



**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS (“2H”) AND FULL YEAR (“FY”) ENDED 31
DECEMBER 2021**

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A. Condensed interim consolidated statements of profit or loss and other comprehensive income

GROUP							
	Note	2H2021	2H2020	Increase/ (Decrease)	FY2021	FY2020	Increase/ (Decrease)
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	4	33,702	26,797	25.8	65,106	49,278	32.1
Other operating income		1,299	2,323	(44.1)	2,803	4,442	(36.9)
Changes in inventories of finished goods and work-in-progress		(451)	(153)	194.8	2,593	1,082	139.6
Materials and consumables used and other direct costs		(17,650)	(15,393)	14.7	(37,837)	(28,788)	31.4
Employee benefits expense		(10,501)	(8,594)	22.2	(20,024)	(15,886)	26.0
Depreciation and amortisation expenses		(2,003)	(1,922)	4.2	(3,961)	(3,648)	8.6
Impairment loss on financial assets		(482)	(218)	121.1	(554)	(218)	154.1
Other operating expenses		(2,048)	(1,581)	29.5	(3,570)	(2,959)	20.6
Share of result of associate		-	-	NM	-	(57)	NM
Finance costs		(212)	(232)	(8.6)	(445)	(460)	(3.3)
Profit before tax	6	1,654	970	70.5	4,111	2,786	47.6
Income tax credit/(expense)	7	81	116	(30.2)	(368)	(278)	32.4
Profit for the period/year		1,735	1,086	59.8	3,743	2,508	49.2
Other comprehensive income/(loss), after tax:							
<i>Items that will not be reclassified subsequently to profit or loss</i>							
- Fair value loss on investments in equity instruments designated as at FVTOCI		-	(431)	NM	-	(431)	NM
<i>Items that may be reclassified subsequently to profit or loss</i>							
- Fair value (loss)/gain on investment in debt instruments measured at FVTOCI		(11)	18	NM	(30)	9	NM
- Exchange differences on translation of foreign operations		18	(31)	NM	33	21	57.1
Other comprehensive income/(loss) for the period/year, net of tax		7	(444)	NM	3	(401)	NM
Total comprehensive income for the period/year		1,742	642	171.3	3,746	2,107	77.8
Profit attributable to:							
Owners of the Company		1,565	1,078	45.2	3,326	2,073	60.4
Non-controlling interests		170	8	NM	417	435	(4.1)
		1,735	1,086	59.8	3,743	2,508	49.2
Total comprehensive income/(loss) attributable to:							
Owners of the Company		1,565	645	142.6	3,318	1,664	99.4
Non-controlling interests		177	(3)	NM	428	443	(3.4)
		1,742	642	171.3	3,746	2,107	77.8

NM: Not meaningful

FVTOCI: Fair value through other comprehensive income

B. Condensed interim statements of financial position

	Note	GROUP		COMPANY	
		As at December 31, 2021 S\$'000	As at December 31, 2020 S\$'000	As at December 31, 2021 S\$'000	As at December 31, 2020 S\$'000
ASSETS					
Current assets					
Cash and bank balances		24,248	25,289	7,933	9,032
Derivative financial instruments		-	2	-	-
Trade and other receivables		12,051	15,231	166	214
Inventories		14,659	12,080	-	-
Total current assets		50,958	52,602	8,099	9,246
Non-current assets					
Property, plant and equipment	9	17,059	17,574	10	7
Right-of-use assets		7,085	7,158	-	-
Intangible assets	10	4,231	4,717	-	-
Investment in subsidiaries		-	-	3,564	3,564
Investment in associate ⁽¹⁾		-	-	-	-
Investment in joint venture ⁽¹⁾		-	-	-	-
Investments in financial assets	11	4,681	3,461	4,541	3,371
Other receivables		514	-	-	-
Total non-current assets		33,570	32,910	8,115	6,942
Total assets		84,528	85,512	16,214	16,188
EQUITY AND LIABILITIES					
Current liabilities					
Trade and other payables		14,127	16,625	294	496
Lease liabilities	12	1,467	1,532	-	-
Bank borrowings	12	1,106	1,073	-	-
Derivative financial instruments		47	-	-	-
Income tax payable		770	661	-	-
Total current liabilities		17,517	19,891	294	496
Non-current liabilities					
Other payables		34	84	-	-
Deferred tax liabilities		1,450	1,565	-	-
Lease liabilities	12	5,960	5,861	-	-
Bank borrowings	12	3,754	4,833	-	-
Total non-current liabilities		11,198	12,343	-	-
CAPITAL AND RESERVES					
Share capital	13	11,351	11,351	11,351	11,351
Accumulated profits		41,586	39,271	4,002	3,744
Reserves		328	336	567	597
Equity attributable to owners of the Company		53,265	50,958	15,920	15,692
Non-controlling interests		2,548	2,320	-	-
Total equity		55,813	53,278	15,920	15,692
Total equity and liabilities		84,528	85,512	16,214	16,188

(1) Cost of investment is reduced by share of post-acquisition loss, net of dividends received.

C. Condensed interim statements of changes in equity

Group	Note	Share capital S\$'000	Accumulated profits S\$'000	Reserves S\$'000	Equity attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total S\$'000
Balance as at January 1, 2021		11,351	39,271	336	50,958	2,320	53,278
Transactions with owners, recognised directly in equity:							
Dividends paid to owners of the Company	8	-	(1,011)	-	(1,011)	-	(1,011)
Dividends paid to non-controlling interest		-	-	-	-	(200)	(200)
Total		-	(1,011)	-	(1,011)	(200)	(1,211)
Total comprehensive income for the year:							
Profit for the year		-	3,326	-	3,326	417	3,743
Other comprehensive (loss)/income for the year		-	-	(8)	(8)	11	3
Total		-	3,326	(8)	3,318	428	3,746
Balance as at December 31, 2021		11,351	41,586	328	53,265	2,548	55,813
Balance as at January 1, 2020		11,351	38,420	745	50,516	1,877	52,393
Transactions with owners, recognised directly in equity:							
Dividends paid to owners of the Company	8	-	(1,222)	-	(1,222)	-	(1,222)
Total		-	(1,222)	-	(1,222)	-	(1,222)
Total comprehensive income for the year:							
Profit for the year		-	2,073	-	2,073	435	2,508
Other comprehensive (loss)/income for the year		-	-	(409)	(409)	8	(401)
Total		-	2,073	(409)	1,664	443	2,107
Balance as at December 31, 2020		11,351	39,271	336	50,958	2,320	53,278

