1.1 million from approximately S\$102.7 million in FY2022 to approximately S\$101.6 million in FY2023, representing a decrease of approximately 1.1%. This decrease was mainly attributable to the decrease in revenue from contract works by approximately S\$5.1 million, which was due to the combined effects of (a) decrease in revenue from power cable installation projects by approximately S\$4.9 million which mainly due to lesser progress of the projects with revenue recognised for FY2023 compared to FY2022; and (b) decrease in revenue from telecommunication cable installation projects by approximately S\$0.2 million due to lesser progress of four projects with revenue recognised for FY2023 compared to FY2022. Such decrease was partially offset by the increase in revenue from road milling and resurfacing services by approximately S\$3.0 million and the increase in revenue from ancillary support and other services by approximately S\$1.1 million for FY2023.

For the six months ended 30 June 2024, the Group's revenue decreased by approximately S\$0.7 million from approximately S\$46.1 million for the six months ended 30 June 2023 to approximately S\$45.4 million for the six months ended 30 June 2024 representing decrease of approximately 1.5%. This decrease was mainly attributable to the decrease in revenue from telecommunication cable installation projects by approximately S\$4.1 million due to lesser contract sum of ongoing progress projects with revenue recognised during the six month ended 30 June 2024 compared to the six months ended 30 June 2023. Such decrease was partially offset by the increase in revenue from power cable installation projects by approximately S\$3.9 million for the six month ended 30 June 2024 compared to six months ended 30 June 2023.

Liquidity and financial resources

The principal sources of liquidity comprises of cash generated from the Group's business operations, equity contribution from the shareholders and borrowings.

As at 31 December 2021, 2022 and 2023 and 30 June 2024, the Company's issued share capital was HK\$10,640,000 and the number of issued shares of the Company was 1,064,000,000 ordinary shares of HK\$0.01 each.

As at 31 December 2021, 2022 and 2023 and 30 June 2024, the Group had total borrowings (including bank and other borrowings and lease liabilities) of approximately S\$43.6 million, S\$35.6 million, S\$32.2 million and S\$29.9 million, respectively, which were denominated in Singapore dollars. As at 31 December 2021, 2022 and 2023 and 30 June 2024, the Group's bank and other borrowings of approximately of S\$19.0 million, S\$18.2 million, S\$8.1 million and S\$6.5 million bear interest at fixed interest rates, respectively, while the rest bear interest at floating interest rates. The Group's borrowings have not been hedged by any interest rate financial instruments. The Group does not have seasonality of borrowing requirements and the Group does not have committed borrowing facilities.

The Group's bank and other borrowings, after taking into account repayable on demand clause, would be repayable as follows:

	As at 30 June 2024	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
	(Unaudited)	(Audited)	(Audited)	(Audited)
Within 1 year or on demand	25,223	26,778	29,623	37,396
After 1 year but within 2 years	1,067	1,451	1,265	1,055
After 2 years but within 5 years	<u>525</u>	<u>718</u>	<u>1,159</u>	<u>1,008</u>
	<u><u>26,815</u></u>	<u><u>28,947</u></u>	<u><u>32,047</u></u>	<u><u>39,459</u></u>

As at 31 December 2021, 2022 and 2023 and 30 June 2024, the Group maintained a healthy liquidity position with net current asset balance of approximately S\$25.3 million, S\$29.0 million, S\$33.2 million and S\$35.0 million, respectively, and cash at bank and on hand of approximately S\$15.1 million, S\$16.9 million, S\$19.0 million and S\$18.4 million, respectively. The Group has continued to implement a prudent cash and financial management policy. The Group's cash at banks and on hand were denominated in Singapore dollars and Hong Kong dollars and generally deposited with certain reputable financial institutions.

The Group does not expect the foreign exchange risk could materially affect the Group's results of operations, and therefore no hedging instrument has been employed. The Group will continue to monitor its foreign currency exposure and will consider hedging significant foreign currency exposure should the need arise.

The Group aims to maintain flexibility in funding by utilising committed credit lines available and interest bearing borrowing, and regularly monitors the current and expected liquidity requirements to ensure that the Group maintains sufficient financial resources to meet its liquidity requirements at all times.

Gearing ratio

Gearing ratio is calculated as total borrowings (including bank and other borrowings and lease liabilities) divided by the total equity at the end of the respective period.

As at 31 December 2021, the gearing ratio was approximately 82.4%. The increase in the gearing ratio as at 31 December 2021 was mainly due to the additions of bank and other borrowings and lease liabilities at approximately S\$7.8 million in relation to an acquisition of the property located at 123 Pioneer Road Singapore 639596 on Lot 2440N of Mukim 7 which was completed on 7 April 2021.

