



WONG FONG

WONG FONG INDUSTRIES LIMITED

CORPORATE PRESENTATION

FY2016 Results

March 2017

Notice

Wong Fong Industries Limited (the “Company”) was listed on Catalist of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 28 July 2016. The Sponsor and Issue Manager for the initial public offering of the Company was United Overseas Bank Limited (the “Sponsor”).

This presentation has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the relevant rules of the SGX-ST. The Sponsor has not independently verified the contents of this presentation.

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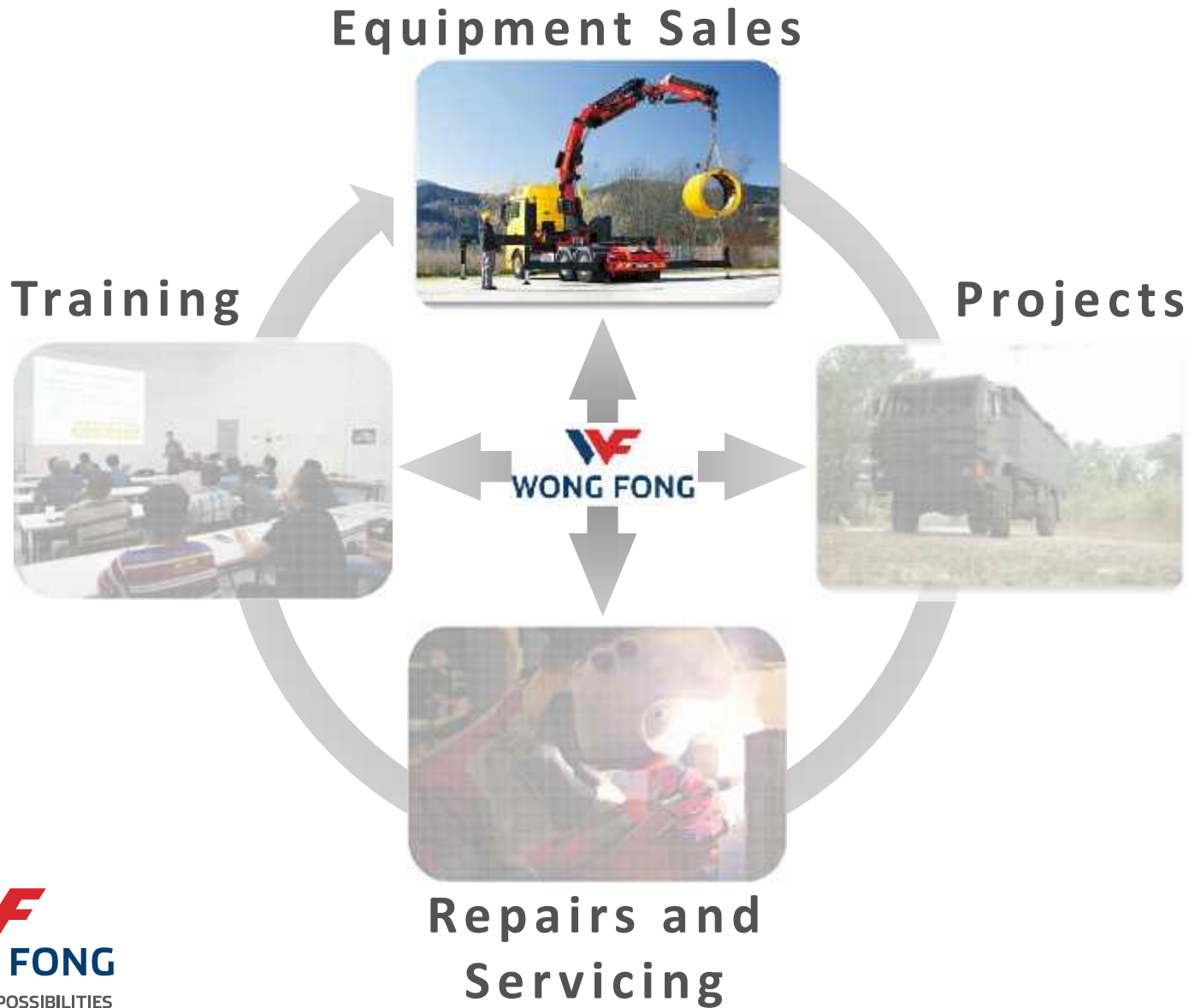
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1. Business Overview