C. Condensed interim statement of changes in equity (cont'd)

Company	Note	Share capital S\$'000	Accumulated profits S\$'000	Reserves S\$'000	Total S\$'000
Balance as at January 1, 2021		11,351	3,744	597	15,692
Transaction with owners, recognised directly in equity:					
Dividends paid	8	-	(1,011)	-	(1,011)
Total comprehensive income for the year:					
Profit for the year		-	1,269	-	1,269
Other comprehensive loss for the year		-	-	(30)	(30)
Total		-	1,269	(30)	1,239
Balance as at December 31, 2021		11,351	4,002	567	15,920
Balance as at January 1, 2020		11,351	4,680	588	16,619
Transaction with owners, recognised directly in equity:					
Dividends paid	8	-	(1,222)	-	(1,222)
Total comprehensive income for the year:					
Profit for the year		-	286	-	286
Other comprehensive income for the year		-	-	9	9
Total		-	286	9	295
Balance as at December 31, 2020		11,351	3,744	597	15,692

D. Condensed interim consolidated statement of cash flow

	Note	GROUP	
		FY2021 S\$'000	FY2020 S\$'000
Operating activities			
Profit before taxation		4,111	2,786
Adjustments for:			
Amortisation of intangible assets	10	389	391
Depreciation of property, plant and equipment	6	1,792	1,871
Depreciation of right-of-use assets	6	1,780	1,386
Dividend income	6	(71)	(21)
Fair value changes on derivative financial instruments	6	49	(7)
Gain on disposal of financial assets	6	(16)	(23)
Gain on lease modification		(26)	-
Impairment loss on financial assets		554	218
Impairment of goodwill		96	35
Intangible assets written off		-	4
Interest expense		367	394
Interest income	6	(69)	(116)
(Gain)/Loss on disposal of property, plant and equipment	6	(153)	43
Net gain arising on financial assets measured at FVTPL ⁽¹⁾	6	(89)	(120)
Property, plant and equipment written off	6	67	10
Allowance for/(Reversal of allowance for) inventories and inventories written off	6	105	(62)
Share of results of associate		-	57
Operating cash flows before movements in working capital		8,886	6,846
Inventories		(2,735)	(1,103)
Trade and other receivables		2,583	(1,635)
Trade and other payables		(1,654)	2,078
Cash flows generated from operations		7,080	6,186
Income tax paid		(373)	(439)
Net cash from operating activities		6,707	5,747
Interest received		69	116
Dividends received		71	21
Deposit paid for purchase of property		(514)	-
Proceeds from disposal of property, plant and equipment		183	30
Proceed from disposal of quoted shares		2	144
Purchase of property, plant and equipment		(1,273)	(445)
Purchases of financial assets measured at FVTPL ⁽¹⁾		(847)	(2,613)
Purchases of quoted debt securities measured at FVTOCI		(250)	(750)
Investment in equity instrument designated at FVTOCI		(50)	(521)
Net cash outflow on acquisition of subsidiary		-	(120)
Payment of contingent consideration payable		(800)	-
Net cash used in investing activities		(3,409)	(4,138)
Dividends paid		(1,211)	(1,222)
Interest paid		(367)	(384)
Increase in pledged fixed deposits		-	426
Repayment of lease liabilities		(1,755)	(1,349)
Repayment of bank borrowings		(1,031)	(3,538)
Drawdown of bank borrowings		-	5,000
Net cash used in financing activities		(4,364)	(1,067)
Net (decrease)/increase in cash and cash equivalents		(1,066)	542
Cash and cash equivalents at beginning of the year		25,076	24,539
Effect of foreign exchange rate changes		26	(5)
Cash and cash equivalents at end of the year⁽²⁾		24,036	25,076

(1) FVTPL: Fair value through profit or loss.

(2) Excludes pledged fixed deposit of S\$0.2 million in FY2021 (FY2020: S\$0.2 million).

E. Notes to the condensed interim consolidated financial statements

1. Corporate information

WONG FONG INDUSTRIES LIMITED (“**Wong Fong**” or the “**Company**”) (Registration No. 201500186D) is incorporated in Singapore with its principal place of business and registered office at 79 Joo Koon Circle, Singapore 629107. The Company is listed on the Catalist board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). These condensed interim consolidated financial statements as at and for 2H2021 and FY2021 comprise the Company and its subsidiaries (collectively, the “**Group**”).

The principal activity of the Company is that of investment holding, and business and management consultancy services. The Group is one of the leading providers of land transport engineering solutions and systems for various industries in Singapore, Malaysia and Myanmar with a growing training and education business.

The Company is a subsidiary of Wong Fong Investments Pte. Ltd., a company incorporated in Singapore, which is also the ultimate holding company.

2. Basis of preparation

The condensed interim financial statements for 2H2021 and FY2021 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last interim financial statements for the period ended 30 June 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with Singapore Financial Reporting Standards (International) (“**SFRS(I)s**”), except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollars which is the Company’s functional currency.

2.1. New and amended standards adopted by the Group

A number of amendments to the standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

The Group and the Company have adopted the new and revised SFRS(I) pronouncements that are mandatory for application from 1 January 2021:

Description	Effective for annual periods beginning on or after
Amendments to SFRS(I) 9, SFRS(I) 1-39, SFRS(I) 7, SFRS(I) 4 and SFRS(I) 16: Interest Rate Benchmark Reform- Phase 2	1 January 2021

The adoption of the above amendments to SFRS(I)s did not result in material changes to the Group’s accounting policies and has no material effect on the amounts reported for the current financial year.

