

**FOR IMMEDIATE RELEASE**

## Newly-listed Wong Fong Industries announces its HY2016 results

**Summary of Financial Results for Half Year ended 30 June:**

| S\$'000                                      | HY2016 | HY2015 | +/(-)% |
|--|--------|--------|--------|
| Revenue                                      | 30,620 | 44,125 | (30.6) |
| Other operating income                       | 299    | 163    | 83.4   |
| Profit before tax                            | 1,042  | 4,373  | (76.2) |
| Profit attributable to owners of the Company | 870    | 3,768  | (76.9) |

SINGAPORE, 7 September 2016 – **Wong Fong Industries Limited** (黄芳工业有限公司) (“**Wong Fong Industries**” or the “**Company**” and together with its subsidiaries, the “**Group**”), one of Singapore’s leading providers of land transport engineering solutions and systems, today announced its first set of results, for the half year ended 30 June 2016, since its listing on the Catalist Board of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) in July this year.

The Group’s revenue decreased by 30.6% from S\$44.1 million for the half year ended 30 June 2015 (“**HY2015**”) to S\$30.6 million for the half year ended 30 June 2016 (“**HY2016**”). This is primarily attributable to deferred projects deliveries and decrease in Equipment Sales due to a challenging business environment and competition from new market entrants.

Repairs and Servicing revenue continue to hold up well and Training also registered strong growth in HY2016.

The Group recorded lower net attributable profit at S\$0.9 million in HY2016 as compared to S\$3.8 million in HY2015.

**Mr Eric Lew** (刘振荣), **Executive Director of the Group**, said, “While business has slowed in tandem with the challenging business climate and increased competition from new entrants, the Group is responding by leveraging on our expanded servicing capacities, innovating our range of product offerings, expanding our training and business consultancy business and evaluating possible partnerships both locally and overseas.”



As at 1 August 2016, the Group has an order book of approximately S\$37.0 million and had participated in tenders for several projects.

“Wong Fong Industries prides itself in its forward-looking culture of innovation which is why we are one of few local enterprises to have a Research and Development arm. WFRIC, in addition to offering consultation and design services for customers, will spearhead our initiative to constantly improve our product and service offerings through the introduction of new technologies and innovative designs,” added Mr Lew.

Despite the current economic headwind, the Group expects demand from the construction industry to be sustained. Construction demand<sup>1</sup> is estimated to be between S\$26.0 billion and S\$35.0 billion in 2017 and 2018. Through process and product innovation and the formation of strategic alliances, the Group believes that it would be well positioned to take advantage of the recovery when it comes.

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**Issued for and on behalf of Wong Fong Industries Limited**

**August Consulting**

Tel: 65 6733 8873

Karen Ting, [karenting@august.com.sg](mailto:karenting@august.com.sg)

Silvia Heng, [silviaheng@august.com.sg](mailto:silviaheng@august.com.sg)

Jeremy Sing, [jeremysing@august.com.sg](mailto:jeremysing@august.com.sg)

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<sup>1</sup>This information was extracted from a press release by the Building and Construction Authority on 15 January 2016 titled “BCA Estimates S\$27 Billion To S\$34 Billion Worth Of Construction Contracts To Be Awarded This Year”, which was accessed at [http://www.bca.gov.sg/Newsroom/others/BCA\\_Media\\_Release\\_Prospects\\_150116.pdf](http://www.bca.gov.sg/Newsroom/others/BCA_Media_Release_Prospects_150116.pdf) on 6 April 2016



### **About Wong Fong Industries**

With origins tracing back to 1964, Wong Fong Industries Limited (“**Wong Fong Industries**” and together with its subsidiaries, the “**Group**”) is one of the leading providers of land transport engineering solutions and systems for various industries, with a presence in Singapore, Malaysia and the People’s Republic of China.

The Group’s four core businesses include (1) Equipment Sales, (2) Projects, (3) Repairs and Servicing, and (4) Training. Apart from the sale and installation of load handling systems and waste management systems, the Group also manages projects in which it provides design, customisation, fabrication and integration services to meet customers’ requirements. The Group owns one of the largest service centres for truck-mounted cranes and hookloaders in Singapore and provides accredited training courses relating to, among others, operation of industrial equipment, risk management implementation and supervision of safe lifting operations.

As at 15 June 2016, the Group has manufacturing facilities in Singapore and Malaysia with a combined land area of approximately 16,500 square meters and a broad customer base comprising more than 3,000 customers from various industries.

### **IMPORTANT NOTICE**

**This press release should be read in conjunction with the unaudited financial statements of Wong Fong Industries Limited for the half year ended 30 June 2016.**

This press release 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 SGX-ST. The Sponsor has not independently verified the contents of this press release. This press release has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this press release, including the correctness of any of the statements or opinions made or reports contained in this press release. 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.