As at 31 December 2022, the gearing ratio was approximately 64.7%. The decrease in the gearing ratio as at 31 December 2022 was mainly due to the decrease in bank and other borrowings and lease liabilities by approximately S\$8.0 million as at 31 December 2022 as compared to 31 December 2021.

As at 31 December 2023, the gearing ratio of the Group was approximately 57.2%. The decrease in gearing ratio as at 31 December 2023 was mainly due to the decrease in bank and other borrowings by approximately S\$3.1 million as at 31 December 2023 as compared to 31 December 2022.

As at 30 June 2024, the gearing ratio of the Group was approximately 52.3%. The decrease in gearing ratio as at 30 June 2024 was mainly due to the decrease in bank and other borrowings by approximately S\$2.1 million as at 30 June 2024 as compared to 31 December 2023.

Significant investment, material acquisitions and disposal of subsidiaries and associates companies or joint ventures

For FY2021, the Group did not have any significant investment held, material acquisitions or disposals of subsidiaries and associated companies or joint ventures except for the acquisition of the property located 123 Pioneer Road Singapore 639596 on Lot 2440N of Mukim 7 which was completed on 7 April 2021.

For FY2022, FY2023 and the six months ended 30 June 2024, the Group did not have any significant investment held, material acquisitions or disposals of subsidiaries and associated companies or joint ventures.

Save as disclosed in the Company's prospectus dated 25 February 2020, the Group did not have any plans for material investments and capital assets as at 31 December 2021, 2022 and 2023 and 30 June 2024.

Employees and remuneration policy

As at 31 December 2021, 2022 and 2023 and 30 June 2024, the Group had a total of 587, 618, 634 and 650 full-time employees who were directly employed by the Group, respectively.

The Group offers remuneration package to its employees which includes salary, bonuses and allowance. Generally, the salary and benefit levels of the employees of the Group are based on each of their qualifications, position and seniority. The Group has an annual review system to appraise the performance of its employees, which constitutes the grounds for the decision to the salary raises, bonuses and promotions. The emoluments of the Directors have been reviewed by the remuneration committee of the Company, having regard to the performance of Directors and market standards, and approved by the Board. The Company has adopted a share option scheme as an incentive to Directors and eligible employees of the Group.

Pledges of assets

As at 31 December 2021, the Group's investment properties of approximately S\$2.0 million, self-occupied properties of approximately S\$15.4 million and bank deposits of approximately S\$0.6 million were pledged for bank borrowings.

As at 31 December 2022, the Group's investment properties of approximately S\$2.3 million, self-occupied properties of approximately S\$14.1 million, carrying amounts of motor vehicles and plant and machinery held under hire purchase commitments of approximately S\$2.9 million and S\$2.4 million, respectively, and bank deposits of approximately S\$1.5 million were pledged for bank and other borrowings.

As at 31 December 2023, the Group's investment properties with fair value of approximately S\$2.3 million, self-occupied properties of approximately S\$12.1 million, carrying amount of motor vehicles and plant and machinery held under hire purchase commitments of approximately S\$3.7 million and S\$2.1 million, respectively and bank deposits of approximately S\$3.5 million were pledged for bank and other borrowings.

As at 30 June 2024, the Group's investment properties with fair value of approximately S\$2.3 million, carrying amount of self-occupied properties of approximately S\$11.0 million, carrying amounts of motor vehicles and plant and machinery held under hire purchase commitments of approximately S\$3.5 million and S\$1.9 million, respectively, and pledged bank deposits of approximately S\$5.1 million were pledged for bank and other borrowings.

Contingent liabilities

As at 31 December 2021, 2022 and 2023 and 30 June 2024, the Group had performance bonds of guarantees of completion of projects issued by insurance companies and bank amounting to approximately S\$12.9 million, S\$12.9 million, S\$10.4 million and S\$10.9 million, respectively.

As at 31 December 2021, 2022 and 2023 and 30 June 2024, the Group had security bonds made under section 12 of Employment of Foreign Manpower (Work Passes) Regulations amounting to approximately S\$1.7 million, S\$1.5 million, S\$1.8 million and S\$2.0 million, respectively.

The following is the text of a valuation report received from Knight Frank in relation to its valuation of the Property as at 7 February 2025, which has been prepared for the purpose of inclusion in this circular.