2.2. Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for FY2020.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. Management is of the view that no critical judgement was made in the process of applying the Group's accounting policies that would have a significant effect on the amounts recognised in the financial statements, apart from those involving estimations as below.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial period are discussed below:

(a) Allowance for inventories

The Group's policy in assessing allowance for inventories is based on management's best estimate of the net realisable value of inventories that are subjected to obsolescence.

Management reviews the inventory aging listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items with the respective net realisable value and takes into consideration where appropriate the age and type of such inventory items, past sales history, customers' demand, expected selling prices and condition of these inventory items. The purpose is to ascertain whether allowance is required to be made in the financial statements for any obsolete and slow-moving items. In addition, the Group conducts physical counts on its inventories on a periodic basis in order to determine whether any allowance is required to be made. Management is satisfied that adequate allowance for obsolete and slow-moving inventories has been made in the financial statements.

(b) Calculation of loss allowance

The Group uses a provision matrix to calculate expected credit loss ("ECL") for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information, where appropriate. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

(c) Impairment assessment of investment in subsidiaries

The recoverable amount of the Company's investment in subsidiaries are reviewed at the end of each reporting period to determine whether there is any indication that the investment has suffered an impairment loss. If any such indication exists, the recoverable amount of the investment is determined on the basis of the higher of the value in use and fair values less costs to sell to determine the extent of the impairment loss. This determination requires significant judgement and management takes into consideration among other factors, the market and economic environment in which the subsidiary operates and the financial performance of the subsidiary. Management has evaluated the recoverability of these investments based on such assessment and provided impairment loss for certain subsidiaries which were assessed to be impaired.

(d) Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value.

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. Segment and revenue information

For the purposes of resource allocation and assessment of segment performance, the Group's chief operating decision makers focus on the business operating units which are organised into engineering and training segments. This forms the Group's reportable segments under SFRS(I) 8.

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable segment:

(i) Revenue for the 6-month period ended 31 December

	<u>Group</u>			
	<u>Revenue</u>		<u>Net Profit</u>	
	2H2021	2H2020	2H2021	2H2020
	S\$'000	S\$'000	S\$'000	S\$'000
Engineering	24,022	19,706	673	723
Training	9,680	7,091	1,152	449
	<u>33,702</u>	<u>26,797</u>	<u>1,825</u>	<u>1,172</u>
Interest income			39	45
Other operating income/(expenses) ⁽ⁱ⁾			2	(15)
Finance costs			(212)	(232)
Profit before tax			<u>1,654</u>	<u>970</u>
Income tax expense			81	116
Profit for the period			<u>1,735</u>	<u>1,086</u>

(ii) Revenue for the 12-month period ended 31 December

	<u>Group</u>			
	<u>Revenue</u>		<u>Net Profit</u>	
	FY2021	FY2020	FY2021	FY2020
	S\$'000	S\$'000	S\$'000	S\$'000
Engineering	45,195	33,975	1,487	1,054
Training	19,911	15,303	3,003	2,149
	<u>65,106</u>	<u>49,278</u>	<u>4,490</u>	<u>3,203</u>
Interest income			69	116
Other operating expenses ⁽ⁱ⁾			(3)	(16)
Share of results of an associate			-	(57)
Finance costs			(445)	(460)
Profit before tax			<u>4,111</u>	<u>2,786</u>
Income tax expense			(368)	(278)
Profit for the year			<u>3,743</u>	<u>2,508</u>

⁽ⁱ⁾ Pertains mainly to research and development related expenses.

Revenue reported above represents revenue generated from external customers.

The accounting policies of the reportable segments are the same as the Group's accounting policies. Segment profit represents the profit earned by each segment without allocation of research and development related expenses, interest income, finance costs, and income tax expense. This is the measure reported to the chief operating decision makers for the purposes of resource allocation and assessment of segment performance.

Segment assets

	<u>Group</u>	
	As at December 31, 2021 S\$'000	As at December 31, 2020 S\$'000
Engineering	51,908	52,836
Training	18,144	19,406
Total segment assets	70,052	72,242
Unallocated assets	14,476	13,270
Consolidated total assets	<u>84,528</u>	<u>85,512</u>

For the purposes of monitoring segment performance and allocating resources between segments, the chief operating decision makers monitor the tangible, intangible and financial assets attributable to each segment. All assets are allocated to reportable segments with the exception of assets of group entities that are investment holding in nature, investments in associate and joint venture and investments in financial assets (Note 11). Goodwill has been allocated to the training segment. Assets used jointly by reportable segments are allocated on the basis of the revenue earned by individual reportable segments.

Liabilities are not allocated as they are not monitored by the chief operating decision makers for the purposes of resource allocation and assessment of segment performance.

Other segment information

(i) Other segment information for the 6-month period ended 31 December

	<u>Group</u>			
	<u>Depreciation and amortisation</u>			
	2H2021	2H2020	FY2021	FY2020
	S\$'000	S\$'000	S\$'000	S\$'000
Engineering	766	805	1,548	1,643
Training	1,235	1,117	2,410	2,004
Unallocated	2	-	3	1
Total	<u>2,003</u>	<u>1,922</u>	<u>3,961</u>	<u>3,648</u>

(ii) Other segment information for the 12-month period ended 31 December

	<u>Additions to</u>	
	<u>non-current assets</u>	
	FY2021	FY2020
	S\$'000	S\$'000
Engineering	858	326
Training	2,775	1,238
Unallocated	6	5
Total	<u>3,639</u>	<u>1,569</u>

Geographical information

The Group's operates predominantly in Singapore (country of domicile), except for two (December 31, 2020: two) subsidiaries operating in Malaysia and Myanmar.