| Core Businesses



Equipment Sales

Sale and installation of load handling systems and waste management systems

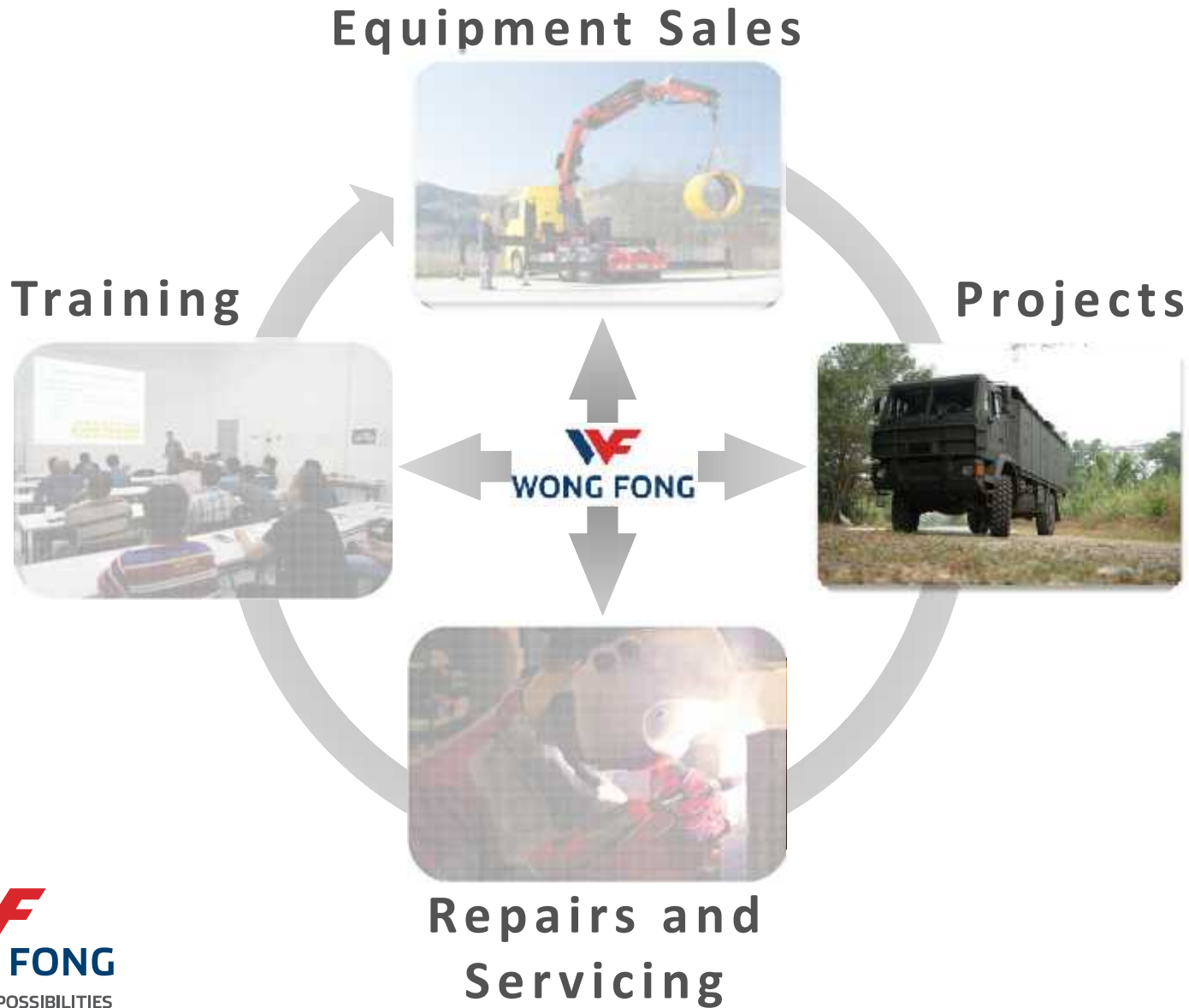
Hold dealerships for several leading global brands such as *Dhollandia, Palfinger* and *Pöttinger*

Range of products and solutions include truck-mounted cranes, waste management systems, and assistive technology and mobility aids



