

**PROPOSED DISPOSAL OF PROPERTY LOCATED AT 16 TUAS AVENUE 6**

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**1. INTRODUCTION**

The board of directors (the “**Board**” or the “**Directors**”) of Wong Fong Industries Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that its wholly-owned subsidiary, Wong Fong Engineering Works (1988) Pte Ltd (“**WFE**”), had on 14 August 2025, granted an option to purchase (“**Option**”) for the sale of its property located at 16 Tuas Avenue 6 Singapore 639303 (“**Property**”) at a consideration of S\$9,500,000 (“**Consideration**”) (“**Proposed Disposal**”) to R&S Engineering Works Pte. Ltd. (“**Purchaser**”).

WFE has received a deposit of S\$95,000 (“**Option Fee**”) from the Purchaser on the date of granting the Option. The Option shall remain valid until 4.00 p.m. on the date falling:

- (i) 16 weeks from the date of the Option or such later date as may be mutually agreed upon in writing between the Purchaser and WFE; or
- (ii) five (5) business days from the date of JTC Corporation’s in-principle approval (or equivalent) for the sale and purchase of the Property,

whichever is the earlier (“**Option Expiry Date**”).

For the avoidance of doubt, if the Option is not exercised on or before the Option Expiry Date, the Option Fee shall be forfeited to WFE.

**2. INFORMATION ON THE PROPERTY AND THE PURCHASER**

The Property is a leasehold property with a leasehold tenure of 60 years commencing from 1 May 1992 and occupying an aggregate land area of approximately 5,454 square feet. The Company is currently using the Property as one of its factories.

WFE has commissioned United Valuers Pte Ltd to conduct a valuation on the Property. Based on the valuation report issued by United Valuers Pte Ltd dated 10 February 2025 (“**Valuation Report**”), the open market value of the Property based on the direct comparison approach was S\$10.0 million.

Based on the Group’s latest announced unaudited financial statements for the six months ended 30 June 2025, the book value of the Property was approximately S\$3.5 million. The Proposed Disposal is expected to result in a gain on disposal of approximately S\$6.0 million.

The Purchaser is a company incorporated in Singapore principally involved in the business of installation of industrial machinery and equipment, mechanical engineering works and repair and maintenance of motor vehicles. As at the date of this announcement, one of the shareholders of the Purchaser has a shareholding interest of approximately 2.5% in Wong Fong Investments Pte Ltd, a controlling shareholder of

the Company. Save as disclosed above, none of the Purchaser or its directors and shareholders is related to the Directors or controlling shareholders of the Company and their respective associates.

### **3. PRINCIPAL TERMS OF THE PROPOSED DISPOSAL**

#### **3.1 Consideration**

The Consideration was determined based on arm's length negotiations between WFE and the Purchaser and was arrived at on a willing-buyer willing-seller basis taking into account, *inter alia*, prevailing market conditions and the Valuation Report.

The Consideration shall be payable by the Purchaser to WFE in the following manner:

- (a) the Option Fee upon the grant of the Option;
- (b) S\$422,750 being 5% of the Consideration less the Option Fee upon the exercise of the Option before the Option Expiry Date; and
- (c) the balance of the Consideration on Completion Date (as defined herein).

#### **3.2 Sale and Purchase Agreement**

Upon the Purchaser's acceptance of the Option, WFE and the Purchaser shall enter into a valid and binding agreement for the sale and purchase of the Property.

The Property is sold with vacant possession and on as-is basis condition.

#### **3.3 JTC Consent**

The sale of the Property is subject to:

- (i) the approval from the National Environment Agency, JTC Corporation ("**JTC**") and all relevant authorities for the Purchaser's proposed use of the Property for service and repair of commercial vehicles ("**Proposed Use**");
- (ii) the written approval from JTC for the sale and purchase of the Property; and
- (iii) such terms and conditions as JTC may in its absolute discretion impose, including, and without prejudice to the generality of the foregoing, payment of any revised rent/ levy and/or fees (including those imposed on WFE), compliance with the environmental site assessment/result and the decontamination requirements (if applicable), which terms and conditions shall be accepted and complied with by WFE and the Purchaser within the time stipulated by JTC.

#### **3.4 Completion**

The Proposed Disposal is to be completed and the balance of the Consideration shall be paid on the date falling:

- (a) eight (8) weeks from the date of JTC's in-principle approval (or equivalent) for the sale and purchase of the Property;

- (b) where JTC requires an environmental site assessment (“**ESA**”) to be carried out to the Property, four (4) weeks from the date when JTC confirms that the results of the ESA are satisfactory to JTC; or
- (c) where JTC requires decontamination works to be carried out to the Property, four (4) weeks from the date when JTC confirms that the decontamination works are satisfactory to JTC,

whichever is the latest (“**Completion Date**”).

#### **4 RATIONALE FOR THE PROPOSED DISPOSAL**

The Board believes that the Proposed Disposal is in the best interests of the Group and the Company’s shareholders as it will enable the Group to optimise the utilisation of its resources.