The Group's revenue from external customers by geographical location are detailed below:

	<u>Group</u>			
	<u>Revenue from external customers</u>			
	2H2021	2H2020	FY2021	FY2020
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Based on location of customer</u>				
Singapore	31,699	25,318	62,451	46,995
Others	2,003	1,479	2,655	2,283
	<u>33,702</u>	<u>26,797</u>	<u>65,106</u>	<u>49,278</u>

Information about major customers

There is no single customer which accounted for more than 10% of the Group's total revenue in 2H2020, 2H2021, FY2020 and FY2021 respectively.

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2021 and 31 December 2020:

	<u>Group</u>		<u>Company</u>	
	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
	S\$'000	S\$'000	S\$'000	S\$'000
Financial assets				
Derivative financial instruments	-	2	-	-
Financial assets at amortised cost	35,978	40,197	8,058	9,205
Financial assets measured at FVTPL	3,562	2,612	3,562	2,612
Financial assets at FVTOCI:				
Debt instruments classified as at FVTOCI	979	759	979	759
Equity instruments designated as at FVTOCI	140	90	-	-
Financial liabilities				
Financial liabilities at amortised cost	14,555	16,892	289	496
Derivative financial instruments	47	-	-	-
Contingent consideration for a business combination	-	800	-	-
Lease liabilities	<u>7,427</u>	<u>7,393</u>	<u>-</u>	<u>-</u>

6. Profit before tax

6.1 Significant items

	<u>Group</u>			
	2H2021	2H2020	FY2021	FY2020
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Material items included in other operating income:</u>				
Commission income	40	10	83	77
Dividend income	46	17	71	21
Gain on fair value change on derivative financial instruments	-	3	-	7
Gain on disposal of financial assets	16	23	16	23
Gain on foreign exchange - net	-	51	-	51
Gain on disposal of property, plant and equipment	153	-	153	-
Government grants	1,025	1,837	2,147	3,766
Gain on lease modification	26	5	26	5
Interest income	39	46	69	116
Net gain arising on financial assets measured at FVTPL	(53)	120	89	120
Other income	12	34	111	79
Reversal of allowance for inventories and inventories written off	-	62	-	62
Rental rebates and income	(5)	115	38	115
<u>Material items included in other operating expenses:</u>				
Allowance for inventories and inventories written off	(105)	-	(105)	-
Impairment of goodwill	(96)	-	(96)	(35)
Intangible assets written off	-	(4)	-	(4)
Loss on disposal of property, plant and equipment	-	(27)	-	(43)
Loss on foreign exchange - net	(125)	-	(234)	-
Loss on fair value change on derivative financial instruments	(44)	-	(49)	-
Property, plant and equipment written off	(67)	(10)	(67)	(10)
Rental expense	(12)	(9)	(20)	(15)
<u>Others:</u>				
Depreciation of property, plant and equipment	(915)	(923)	(1,792)	(1,871)
Depreciation of right-of-use assets	(894)	(804)	(1,780)	(1,386)
Amortisation of intangible assets	(194)	(195)	(389)	(391)
Interest expense	(173)	(192)	(367)	(394)

6.2 Related party transactions

During the period/year, Group entities entered into the following transactions with related companies that are not members of the Group:

	<u>Group</u>			
	2H2021	2H2020	FY2021	FY2020
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Transaction with ultimate holding company</u>				
Dividends paid	-	823	681	823
<u>Transactions with company which certain shareholders have interest in</u>				
Sales	-	-	-	2

7. Income tax (credit) expense

	<u>Group</u>			
	2H2021	2H2020	FY2021	FY 2020
	S\$'000	S\$'000	S\$'000	S\$'000
Current income tax expense	252	(2)	700	392
(Over)/Under provision in respect of prior years:				
- current tax	(58)	10	(58)	10
- deferred tax	(97)	(7)	(97)	(7)
Deferred tax expense	(178)	(117)	(177)	(117)
	<u>(81)</u>	<u>(116)</u>	<u>368</u>	<u>278</u>

8. Dividends

FY2021

- The Company declared and paid a one-tier tax exempt final dividend of S\$0.0043 per share (total of S\$1,011,000) to shareholders of the Company in respect of FY2020. The dividend was paid on 21 May 2021.

FY2020

- The Company declared and paid a one-tier tax exempt final dividend of S\$0.0052 per share (total of S\$1,222,000) to shareholders of the Company in respect of FY2019. The dividend was paid on 17 July 2020.

9. Property, plant and equipment

In FY2021, the Group acquired assets amounting to S\$1,408,000 (FY2020: S\$371,000) and disposed of assets amounting to S\$458,000 (FY2020: S\$189,000).

10. Intangible assets

<u>Group</u>	<u>Goodwill</u>	<u>Accreditation and copyright⁽¹⁾</u>	<u>Favourable leases⁽²⁾</u>	<u>Other intangible assets⁽³⁾</u>	<u>Total</u>
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 31 December 2020:					
Cost	1,431	4,549	59	8	6,047
Accumulated amortisation and impairment	(36)	(1,228)	(59)	(7)	(1,330)
Net book amount	<u>1,395</u>	<u>3,321</u>	<u>-</u>	<u>1</u>	<u>4,717</u>
At 31 December 2021:					
Opening net book amount	1,395	3,321	-	1	4,717
Amortisation charge and impairment for the year	(96)	(389)	-	(1)	(486)
Closing net book amount	<u>1,299</u>	<u>2,932</u>	<u>-</u>	<u>-</u>	<u>4,231</u>

1) The accreditation pertains to the approval and status as a public training organisation under the SkillsFuture Singapore. The copyright pertains to the right to use the courseware materials for the course modules. The accreditation and copyright has a useful life of 12 years, over which the assets are amortised.

2) The favourable leases pertain to the rental agreements entered relating to the rental of classrooms and office space based on favourable rates, and has useful life of 2 years, over which the asset is amortised.

3) The intangible asset pertains to exclusive rights to use certain intellectual property and courseware materials. These are amortised over the useful life of 3 years.