1. Truck-mounted cranes 2. Tailgates 3. Tippers 4. Self-loaders
5. Hookloaders 6. Portable compactors 7. Open-top container bins
8. Mini-dumpers 9. Assistive technology and mobility aids

| Core Businesses



Projects



Backed by our engineering expertise, experience across various industries and our commitment to research and innovation to provide:

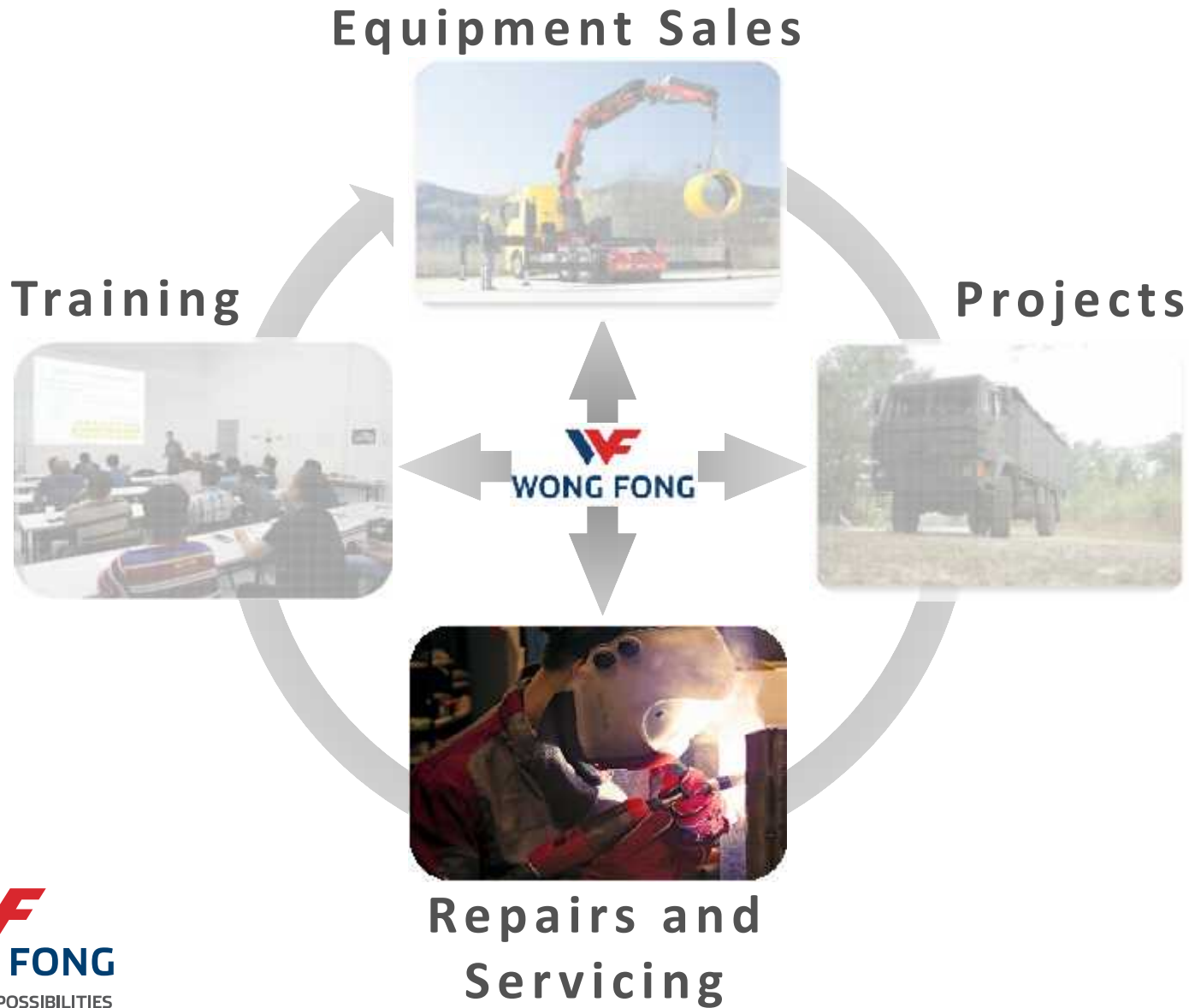
- Design
- Customisation
- Fabrication
- Integration services

Some of our notable projects include:

- Defence solutions: customise special purpose vehicles and solutions
- Extreme armour solutions: provide add-on armour solutions for homeland security and defence use



| Core Businesses



Repairs and Servicing



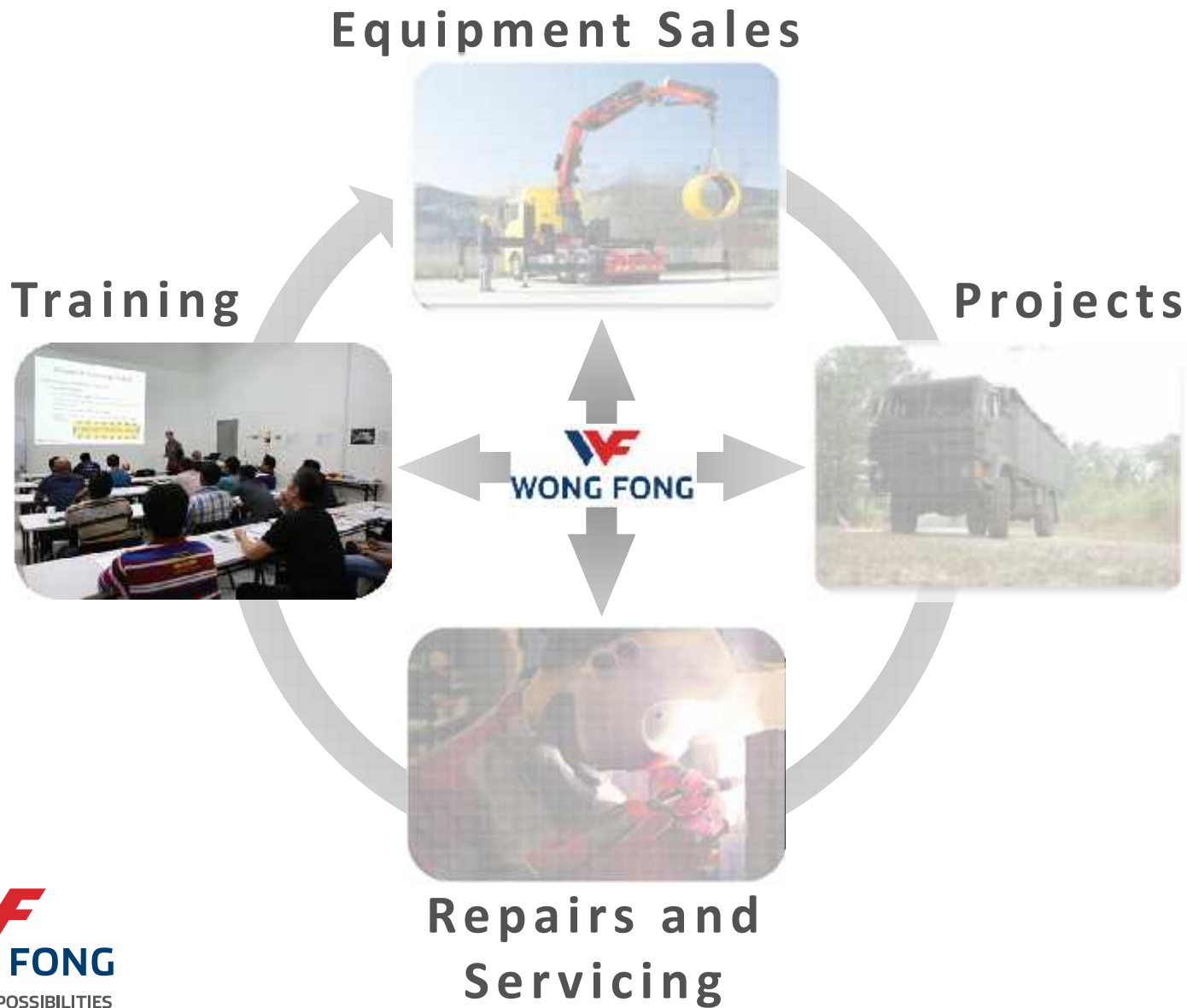
One of the largest service centres for truck-mounted cranes and hookloaders in Singapore



Qualified and experienced servicing team able to efficiently handle our customers' equipment breakdowns and servicing needs:

- 24-hour standby mobile service team that carries out on-site servicing and inspections
- Proficiency in repair and maintenance spans across a variety of equipment brands

| Core Businesses



Training- Wong Fong Academy



An **Approved Training Organisation** by the Singapore Workforce Development Agency to conduct 13 Singapore Workforce Skills Qualification courses