27 March 2025

The Board of Directors
Wei Yuan Holdings Limited
37 Kranji Link
Singapore 728643

Dear Sirs

VALUATION OF 18 CHIN BEE DRIVE SINGAPORE 619865 (THE “PROPERTY”)

In accordance with the instruction to us from Wei Yuan Holdings Limited (hereinafter referred to as the “**Company**”) to value the Property, we confirm that we have made relevant enquiries and carried out searches and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the Property in its existing state as at 7 February 2025 (the “**Valuation Date**”) for public disclosure purposes.

Basis of Valuation

In arriving at our opinion of the market value, we followed “The HKIS Valuation Standards” issued by The Hong Kong Institute of Surveyors (“**HKIS**”), “The RICS Valuation — Global Standards” issued by the Royal Institution of Chartered Surveyors (“**RICS**”) and the Singapore Institute of Surveyors and Valuers (“**SISV**”) Valuation Standards and Practice Guidelines. Under the said standards, Market Value is defined as:

“the estimated amount for which an asset or liability should exchange on valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.

Market Value is also understood as the estimated exchange price of an asset without regard to the seller’s costs of sale or the buyer’s costs of purchase and without adjustment for any taxes payable by either party as a direct result of the transaction.

Market Value is the most probable price reasonably obtainable in the market on the valuation date in keeping with the market value definition. It is the best price reasonably obtainable by the seller and the most advantageous price reasonably obtainable by the buyer. This estimate specifically excludes an estimated price inflated or deflated by special terms or circumstances such as a typical financing, sale and leaseback arrangements, special considerations or concessions granted by anyone associated with the sale, or any element of value available only to a specific owner or purchaser.

Our valuation complies with the requirements set out in “The HKIS Valuation Standards” issued by HKIS and “RICS Valuation — Global Standards” issued by RICS, “The Valuation Standards and Practice Guidelines” issued by SISV and Chapter 5 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”).

Our valuation is based on 100% of the leasehold interest in the Property.

Valuation Methodology

Our valuation has been undertaken using appropriate valuation methodology and our professional judgement. In arriving at the market value of the Property, we have considered the Market Approach as relevant sale transactions are available in the open market. We have adopted the Market Approach on the basis of a collation and analysis of appropriate comparable transactions. To ensure fairness and reasonability of our valuation, we have made appropriate adjustments to reflect the differences between the Property and the selected comparable properties. The adjustments considered include tenure, location, age/condition, number of storeys, size, and other material factors.

Our valuation is prepared on the basis that the Property is in its existing physical state and with vacant possession as at the Valuation Date.

Expertise

The valuer, on behalf of Knight Frank Petty Limited, with the responsibility for this report is Mr. Joel Teh MRICS MHKIS RPS(GP) RICS Registered Valuer who has about 10 years of valuation experience. We confirm that the valuer meets the requirements of HKIS Valuation Standards and the RICS Valuation — Global Standards, having sufficient current knowledge of the particular market and the skills and understanding to undertake the valuation competently. Our valuation is prepared in an unbiased and professional manner.

Valuation Assumptions and Conditions

Our valuation is subject to the following assumptions and conditions:

Title Documents and Encumbrances

We have conducted relevant land search from the Singapore Land Authority. We have not, however, examined the original documents to verify ownership or to ascertain the existence of any amendment which does not appear on the copies handed to us. In our valuation, we have assumed a good and marketable title and that all documentation is

satisfactorily drawn. We have also assumed that the Property is not subject to any unusual or onerous covenants, restrictions, encumbrances or outgoing. These assumptions are considered valid by the Company.

Disposal Costs and Liabilities

No allowance has been made in our report for any charges, mortgages or amounts owing on the Property nor for any expenses or taxation which may be incurred in effecting a sale.

Sources of Information

We have relied to a very considerable extent on information given by the Company and JTC Corporation and have accepted advice given to us such as land/floor areas, tenure and all other relevant matters. We have not verified the correctness of any information, whether in writing or verbally by yourselves, your representatives or by your legal or professional advisers or by any (or any apparent) occupier of the Property or contained on the register of title. We assume that this information is complete and correct. We have had no reason to doubt the truth and accuracy of the information provided to us by the Company which is material to the valuations. We were also advised by the Company that no material facts have been omitted from the information provided.

Inspection

We have inspected the Property on 18 December 2024. Inspection of the Property was undertaken by Ms. Woo Ai Lian MSISV Registered Valuer, who has more than 30 years of experience in valuing properties in Singapore. Nevertheless, we have assumed in our valuation that the Property was in satisfactory order without any unauthorized extension or structural alterations or illegal uses as at the Valuation Date, unless otherwise stated.