Goodwill

Goodwill acquired in a business combination is allocated, at acquisition, to the cash generating units ("CGUs") that are expected to benefit from the business combination. Before recognition of impairment losses, the carrying amount of goodwill had been allocated to Ascendo Academy Pte. Ltd. ("AAPL"), Educare Human Capital Private Limited ("EHC") and Educare International Consultancy Pte Ltd ("EIC") in the Training segment.

The Group tests goodwill annually for impairment or more frequently if there are indicators that goodwill might be impaired.

The recoverable amounts of the CGUs are determined based on value in use calculations which use cash flow projections based on financial budgets approved by the directors. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs. The rates used in FY2021 to discount the forecast cash flows from AAPL is 10.1% (FY2020: 10.1%) and from EHC and EIC is 10.1% (FY2020: 10.1%).

The key assumptions used by management in setting the financial budgets include forecast sales growth rates and expected changes to course fees and direct costs. Forecast sales growth rates are based on the business plans of the CGU taking into account the overall industry and market condition. Changes in course fees and direct costs are based on past practices and expectations of future changes in the market.

Cash flows beyond the forecast period have been extrapolated using nil growth rate.

In FY2021, full impairment loss of S\$96,000 (December 31, 2020: S\$35,000) has been recognised for goodwill allocated to EHC (December 31, 2020: EIC) as management expects forecast operating losses for the CGU.

The Group has conducted an analysis of the sensitivity of the impairment test to changes in the key assumptions used to determine the recoverable amount for each of the group of CGUs to which goodwill is allocated. Management believes that any reasonably possible change in the key assumptions on which the recoverable amounts of the CGUs are based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the related CGUs.

11. Investments in financial assets

	<u>Group</u>		<u>Company</u>	
	As at December 31, 2021 S\$'000	As at December 31, 2020 S\$'000	As at December 31, 2021 S\$'000	As at December 31, 2020 S\$'000
Investments in debt instruments classified as at FVTOCI (i)				
Corporate bonds	979	759	979	759
Investments in equity instruments designated as at FVTOCI (ii)				
Unlisted shares	140	90	-	-
Financial assets measured at FVTPL (iii)				
Listed shares	2,034	1,571	2,034	1,571
Corporate bonds	1,528	1,041	1,528	1,041
	<u>3,562</u>	<u>2,612</u>	<u>3,562</u>	<u>2,612</u>
	<u>4,681</u>	<u>3,461</u>	<u>4,541</u>	<u>3,371</u>

- (i) The investments in listed corporate bonds issued by CapitalLand Treasury Limited, CMT MTN Pte Ltd and Sembcorp Financial Services Pte. Ltd. are paying interest at rates ranging from 2.15% to 2.90% (December 31, 2020: 2.15% to 2.90%) per annum and the bonds will mature between year 2031 to year 2032 (FY2020: year 2032). At maturity, the Group will receive nominal amount of S\$1,000,000 (FY2020: S\$750,000). The corporate bonds are held by the Group within a business model whose objective is both to collect their contractual cash flows which are solely payments of principal and interest on the principal amount outstanding and to sell these financial assets. Hence the corporate bonds are classified as at FVTOCI. See below for impairment assessment.
- (ii) The Group holds 13.03% (As at December 31, 2020: 7.61%) of the ordinary share capital of Botsync Pte. Ltd. ("**Botsync**"), a Singapore-based robotics start-up. See below the valuation methodology for the investment.

The investment is not held for trading. Instead, it is held for medium to long-term strategic purposes. Accordingly, management has elected to designate the investment in equity instruments as at FVTOCI as they believe that recognising short-term fluctuations in the investment's fair value in profit or loss would not be consistent with the Group's strategy of holding the investment for long-term purposes and realising their performance potential in the long run.

No shares have been disposed of during the current reporting period.

- (iii) The Group has invested in a portfolio of listed shares which are managed and evaluated on fair value basis.

The Group has also invested in perpetual debt instruments issued by United Overseas Bank Limited, Oversea-Chinese Banking Corporation Limited, Mapletree Treasury Services Limited and DBS Group Holdings Limited which pay variable interest at rates ranging from 3.00% to 3.98% (December 31, 2020: 3.00% to 3.58%) per annum.

The Group also holds 10.3% interest in Vanda Electrics Pte. Ltd. The investment is classified as financial asset measured at FVTPL. Management estimated the fair value of the investment to be S\$Nil (December 31, 2020: S\$Nil) in view of the operating losses and net capital deficiency position of the entity.

Impairment of financial assets

For the purposes of impairment assessment, the corporate bonds are considered to have low credit risk. Accordingly, for the purpose of impairment assessment for these financial assets, the loss allowance is measured at an amount equal to 12-month ECL.

In determining the ECL for these assets, management has taken into account the historical default experience, the financial position of the counterparties and considering various external sources of actual and forecast economic information, as appropriate, in estimating the probability of default of each of these financial assets occurring within their respective loss assessment time horizon, as well as the loss upon default in each case.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for these financial assets.

Fair value measurement

The Group classifies financial assets measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The following table presented the assets measured at fair value:

Group								
Financial assets/ financial liabilities	Fair value as at (S\$'000)				Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	December 31, 2021		December 31, 2020					
	Assets	Liabilities	Assets	Liabilities				
Financial assets measured at FVTPL								
Listed shares	2,034	-	1,571	-	Level 1	Quoted bid prices in an active market.	n.a.	n.a.
Listed corporate bonds	1,528	-	1,041	-	Level 1	Quoted bid prices in an active market.	n.a.	n.a.
Financial assets measured at FVTOCI								
Listed corporate bonds	979	-	759	-	Level 1	Quoted bid prices in an active market.	n.a.	n.a.
Investment in unlisted shares	140	-	90	-	Level 3	Net asset value of the investee.	Net asset value	The higher the net asset value, the higher the fair value.