Able to inspect and certify hookloaders and open-top container bins



| Core Businesses



Research & Development (R&D)

HERK doorlift



Successfully developed products

Fibre-reinforced plastic tailgate



Through R&D, we believe we will be able to provide our customers with constantly **improving and innovative engineering and industrial solutions** to cater to the demands of an ever-changing industrial landscape

Military
Urban material regeneration
Specialised vehicles
Electric-mobility

Awards and Achievements

Year	Award/Certification
2014 (since 2000)	ISO 9001:2008 for management systems (WFE and WFA)
2014 (since 2013)	Singapore Enterprise 50 Award (WFE)
2014	ISO/IEC 17020:2012 standard for specific scope within the field of hook-lift and container inspection (WFE)
2015	ISO 14001:2004 for design, fabrication, supply, installation and repair of waste handling system, load handling system and special handling equipment (WFE)
2015	bizSAFE Level Star (WFA)
2016	Straits Times - Singaporean of the Year (Eric Lew - Nominee)

WFE – Wong Fong Engineering Works (1988) Pte Ltd

WFA – Wong Fong Academy Pte. Ltd.





2. Competitive Strengths

Experienced and dedicated management team



Executive Chairman, Jimmy Lew and Deputy Chairman and Managing Director, James Liew have over 50 years and 47 years of experience in the industry respectively

Assisted by our Executive Directors who are supported by our experienced and dedicated management team and employees

Founders have almost
100 years
of industry experience
collectively

Grew from a modest vehicle servicing business to one of the leading land transport engineering companies

Wide customer base in a broad range of industries

Broad customer base comprising **more than 3,000 customers** which include:

- Government agencies
- Multinational companies
- Small and medium enterprises (“SMEs”)

Less susceptible to changing market conditions and fluctuations and provides stability to business and results of operations



Infrastructure Development



Logistics



Waste Management



Defence



Mobility Support



Landscaping

Wide range of products and able to provide unique and innovative engineering solutions

Able to provide a **one-stop solution** to customers for their product and service requirements due to:

- Wide range of products ranging from equipment and components and engineering solutions
- Experience and technical capabilities



A strong and proven track record in the industry

Established in the last **52 years** a reputation as one of the leading engineering specialists in Singapore through consistently providing our customers with:

- High quality products
- Innovative solutions
- Fast turnaround times

Repeat customers accounted for ~50% of our revenue for FY2016



Strong engineering capabilities

Team of industrial designers, engineers and technicians, supported by **advanced facilities and resources**, are able to:

- Design
- Customise
- Fabricate
- Integrate

a broad range of products and solutions for M.U.S.E. sectors

One of the largest service centres for truck-mounted cranes and hookloaders in Singapore