Identity of the Property to be Valued

We have exercised reasonable care and skill to ensure that the Property, identified by the Property address in your instructions, is the Property inspected by us and contained within our valuation report. If there is ambiguity as to the property address, or the extent of the Property to be valued, this should be drawn to our attention in your instruction or immediately upon receipt of our report.

Property Insurance

We have valued the Property on the assumption that, in all respects, it is insurable against all usual risks including terrorism, flooding and rising water table at normal, commercially acceptable premiums.

Areas and Age

We have not carried out on-site measurements to verify the correctness of the floor area of the Property but have assumed that the floor area shown on the documents available to us are correct. Dimensions, measurements and areas included in the valuation report are based on information provided to us and are, therefore, only approximations, unless stated otherwise.

Structural and Services Condition

We have carried out a visual inspection only without any structural investigation or survey. During our limited inspection, we did not inspect any inaccessible areas. We are unable to confirm whether the Property is free from urgent or significant defects or items of disrepair, or any deleterious materials have been used in the construction of the Property. Our valuation has therefore been undertaken on the assumption that the Property was in satisfactory condition and contains no deleterious materials and it is in sound order and free from structural faults, rot, infestation or other defects.

Ground Condition

We have assumed there to be no unidentified adverse ground or soil conditions and that the load bearing qualities of the site of the Property are sufficient to support the building constructed or to be constructed thereon; and that the services are suitable for any existing or future development. Our valuation is therefore prepared on the basis that no extraordinary expenses or delays will be incurred in this respect.

Environmental Issues

We are not environmental specialists and therefore we have not carried out any scientific investigations of sites or buildings to establish the existence or otherwise of any environmental contamination, nor have we undertaken searches of public archives to seek evidence of past activities that might identify potential for contamination. In the absence of appropriate investigations and where there is no apparent reason to suspect the potential of contamination, our valuation is prepared on the assumption that the Property is unaffected. Where contamination is suspected or confirmed, but an adequate investigation has not been carried out and made available to us, then the valuation will be qualified.

Compliance with Relevant Ordinances and Regulations

We have assumed the Property was constructed, occupied, and used in full compliance with, and without contravention of any ordinance, statutory requirement and notices except only where otherwise stated. We have further assumed that, for any use of the Property upon which this report is based, any and all required licenses, permits, certificates, consents, approvals, and authorisation have been obtained, expected only where otherwise stated.

Remarks

In accordance with our standard practice, we must state that this report and valuation is for the use of the party to whom it is addressed, and no responsibility is accepted to any third party for the whole or any part of its contents. We do not accept liability to any third party or for any direct or indirect consequential losses or loss of profits as a result of this report.

We have prepared the valuation based on information and data available to us as at the Valuation Date. It must be recognised changes in policy direction, mortgage requirements, social and international tensions could be immediate and have sweeping impact on the real estate market apart from typical market fluctuation. It should therefore be noted that any market, policy, geopolitical or social changes or other unexpected incidents after the Valuation Date may affect the value of the Property.

Currency

Unless otherwise stated, all money amounts stated in our valuations are in Singapore Dollars (S\$).

Area Conversion

The area conversion factors in this report are taken as follows:

1 square metre (sq. m.) = 10.7639 square feet (sq. ft.)

We enclose herewith our valuation report.

Yours faithfully

For and on behalf of

Knight Frank Petty Limited

Joel Teh

MRICS MHKIS RPS(GP) RICS Registered Valuer Director, Valuation & Advisory

Cyrus Fong

FRICS FHKIS RPS(GP) RICS Registered Valuer Executive Director, Head of Valuation & Advisory

Note: Mr Joel Teh is a qualified valuer who has about 10 years of extensive experiences in valuation of properties including development sites, residential, commercial, industrial properties in Hong Kong and the Asia Pacific region.

Mr. Cyrus Fong is a qualified valuer who has about 15 years of extensive experiences in valuation of properties including development sites, residential, commercial, industrial properties in Hong Kong, Asia Pacific region for various valuation purposes.