Company								
Financial assets/ financial liabilities	Fair value as at (S\$'000)				Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	December 31, 2021		December 31, 2020					
	Assets	Liabilities	Assets	Liabilities				
Financial assets measured at FVTPL								
Listed shares	2,034	-	1,571	-	Level 1	Quoted bid prices in an active market.	n.a.	n.a.
Listed corporate bonds	1,528	-	1,041	-	Level 1	Quoted bid prices in an active market.	n.a.	n.a.
Financial assets measured at FVTOCI								
Listed corporate bonds	979	-	759	-	Level 1	Quoted bid prices in an active market.	n.a.	n.a.

12. Bank borrowing and lease liabilities

Aggregate amount of group's borrowings and debts securities.

Amount repayable in one year or less, or on demand

December 31, 2021		December 31, 2020	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
2,573	-	2,605	-

Amount repayable after one year

December 31, 2021		December 31, 2020	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
9,714	-	10,694	-

Details of any collateral

- (i) The Group's bank borrowings are secured by a corporate guarantee and the Group's land and buildings; and
- (ii) The Group's finance leases are secured by a corporate guarantee and the lessors' title to the leased assets.

13. Share capital

	Group and Company			
	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
			S\$'000	S\$'000
Number of ordinary shares				
Issued and paid up:				
At the beginning and end of the year	235,000,000	235,000,000	11,351	11,351

14. Subsequent events

There are no known subsequent events which have led to adjustments to this set of condensed interim financial statements.

- (i) On 30 December 2021, WFVEN Pte. Ltd., a wholly-owned subsidiary of the Company (“**WFVEN**”), entered into a convertible agreement regarding equity (the “**CARE**”) with Botsync.

Under the terms of the CARE, WFVEN shall pay the amount of US\$350,000 (the “**Consideration**”) to Botsync, whereby the Consideration may be converted into shares in the capital of Botsync. Pending the conversion of the Consideration into shares in Botsync, the Consideration shall be treated as a loan by WFVEN to Botsync, which shall pay interest on such loan at an interest rate of 5% per annum.

Subsequent to FY2021, on 18 January 2022, WFVEN extended the US\$350,000 (equivalent of S\$472,150) Consideration under the CARE agreement to Botsync.

- (ii) On 24 January 2022, the proposed acquisition of the property located at 38 Joo Koon Road, Singapore 628990 was completed.

F. Other information required under the SGX-ST Listing Manual Section B: Rules of Catalyst

1(a)(i) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the corresponding period immediately preceding financial year.

	Number of shares	Issued and paid-up share capital S\$
Balance as at 30 June 2021 and 31 December 2021	235,000,000	11,350,674

There were no outstanding options, convertibles or treasury shares held by the Company or subsidiary holdings as at 31 December 2020 and 31 December 2021.

1(b)(ii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	As at 31 December 2021	As at 31 December 2020
Total number of issued shares excluding treasury shares	235,000,000	235,000,000

1(c)(iii) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There were no treasury shares held by the Company.

1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

There were no subsidiary holdings.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the auditors of the Company.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:

(a) Updates on the efforts taken to resolve each outstanding audit issue.

The latest financial statements are not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has applied the same accounting policies and methods of computation in the Group's financial statements for FY2021 as those applied in its most recently audited financial statements for FY2020.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

There are no changes to the Group's accounting policies and methods of computation including any required by the accounting standards. The adoption of the new and revised SFRS(I) pronouncements is not expected to have any material effect on the amounts reported for the current period.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group			
	2H2021	2H2020	FY2021	FY2020
Profit attributable to owners of the Company (S\$'000)	1,565	1,078	3,326	2,073
Weighted average number of shares ('000)	235,000	235,000	235,000	235,000
Basic and diluted earnings per share (cents)	0.67	0.46	1.42	0.88

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:

(a) current financial period reported on; and

(b) immediately preceding financial year.

	Group		Company	
	As at 31 December 2021	As at 31 December 2020	As at 31 December 2021	As at 31 December 2020
Net asset value (S\$'000)	53,265	50,958	15,920	15,692
Number of shares ('000)	235,000	235,000	235,000	235,000
Net asset value per share (cents)	22.67	21.68	6.77	6.68

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**
- (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

REVIEW OF INCOME STATEMENT

Revenue

Revenue increased by S\$6.9 million or 25.8% from S\$26.8 million in 2H2020 to S\$33.7 million in 2H2021. This was mainly attributed to an increase in revenue from the Engineering and Training businesses of S\$4.3 million and S\$2.6 million respectively. Revenue also increased by S\$15.8 million or 32.1% from S\$49.3 million in FY2020 to S\$65.1 million in FY2021, which was mainly attributable to an increase in revenue from the Engineering and Training businesses of S\$11.2 million and S\$4.6 million respectively.

The Engineering business comprises equipment sales, repairs and servicing and projects. The increase in revenue from the Engineering business was mainly attributed to the increase in demand for such products and services from customers in Singapore as compared to the prior period/year, which was adversely affected by the measures imposed during the "Circuit Breaker" period. The increase in revenue from the Training business was due to a stronger revenue contribution from the industrial training courses offered arising from the gradual opening of the economy.

Other operating income

Other operating income decreased by S\$1.0 million or 44.1% from S\$2.3 million in 2H2020 to S\$1.3 million in 2H2021 and decreased by S\$1.6 million or 36.9% from S\$4.4 million in FY2020 to S\$2.8 million in FY2021. The decrease in 2H2021 as compared to 2H2020 was mainly attributable to a decrease in net gain arising on financial assets measure at FVTPL in 2H2021 of S\$0.2 million and a reduction in government grants received, which includes the Jobs Support Scheme and foreign worker levy rebates introduced by the Singapore government of S\$0.8 million in 2H2021, while the decrease in FY2021 as compared to FY2020 was mainly due to a reduction of S\$1.6 million in government grants received.