The Group will also be able to use the proceeds from the Proposed Disposal towards operational requirements including the repayment of existing loans and liabilities. This will further strengthen the liquidity of the Group moving forward.

#### **5 USE OF PROCEEDS**

The Company intends to utilise the net proceeds of approximately S\$9.4 million (after deducting estimated expenses in relation to the Proposed Disposal) for general working capital requirements of the Group.

#### **6 FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL**

The financial effects of the Proposed Disposal set out below are for illustrative purposes only and do not reflect the actual financial performance or position of the Group after completion of the Proposed Disposal.

The financial effects of the Proposed Disposal have been computed based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2024 (“**FY2024**”).

##### **6.1 Net tangible assets per share**

Assuming that the Proposed Disposal had been completed on 31 December 2024, the effects of the Proposed Disposal on the Group’s net tangible assets per share as at 31 December 2024 would be as follows:

	<b>Before the Proposed Disposal</b>	<b>After the Proposed Disposal</b>
Net tangible assets (S\$)	56,642,000	53,054,000
Number of shares	235,000,000	235,000,000
Net tangible assets per share (S\$)	0.2410	0.2258

## 6.2 Earnings per share

Assuming that the Proposed Disposal had been completed on 1 January 2024, the effects of the Proposed Disposal on the Group's earnings per share for FY2024 would be as follows:

	Before the Proposed Disposal	After the Proposed Disposal
Profit attributable to owners of the Company (S\$)	3,620,000	9,532,000
Weighted average number of shares	235,000,000	235,000,000
Earnings per share (S\$)	0.0154	0.0406

## 7 RELATIVE FIGURES UNDER CHAPTER 10 OF THE CATALIST RULES

The relative figures of the Proposed Disposal computed on the bases set out in Rule 1006 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited ("**Catalist Rules**") are as follows:

Rule 1006	Bases	Relative figures (%)
(a)	Net asset value of the assets to be disposed of, compared with the Group's net asset value	18.2 <sup>(1)</sup>
(b)	Net profits attributable to the assets disposed of, compared with the Group's net profits	Not applicable <sup>(2)</sup>
(c)	Aggregate value of the Consideration, compared with the Company's market capitalisation	21.6 <sup>(3)</sup>
(d)	Number of equity securities issued by the Company as consideration for the Proposed Disposal, compared with the number of equity securities previously in issue	Not applicable
(e)	Aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves	Not applicable

Notes:

- (1) Based on the open market value of the Property of S\$10.0 million and the net asset value of the Group of approximately S\$55.1 million as at 30 June 2025.
- (2) Not applicable as the Property is not a revenue-generating asset.
- (3) Based on the Consideration of S\$9.5 million and the Company's market capitalisation of approximately S\$43.9 million, which was computed based on the Company's issued share capital of 235,000,000 shares and the volume-weighted average price of S\$0.1870 per share transacted on 8 August 2025, being the last market day preceding the date of the Option on which the Company's shares were traded.

Based on the above, the Proposed Disposal constitutes a discloseable transaction under Rule 1010 of the Catalist Rules and approval from shareholders of the Company will not be required.

**8 INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

None of the Directors or controlling shareholders of the Company and their respective associates has any interest, direct or indirect, in the Proposed Disposal, save through their respective shareholdings in the Company (if any).

**9 SERVICE CONTRACT**

No person is proposed to be appointed to the Board in connection with the Proposed Disposal. Accordingly, no service contract is proposed to be entered into between the Company and any person.

**10 DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm, after making all reasonable enquiries that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Disposal, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in the announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the announcement in its proper form and context.

**11 DOCUMENTS FOR INSPECTION**

A copy of the Option and the Valuation Report are available for inspection during normal business hours at the registered office of the Company at 79 Joo Koon Circle, Singapore 629107 for a period of three (3) months from the date of this announcement.

**12 FURTHER ANNOUNCEMENTS**

The Company will make further announcements to keep shareholders informed, as and when there are further material updates and developments in respect of the Proposed Disposal.

**13 CAUTIONARY STATEMENT**

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company. In particular, shareholders and potential investors should note that completion of the Proposed Disposal is subject to fulfilment of various conditions as set out in the Option. Persons who are in doubt as to the action they should take should consult their stockbrokers, bank managers, solicitors or other professional advisers.

## BY ORDER OF THE BOARD

Liew Ah Kuie  
Co-Founder and Group Chief Executive Officer  
14 August 2025

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*This announcement has been prepared by the Company and has been reviewed by the Company's sponsor, United Overseas Bank Limited (the "Sponsor"), for compliance with Rules 226(2)(b) and 753(2) of the Catalist Rules.*

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

*The contact person for the Sponsor is Ms Priscilla Ong, Vice President, Equity Capital Markets, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, telephone: +65 6533 9898.*