PROPERTY TO BE ACQUIRED BY THE GROUP

VALUATION

Property Interest	Description and tenure	Particulars of occupancy	Market value in existing state as at 7 February 2025
18 Chin Bee Drive, Singapore 619865 (the “Property”)	<p>The Property is located at the south-eastern junction of Chin Bee Drive and Third Chin Bee Road, off Corporation Road/Jalan Boon Lay, approximately 16.5 km from the City Centre. It is located within the Jurong Industrial Estate.</p> <p>The Property comprises a 3-storey production/warehouse with mezzanine office building, a single-storey with mezzanine level factory building, a single-storey workshop/warehouse building, linkway and car park shed.</p> <p>We understand that the single-storey with mezzanine level factory building was completed in 1976, and the additions and alterations (A&A) works were completed in 1981 and 1992 while the 3-storey production/warehouse with mezzanine level office building and car park shed were completed in 2002.</p> <p>According to the information from Certificate of Title from the Singapore Land Authority, the land area of the Property is approximately 9,861.80 sq. m. (106,151 sq. ft.).</p> <p>The Gross Floor Area (GFA) is approximately 8,635.76 sq. m. (92,954 sq. ft.) as per the JTC Corporation.</p> <p>According to the JTC Conditions of Tender, the tenure will be a fresh 20-year lease. We understand that the lease will commence on 26 April 2025. As at the Valuation Date, the lease term of the Property is 20.0 years.</p> <p>The Property is sold by JTC on the basis as land and building premium. We understand that there is no annual land rent payable to JTC.</p> <p>We understand that the Property is authorised for the following usage: (i) workshop for repair and maintenance of the lessee’s vehicles, (ii) parking of the lessee’s vehicles; and (iii) ancillary dormitory.</p>	As of the Valuation Date, the Property is vacant.	S\$18,600,000 (Singapore Dollars Eighteen Million and Six Hundred Thousand)

Notes:

- (1) This valuation was conducted in collaboration with Knight Frank Singapore, which includes two licensed local valuers holding Licence Nos AD041–2008950C and AD041–2004048B registered with the Inland Revenue Authority of Singapore. They bring extensive experience of 20 to 30 years in property valuation and consultancy in Singapore.

- (2) Pursuant to the Certificate of Title records obtained from the Singapore Land Authority, the registered owner of the Property as at the Valuation Date is Jurong Town Corporation. We understand that the Property will be leased by JTC Corporation to Wee Guan Construction Pte Ltd.
- (3) According to the 2019 Edition of Master Plan, the Property falls within the “Business 2” zoning with a gross plot ratio of 1.4
- (4) A private title search was made at the Singapore Titles Automated Registration System from Singapore Land Authority on 11 December 2024. Brief particulars of the title are as follows: -

Legal Description	:	Lot No.3278K Mukim 6
Tenure	:	Fresh 20-year lease commencing from 26 April 2025
Land Area	:	9,861.80 sq. m.
GFA	:	8,635.76 sq. m.

- (5) We have considered various valuation approaches in valuing the Property, including market approach, income approach and cost approach. The market approach was adopted as it is widely recognised as the most appropriate valuation method for similar properties due to the availability of relevant and verifiable market comparables. Given that the Property is leased by JTC through public tender, there is limited information to reliably apply the income or cost approach.
- (6) Our valuation has been undertaken using appropriate valuation methodology and our professional judgement. We have valued the Property primarily by using the Market Approach. In the course of our valuation of the Property, we have identified and analyzed various relevant sales transactions of detached factory in the locality of the Property which have similar characteristic as the property on an exhaustive basis. The main criteria of selection are property type, location, timing of transaction, size, age, condition and lease structure, particularly transactions with land and building premium paid (that is without annual land rent payable to JTC). The adopted comparables are leasehold industrial factories in Jurong Industrial Park which are transacted in May 2024 to January 2025 and are deemed appropriate and representative. We have excluded sale transactions that are more than nine months old from our valuation date to ensure the use of the most recent and relevant market data to arrive at our opinion of the market value of the Property.

The sales transactions are shown below:

	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3
PROPERTY INFORMATION			
Property	31 Gul Lane	11 Tractor Road	12 Joo Koon Road
Type of Property	A 2-storey factory with a 3-storey annex building	A single-storey factory with a 3-storey annex building	A 5-storey factory building with a 2-storey office building and 2 single-storey warehouses
Tenure Leasehold	16 years Leasehold	20 years Leasehold	20 years
Estimated Year of Completion	1980s and A&A works in 1990s	1970s	1980s and extensive A&A works in 1990s
Land Area (sq. m.)	5,081.9	5,220.4	14,393.0
Approximate Gross Floor Area (GFA) (sq. m.)	4,395.9	2,230.6	9,861.2
Road Frontage	Single frontage	Single frontage	Single frontage
Tender Closing Date	September 2024	May 2024	May 2024
Contract Price	S\$7,828,888	S\$8,167,760	S\$16,888,999
Contract Price (per sq. m. over GFA)	S\$1,781	S\$3,662	S\$1,713
ADJUSTMENT FACTORS			
Tenure	Upward adjustment as the tenure is shorter than the Property	Similar to the Property	Similar to the Property
Location	Upward adjustment as the Comparable is inferior to the Property	Similar to the Property	Upward adjustment as the Comparable is inferior to the Property
Size	Downward adjustments as the GFA is almost 2 times larger than the Comparable	Downward adjustments as the GFA is almost 4 times larger than the Comparable	Upward adjustments as the GFA is slightly smaller than the Comparable
Age/Condition	Downward adjustment as the Comparable is more superior than the Property	Upward adjustment as the Property is more superior than the Comparable	Similar to the Property
Number of storeys	Downward adjustments as the comparable has fewer number of storey than the Property	Downward adjustments as the comparable has fewer number of storey than the Property	Upward adjustments as the Property has fewer number of storeys than the Comparable
Frontage	Upward adjustment as the Property has two frontages	Upward adjustment as the Property has two frontages	Upward adjustment as the Property has two frontages
Total Adjustments	+8.0%	-34.0%	+24.0%
Adjusted GFA Rate per sq. m.	S\$1,923	S\$2,417	S\$2,124