Changes in inventories of finished goods and work-in-progress, materials and consumables used and other direct costs

Changes in inventories of finished goods and work-in-progress, as well as materials and consumables used and other direct costs, increased by S\$2.6 million or 16.4% in aggregate, from S\$15.5 million in 2H2020 to S\$18.1 million in 2H2021 and increased by S\$7.5 million or 27.2% in aggregate, from S\$27.7 million in FY2020 to S\$35.2 million in FY2021, mainly due to an increase in purchase of equipment in line with the increase in revenue from equipment sales.

Employee benefits expense

Employee benefits expense increased by S\$1.9 million or 22.2% from S\$8.6 million in 2H2020 to S\$10.5 million in 2H2021 and increased by S\$4.1 million or 26.0% from S\$15.9 million in FY2020 to S\$20.0 million in FY2021, mainly due to the additional headcount arising from the expansion of the Training business.

Depreciation and amortisation expenses

Depreciation and amortisation expenses increased by S\$0.1 million or 4.2% from S\$1.9 million in 2H2020 to S\$2.0 million in 2H2021 and increased by S\$0.4 million or 8.6% from S\$3.6 million in FY2020 to S\$4.0 million in FY2021, mainly due to additional depreciation charge on right-of-use assets of S\$0.1 million in 2H2021 and S\$0.4 million in FY2021, partially offset by a decrease in depreciation charge on property, plant and equipment of S\$0.1 million in FY2021.

Impairment losses on financial assets

Impairment losses on financial assets increased by S\$0.3 million or 121.1% from S\$0.2 million in 2H2020 to S\$0.5 million in 2H2021 and increased by S\$0.4 million or 154.1% from S\$0.2 million in FY2020 to S\$0.6 million in FY2021, mainly due to additional impairment losses on trade receivables for the Engineering and Training businesses.

Other operating expenses

Other operating expenses increased by S\$0.4 or 29.5% from S\$1.6 million in 2H2020 to S\$2.0 million in 2H2021 and increased by S\$0.6 million or 20.6% from S\$3.0 million in FY2020 to S\$3.6 million in FY2021. The increase was mainly due to the increase in upkeep expenses, printing and stationery and loss on foreign exchange.

Share of result of associate

There was no share of loss of an associate incurred in 2H2021 and FY2021, as compared to a share of loss of an associate of S\$0.1 million in 2H2020 and FY2020.

Finance costs

Finance costs remained relatively stable at S\$0.2 million in 2H2020 and 2H2021 and at S\$0.5 million and S\$0.4 million in FY2020 and FY2021 respectively.

Income tax expense

The Group recorded an income tax credit of S\$0.08 million in 2H2021, as compared to an income tax credit of S\$0.1 million in 2H2020, mainly due to overprovision of tax expense.

Income tax expense increased by S\$0.1 million or 32.4% from S\$0.3 million in FY2020 to S\$0.4 million in FY2021 mainly due to the increase in profit before tax.

Profit for the period/year

As a result of the foregoing, profit for the period increased by S\$0.6 million or 59.8% from S\$1.1 million in 2H2020 to S\$1.7 million in 2H2021 and profit for the year increased by S\$1.2 million or 49.2% from S\$2.5 million in FY2020 to S\$3.7 million in FY2021.

REVIEW OF FINANCIAL POSITION

Current assets

The Group's current assets decreased by S\$1.6 million or 3.1% from S\$52.6 million as at 31 December 2020 to S\$51.0 million as at 31 December 2021, mainly due to a decrease in cash and bank balances of S\$1.0 million and trade and other receivables of S\$3.2 million, partially offset by an increase in inventories of S\$2.6 million. The increase in inventories was due to the work-in-progress incurred during FY2021 for customised vehicles and equipment under a secured contract with a customer.

Non-current assets

The Group's non-current assets increased by S\$0.7 million or 2.0% from S\$32.9 million as at 31 December 2020 to S\$33.6 million as at 31 December 2021, mainly due to an increase in investments in financial assets of S\$1.2 million and deposit paid of S\$0.5 million, partially offset by a decrease in property, plant and equipment of S\$0.5 million, a decrease in right-of-use assets of S\$0.1 million and a decrease in intangible asset of S\$0.5 million. The decrease in intangible asset, right-of-use assets and property, plant and equipment were due to amortisation and depreciation during the year. Properties are stated at historical cost less accumulated depreciation. The increase in investments in financial assets was mainly due to the purchase of financial assets measured at FVTPL and purchase of quoted debt securities measured at FVTOCI.

Current liabilities

The Group's current liabilities decreased by S\$2.4 million or 11.9% from S\$19.9 million as at 31 December 2020 to S\$17.5 million as at 31 December 2021, mainly due to a decrease in trade and other payables of S\$2.5 million, partially offset by an increase in income tax payable of S\$0.1 million. The decrease in trade and other payables was mainly due to a decrease in trade payables in relation to purchase of equipment inventory and materials, as well as payment of the consideration payable of S\$0.8 million in relation to the acquisition of Ascendo International Holdings Pte. Ltd..

Non-current liabilities

The Group's non-current liabilities decreased by S\$1.1 million or 9.3% from S\$12.3 million as at 31 December 2020 to S\$11.2 million as at 31 December 2021, mainly due to repayment of bank borrowings of S\$1.1 million and a decrease in deferred tax liabilities of S\$0.1 million.

REVIEW OF CASH FLOWS

In FY2021, the Group generated net cash from operating activities before changes in working capital of S\$8.9 million. Net cash used in working capital amounted to S\$1.8 million mainly due to an increase in inventories of S\$2.7 million and a decrease in trade and other payables of S\$1.7 million, partially offset by a decrease in trade and other receivables of S\$2.6 million. The Group also paid income tax of S\$0.4 million. As a result, net cash generated from operating activities amounted to S\$6.7 million.

