

WONG FONG INDUSTRIES LIMITED
Company Registration No.: 201500186D
(Incorporated in the Republic of Singapore)

PROPOSED ACQUISITION OF SMATRA TRAINING HUB PTE. LTD.

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 Academy Pte Ltd (“**WFA**”), had on 19 March 2018, entered into a sale and purchase agreement with Tan Kim Phai and Lim Chang Ee (collectively, the “**Vendors**”) to acquire 500,000 ordinary shares (“**Proposed Acquisition**”), representing the entire issued and paid-up share capital of Smatra Training Hub Pte. Ltd. (“**Smatra**”).

The consideration for the Proposed Acquisition is S\$1.00, taking into account the losses for financial years ended 30 June 2016 and 2017. Upon completion of the Proposed Acquisition, the estimated book value and net tangible asset value of Smatra should be approximately S\$20,000.

Based on the latest announced unaudited consolidated financial statements of the Group for the financial year ended 31 December 2017 and the audited accounts of Smatra for the financial year ended 30 June 2017, none of the relative figures computed on the bases set out in Rule 1006 of the Listing Manual Section B: Rules of Catalyst of the Singapore Exchange Securities Trading Limited (the “**Catalist Rules**”) exceed 5%.

None of the Vendors is related to the Directors or the controlling shareholders of the Company and their respective associates.

Smatra was incorporated in Singapore on 30 July 2012 and its principal activities are those of safety, quality consultancy, management services, training and education services.

The shareholding structure of Smatra, immediately before and after the Proposed Acquisition is as follows:

	Before the Proposed Acquisition	After the Proposed Acquisition
Tan Kim Phai	50%	-
Lim Chang Ee	50%	-
WFA	-	100%
Total	100%	100%

The Directors believe that the Proposed Acquisition will enable the Group to expand its training business as well as harness administrative and operational efficiencies when combined with WFA. Upon completion of the Proposed Acquisition, Smatra will become a wholly-owned subsidiary of WFA.

The Proposed Acquisition is not expected to have any material impact on the earnings per share or the net tangible assets per share of the Company for the current financial year ending 31 December 2018.

None of the Directors or controlling shareholders of the Company and their respective associates has any direct or indirect interest in the Proposed Acquisition other than through their respective shareholding interests in the Company (if any).

BY ORDER OF THE BOARD

Lew Kit Foo @ Liew Foo
Executive Chairman
19 March 2018

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, United Overseas Bank Limited (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and 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 Mr Chia Beng Kwan, Senior Director, Equity Capital Markets, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, telephone: +65 6533 9898.