Source : JTC

We have taken into consideration the prevailing market conditions and adjustments were made, where appropriate, for differences in tenure, location, age/condition, number of storeys, size and frontage, before arriving at the market value of the Property.

The adjusted unit rates of the comparables range from S\$1,923 to S\$2,417 per sq. m. over GFA. We have adopted an equal weightage for each of the comparable and represents a weighted average of S\$2,154 per sq. m. over the GFA. We multiplied the adjusted unit rate (S\$2,154) by the GFA of the Property (8,635.76 sq. m.) to arrive at the Market Value of the Property (approximately S\$18,600,000).

We are of the opinion that the derived Market Value of the Property based on the Market Approach at S\$18,600,000 or a unit rate of S\$2,154 per sq. m. over GFA of 8,635.76 sq. m. is fair and reasonable and falls within the approximate floor area value per sq. m. of the market comparables.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

A. Directors' and Chief Executives' Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company and its Associated Corporations

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code as set out in Appendix C3 of the Listing Rules were as follows:

Long Positions in the Shares

Name of the Director	Nature of interest	Number of Shares held	Percentage of issued share capital as at the Latest Practicable Date
Mr. Ng Tian Soo (<i>Note</i>)	Interest in controlled corporation	542,640,000	51.00%
Mr. Ng Tian Fah (<i>Note</i>)	Interest in controlled corporation	542,640,000	51.00%

Note: 542,640,000 Shares are held by WG INTERNATIONAL (BVI) LIMITED (“WGI (BVI)”) which is beneficially owned as to 35% by Mr. Ng Tian Soo (“Mr. Ng TS”), 28% by Mr. Ng Tian Fah (“Mr. Ng TF”), 28% by Mr. Ng Tian Kew (“Mr. Ng TK”) and 9% by Ms. Ng Mei Lian (“Ms. Ng ML”). Pursuant to the acting in concert confirmatory deed dated 30 August 2023, Mr. Ng TS, Mr. Ng TF, Mr. Ng TK and Ms. Ng ML become parties acting in concert and they are deemed to be interested in the Shares held by WGI (BVI) pursuant to the SFO.

Long Positions in the shares of associated corporation

Name of Director	Name of associated corporation	Nature of interest	Number of shares held	Percentage of interest in associated corporation as at the Latest Practicable Date
Mr. Ng TS <i>(Note)</i>	WGI (BVI) <i>(Note)</i>	Beneficial owner	17,500	35.00%
Mr. Ng TF <i>(Note)</i>	WGI (BVI) <i>(Note)</i>	Beneficial owner	14,000	28.00%

Note: The Company is owned as to 51% by WGI (BVI). WGI (BVI) is beneficially owned as to 35% by Mr. Ng TS, 28% by Mr. Ng TF, 28% by Mr. Ng TK and 9% by Ms. Ng ML.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code of the Listing Rules.

B. Substantial Shareholders' Interests and Short Positions in the Shares and Underlying Shares of the Company

As at the Latest Practicable Date, the following persons had interests or short positions in the shares and underlying shares of the Company which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO and entered in the register maintained by the Company pursuant to Section 336 of the SFO were as follows:

Long Positions in the Shares

Name of shareholder	Nature of interest	Number of Shares held	Percentage of issued share capital as at the Latest Practicable Date
WGI (BVI) (Note 1)	Beneficial owner	542,640,000	51.00%
Mr. Ng TS (Note 1)	Interest in controlled corporation	542,640,000	51.00%
Mr. Ng TF (Note 1)	Interest in controlled corporation	542,640,000	51.00%
Mr. Ng TK (Note 1)	Interest in controlled corporation	542,640,000	51.00%
Ms. Ng ML (Note 1)	Interest in controlled corporation	542,640,000	51.00%
Ms. Pang Kip Moi (Note 2)	Interest of spouse	542,640,000	51.00%
Ms. Phang May Lan (Note 3)	Interest of spouse	542,640,000	51.00%
Ms. Tang Siaw Tien (Note 4)	Interest of spouse	542,640,000	51.00%
Mr. Chen Teck Men (Note 5)	Interest of spouse	542,640,000	51.00%
Mr. Huang Lei (Note 6)	Beneficial owner	85,360,000	8.02%

Notes:

- 542,640,000 Shares are held by WGI (BVI) which is beneficially owned as to 35% by Mr. Ng TS, 28% by Mr. Ng TF, 28% by Mr. Ng TK and 9% by Ms. Ng ML. Pursuant to the acting in concert confirmatory deed dated 30 August 2023, Mr. Ng TS, Mr. Ng TF, Mr. Ng TK and Ms. Ng ML become parties acting in concert and they are deemed to be interested in the Shares held by WGI (BVI) pursuant to the SFO.
- Ms. Pang Kip Moi is the spouse of Mr. Ng TS and accordingly, is deemed, or taken to be, interested in all the Shares that Mr. Ng TS is interested in by virtue of the SFO.
- Ms. Phang May Lan is the spouse of Mr. Ng TF and accordingly, is deemed, or taken to be, interested in all the Shares that Mr. Ng TF is interested in by virtue of the SFO.

4. Ms. Tang Siaw Tien is the spouse of Mr. Ng TK and accordingly, is deemed, or taken to be, interested in all the Shares that Mr. Ng TK is interested in by virtue of the SFO.
5. Mr. Chen Teck Men is the spouse of Ms. Ng ML and accordingly, is deemed, or taken to be, interested in all the Shares that Ms. Ng ML is interested in by virtue of the SFO.
6. Mr. Wang Yin Chen is the child of Mr. Huang Lei and accordingly, is deemed, or taken to be, interested in all the Shares that Mr. Huang Lei is interested in by virtue of the SFO.

Save as disclosed above, as at the Latest Practicable Date, the Company had not been notified by any persons who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register maintained by the Company pursuant to Section 336 of the SFO.

3. DIRECTORS' POSITIONS HELD IN COMPANIES HAVING DISCLOSEABLE INTERESTS

Mr. Ng Tian Soo and Mr. Ng Tian Fah are the directors of WGI (BVI).

Save as disclosed above, as at the Latest Practicable Date, none of the Directors was a director or employee of a company which had an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of any compensation (other than statutory compensation)).

5. DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors or their respective close associates (as defined in the Listing Rules) had any interest in a business apart from the Group's business which competed or was likely to compete, either directly or indirectly, with the Group's business.

6. DIRECTORS' INTERESTS IN ASSETS, CONTRACTS AND ARRANGEMENTS

Saved as disclosed above, as at the Latest Practicable Date:

- (a) none of the Directors had any interest, direct or indirect, in any asset which had been, since 31 December 2023, being the date to which the latest published audited consolidated financial statements of the Group were made up, acquired or disposed of by or leased to any member of the Group, or was proposed to be acquired or disposed of by or leased to any member of the Group; and
- (b) none of the Directors was materially interested in any contract or arrangement subsisting as at the date of this circular and which was significant in relation to the business of the Group.

7. EXPERTS' QUALIFICATIONS AND CONSENTS

The following is the name and qualification of the expert who has given its report, opinions and advices which are included in this circular:

Name	Qualification
Knight Frank Petty Limited	Independent Valuer

The expert above has given and has not withdrawn its written consent to the issue of this circular, with the inclusion herein of its report and/or letter of advice and the references to its name in the form and context in which they are respectively included.

As at the Latest Practicable Date, none of the experts above had any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, the expert above did not have any interest, direct or indirect, in any asset which had been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2023, being the date to which the latest published audited consolidated financial statements of the Group were made up.

8. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2023, being the date to which the latest published audited consolidated financial statements of the Group were made up.

9. LITIGATION

As at the Latest Practicable Date, none of the members of the Group was engaged in any litigation or claim of material importance, and so far as the Directors were aware of, no litigation or claim of material importance was pending or threatened against any member of the Group.

10. MATERIAL CONTRACTS

As at the Latest Practicable Date, the following contracts (not being contracts entered into in the ordinary course of business) were entered into by the members of the Group within the two years immediately preceding the issue of this circular and are or may be material:

- (a) the Acceptance Letter, details of which are contained in this circular.