Net cash used in investing activities amounted to S\$3.4 million in FY2021, mainly due to purchase of property, plant and equipment of S\$1.3 million, purchase of financial assets measured at FVTPL of S\$0.8 million, purchase of quoted debt securities measured at FVTOCI of S\$0.2 million, deposit paid for purchase of property of S\$0.5 million and an investment in equity instrument designated at FVTOCI of S\$0.1 million, as well as payment of the contingent consideration in relation to the acquisition of Ascendo International Holdings Pte. Ltd. of S\$0.8 million, partially offset by proceeds from disposal of property, plant and equipment of S\$0.2 million and dividends received of S\$0.1 million.

Net cash used in financing activities amounted to S\$4.3 million in FY2021, mainly due to dividends paid of S\$1.2 million, interest paid of S\$0.4 million, repayment of bank borrowings of S\$1.0 million and repayment of lease liabilities of S\$1.8 million.

As a result of the above, the Group's cash and cash equivalents decreased by S\$1.0 million to S\$24.0 million in FY2021.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Although the current COVID-19 Omicron variant continues to delay the opening of regional economies, the Group has decided to take this opportunity to upgrade its core competencies and continue to invest in its technical and technological capabilities. In support of its anticipated expansion, the Group had invested in an additional property near the Group's Joo Koon headquarters. With the additional property, the Group envisages increasing its engineering capabilities whilst reaping supply chain, logistical and administrative synergies.

Wong Fong envisages that the Engineering business will continue its gradual recovery in line with the calibrated opening of the Singapore economy. Bouncing off a low base, equipment demand in Singapore should improve as more projects are executed. However, with high inflation and the recent Russia – Ukraine conflict, the Group envisages that the challenging labour and supply chain conditions may prove to be a dampener in the next 12 months by driving up overall business costs. The demands in Myanmar and Malaysia are also expected to continue to be weak given the unstable economic and political situations in these countries.

For the Training business, demand for industrial courses is expected to remain stable as more companies refresh their workforce to catch up on their delivery backlog. Hospitality training should also remain stable as more F&B resume operations in line with the opening of the Singapore economy.

Accordingly with the Group's healthy financials and efficient order book execution, Wong Fong aims to continue delivering sustainable value to all its clients, shareholders, employees and business partners within the next 12 months and beyond.

11. Dividend

(a) Whether an interim (final) ordinary dividend has been declared (recommended)

Yes

(b) (i) Amount per share

Name of dividend	Final
Dividend type	Cash
Dividend amount per share	0.80 cents
Tax rate	Tax exempt (one-tier)

The final dividend in respect of FY2021 ("**Final Dividend**") will be subject to shareholders' approval at the forthcoming annual general meeting of the Company to be held on 28 April 2022 ("**AGM**").

(ii) Previous corresponding period

Name of dividend	Final
Dividend type	Cash
Dividend amount per share	0.43 cents
Tax rate	Tax exempt (one-tier)

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

The Final Dividend is not taxable in the hands of shareholders.

(d) The date the dividend is payable.

Subject to shareholders' approval at the AGM, the Final Dividend date payable is to be advised.

(e) The date on which Registrable Transfers receive by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.

Subject to shareholders' approval at the AGM, the record date for the Final Dividend is to be advised.

12. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

Not applicable.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained a general mandate from shareholders for interested person transactions. There was no interested person transaction of S\$100,000 or more in FY2021.

14. Confirmation by the issuer pursuant to Rule 720(1)

The Company has procured the undertakings from all its Directors and executive officers as required under Rule 720(1) of the Catalist Rules.

15. Negative confirmation by the Board pursuant to Rule 705(5)

Not required for full year results announcement.

16. Disclosure pursuant to Rule 706A of the Catalist Rules

There was no acquisition and/or sale of shares by the Company during FY2021 which requires disclosure pursuant to Rule 706A of the Catalist Rules.

17. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.

Please refer to paragraph 8 of this announcement.

18. A breakdown of sales

	Group		
	FY2021	FY2020	Increase/ (Decrease)
	S\$'000	S\$'000	%
Sales reported for:			
(a) First half of the financial year	31,404	22,481	39.7%
(b) Second half of the financial year	33,702	26,797	25.8%
Profit attributed to owners of the Company reported for:			
(a) First half of the financial year	1,761	995	77.0%
(b) Second half of the financial year	1,565	1,078	26.0%

19. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:

	FY2021 S\$	FY2020 S\$
Ordinary		
- Final	1,880,000	1,010,500
- Special	-	-
Total	1,880,000	1,010,500

The Final Dividend will be subject to shareholders' approval at the AGM.

20. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Lew Siew Choo	51	Sister of Liew Chern Yean and Eric Lew, Niece of James Liew and Liew Khuen Choy	Year 2019: Director of Group Supply Chain and Operations and Human Resource. Oversees the Group's supply chain and operations and also oversees the Group's human resource functions.	No change
Jean Liew	63	Sister of James Liew and Aunt of Liew Chern Yean and Eric Lew	Year 1994: Finance Manager. Oversees the import and export logistics documentation, corporate secretarial matters of the Group as well as liaison with banks.	No change
Liu Shanni	38	Son of James Liew and Cousin of Liew Chern Yean and Eric Lew	Year 2019: Director of Group Business Development and Information Technology. Oversees the business development and information technology function.	No change
Ng Chin Yee	68	Father-in-law of Eric Lew	Year 2019: Production Manager and Facilities and Sourcing Manager. Oversees the workshop operations efficiency and infrastructure maintenance.	No change
Wong Kong Chong	58	Son of Liew Khuen Choy	Year 2019: Production Manager. Oversees the production planning and management functions as well as housekeeping activities at 16 Tuas Avenue 6 site.	No change
Wong Kong San	59	Son of Liew Khuen Choy	Year 2013: Senior Engineering Manager. Oversees the sourcing and management of subcontracting projects in China as well as oversees design and development function.	No change

BY ORDER OF THE BOARD

Pao Kiew Tee
Independent Chairman

James Liew
Co-Founder and Group Chief Executive Officer

28 February 2022

*This announcement has been prepared by Wong Fong Industries Limited (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 Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalyst. 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.*

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