Able to **customise solutions** for military and civil defence applications



To meet the stringent requirements of our customers



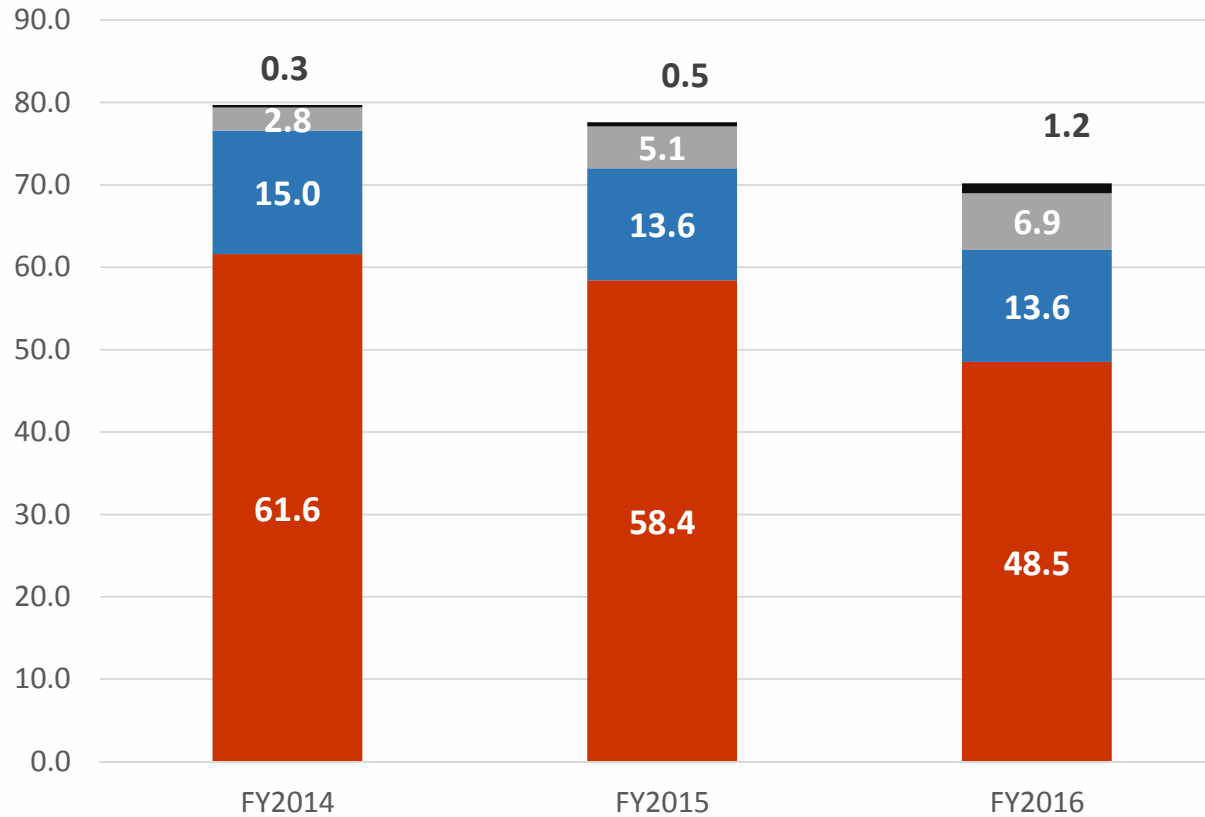
3. Financial Highlights

| Key Figures

S\$'000	FY2016	FY2015	%
Revenue	70,203	77,623	(9.6)
Profit before tax	3,965	5,708	(30.5)
PATMI	3,581	5,621	(36.3)
	31 Dec 2016	31 Dec 2015	
NAV (excludes non-controlling interests)	44,091	36,139	22.0
Cash and cash equivalents	20,570	16,352	25.8

Revenue by Segments

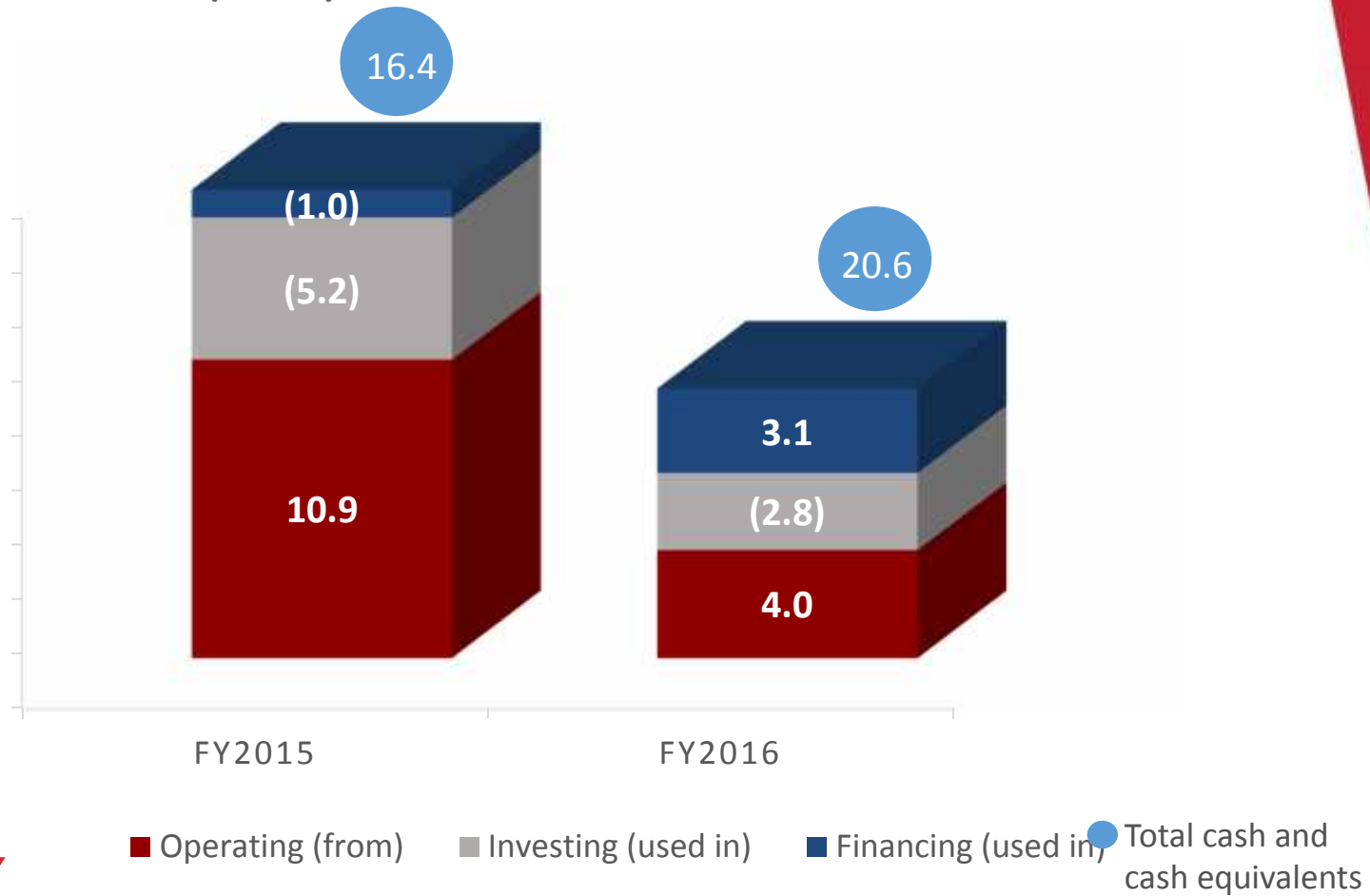
Revenue by Segments (S\$'million)