11. MISCELLANEOUS

- (a) The registered office of the Company in the Cayman Islands is situated at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman KY1-1111, Cayman Islands.
- (b) The headquarters and the principal place of business of the Company in Singapore is situated at 37 Kranji Link, Singapore 728643.
- (c) The principal place of business of the Company in Hong Kong is situated at Unit B, 17/F, United Centre, 95 Queensway, Hong Kong.
- (d) The Hong Kong branch share registrar and transfer office of the Company is Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.
- (e) Ms. Fung Mei Ling, the company secretary of the Company, is a fellow member of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute.
- (f) In the case of inconsistency, the English text of this circular shall prevail over its Chinese text.

12. DOCUMENTS ON DISPLAY

Copies of the following documents will be available on the website of the Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (<http://www.weiyuanholdings.com>) for a period of 14 days from the date of this circular:

1. the Lease Offer;
2. the Acceptance Letter;
3. the property valuation report of the Premises prepared by Knight Frank, the text of which is set out in Appendix II to this circular;
4. the written consent referred to in the section headed “Experts’ Qualifications and Consents” of this appendix;
5. the annual reports of the Company for FY2021, FY2022 and FY2023;
6. the interim report of the Company for 1H2024; and
7. this circular.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Wei Yuan Holdings Limited

偉源控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1343)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “EGM”) of Wei Yuan Holdings Limited (the “Company”) will be held at 37 Kranji Link, Singapore 728643 on Thursday, 24 April 2025 at 10:00 am for the purpose of considering and, if thought fit, passing with or without modifications, the following resolution as an ordinary resolution of the Company.

Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the circular of the Company dated 27 March 2025.

ORDINARY RESOLUTION

“THAT:

- (a) the entering into the lease of Premises and the transactions contemplated thereunder be and are hereby ratified, confirmed and approved; and
- (b) any one or more Directors be and is/are hereby authorised to, for and on behalf of the Company, do all such acts and things, sign and execute all such agreements, instruments, documents and deeds and make all such arrangements as he/they may in his/their absolute discretion consider necessary, desirable or expedient for the purpose of giving effect to and in connection with the transactions contemplated thereunder, and to make and agree to such variations, amendments or waivers of matters relating thereto, as are, in the opinion of the Directors, in the interests of the Company and the Shareholders as a whole.”

By Order of the Board
Wei Yuan Holdings Limited
Ng Tian Soo
Chairman and Executive Director

Singapore, 27 March 2025

*Headquarters and Principal Place of
Business in Singapore:*
37 Kranji Link
Singapore 728643

*Principal Place of Business in
Hong Kong:*
Unit B, 17/F, United Centre
95 Queensway, Hong Kong

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

1. Any member of the Company (“**Member**”) entitled to attend and vote at the meeting of the Company (the “**Meeting**”) or its adjourned meeting (as the case may be) is entitled to appoint another person as his proxy to attend and vote instead of him. A Member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the Meeting of the Company. A proxy need not be a Member. In addition, a proxy or proxies representing either a Member who is an individual or a Member which is a corporation shall be entitled to exercise the same powers on behalf of the Member which he or they represent as such Member could exercise.
2. Where there are joint holders of any share any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at any meeting the vote of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
3. In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority (if any) under which it is signed or a certified copy of that power or authority, at the Company’s branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M/F, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong not less than 48 hours before the time appointed for holding the Meeting or its adjourned meeting. Completion and return of a form of proxy will not preclude you from attending and voting in person at the Meeting or any adjournment thereof, should you so wish. For the avoidance of doubt, holders of treasury Shares (if any) have no voting rights at the Company’s general meeting(s).
4. For determining Members’ entitlement to attend and vote at the Meeting, the register of members of the Company will be closed from Thursday, 17 April 2025 to Thursday, 24 April 2025 (both days inclusive), during which period no transfer of shares of the Company will be effected. In order to qualify for attending and voting at the forthcoming Meeting, all transfer documents accompanied by the relevant share certificate must be lodged with the Company’s branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 16 April 2025.
5. Pursuant to Rule 13.39(4) of the Listing Rules, the resolution set out in the notice put to vote at the EGM shall be taken by poll.

As at the date of this notice, the Board comprises two executive Directors, namely Mr. Ng Tian Soo and Mr. Ng Tian Fah; and three independent non-executive Directors, namely Mr. Gary Ng Sin Tong (alias Mr. Gary Huang Chendong), Ms. Lee Wing Yin Jessica and Mr. George Christopher Holland.