■ Equipment Sales ■ Repairs and Servicing ■ Projects ■ Training

Key Cash Flows Information

KEY CASH FLOW (S\$'M)



Key Financial Indicators

	FY2016	FY2015
NAV (S\$'000)	44,091	36,139
NAV per share (cents)	18.76	15.38
ROE (cents)	8.12	15.55
EPS (cent)	1.52	2.39
Share Price	0.27	N.A
PE ratio	17.76	N.A

Properties owned by our Group

Location	Tenure	Land area (sq m)	Gross floor area (sq m)
79 Joo Koon Circle	Leasehold 30 years commencing 1 Jan 1994, with an option to a further term of 18 years and 7 months from 1 January 2024	8,612	11,879 (proposed)
16 Tuas Avenue 6	Leasehold 30 years commencing 1 May 1992 with an option to further term of 30 years from 1 May 2022	5,454	3,466
21 Jalan Kempas Utama 3	Freehold	2,475	2,201



Revamp of 79 Joo Koon Circle

- Launched on 28 Sep 2016
- Premise expected valuation at approximately S\$30m after revamp
- Doubling of built-up area to ~128,000 sq ft
- Enhanced capabilities to provide solutions for M.U.S.E sectors
- Environmentally sustainable features
 - 20,000 sq ft of solar panels (power up to 25% of electricity requirements)
 - Green Mark 'Gold' certification by the BCA
 - Green-roof with over 53 plant species



| Dividends

Our Directors intend to recommend and distribute dividends of **not less than 20.0%** of our net profits attributable to owners of the Company for each of FY2016 and FY2017*

For FY2016 **0.30 cts / share**
20.0% of NPAT

*Investors should note that all the foregoing statements, including the statements on the proposed dividends, are merely statements of our Company's present intention and shall not constitute legally binding statements in respect of its future dividends which may be subject to modification (including reduction or non-declaration thereof) at our Directors' sole and absolute discretion.



4. Outlook and Future Plans

Singapore Budget 2017

- S\$80m – SMEs go digital
- S\$600m – International partnership co-investment funds
- S\$700m value of public infrastructure projects brought forward to start in FY2017 & FY2018
- Top up national research funds of S\$100m
- Industry Transformation Programme of S\$1b
- Lifelong learning funds increase by S\$26m
- S\$1.4b near term business support measures

Operating Environment

Construction industry supported by public sector projects

- BCA projects the total construction demand or the value of construction contracts to be awarded in 2017 to reach **between \$28.0b and \$35.0b**⁽¹⁾

Weakness in O&G industry

- Impact demand for new and replacement equipment
- Excess supply of unutilised equipment

Increased competition

- New market entrants' impact on equipment sales

| Outlook

Order book for Equipment Sales

S\$27.4 million based on sales orders as at 7 February 2017

Repairs and Servicing

Expected to remain stable

Outlook

Training - A key growth driver in 2017



- Training team grew from 2 to 16 in two years
- Attained Public Training Organisation status, one of few appointed
- Provides 13 accredited training courses for the infrastructure development and manufacturing sectors
- Good growth potential due to Building Capabilities for the Future Economy @ Budget 2017⁽¹⁾
 - Skills training / upgrading under SkillsFuture Singapore

Future Plans – Malaysia- CE Asia



Future Plans – WF Myanmar



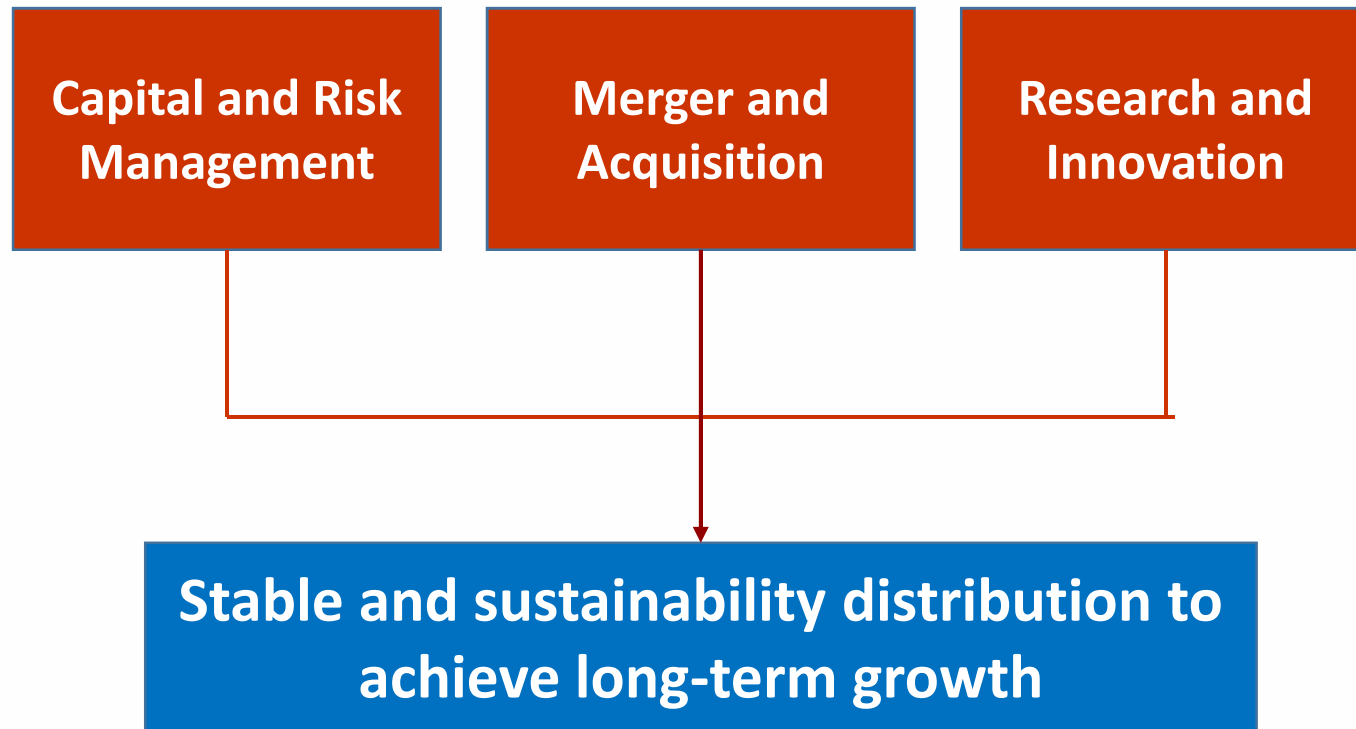
Future Plans – WF Myanmar



Investing in next wave of transportation industry development – Vanda Electrics



| Delivering Growth





WONG FONG

**Thank You
Q&As**