

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

**ISSUANCE OF SHARES BY VANDA ELECTRICS PTE. LTD., AN ASSOCIATED COMPANY
OF WONG FONG INDUSTRIES LIMITED**

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 the Company’s associated company, Vanda Electrics Pte. Ltd. (“**Vanda**”), had on 20 February 2017, issued and allotted an aggregate of 2,880,641 new ordinary shares in the capital of Vanda through a rights issue to raise approximately S\$1.5 million for working capital purposes (“**Share Issuance**”).

Due to strategic reasons, including returns on capital employed and availability of alternative investments, the Company has decided not to participate in the Share Issuance. After the Share Issuance, the Company’s shareholding interest in Vanda was reduced from approximately 32.0% to approximately 22.4%.

The other shareholders of Vanda are Ban Yinh Jheow, Larissa Tan Hui Ching, Ban Yinh-Ning and various third party investors, all of whom are not related to any of the Directors or controlling shareholders of the Company (“**Controlling Shareholders**”) and their respective associates.

Based on its latest unaudited management accounts as at 31 December 2016, the net tangible liabilities of Vanda was approximately S\$3.4 million.

The Share Issuance is not expected to have any material impact on the earnings per share and net tangible assets of the Group for the financial year ending 31 December 2017.

None of the Directors or Controlling Shareholders and their respective associates has any interest, direct or indirect, in the Share Issuance, other than through their shareholdings in the Company.

BY ORDER OF THE BOARD

Lew Kit Foo @ Liew Foo
Executive Chairman

Date: 24 February 2017

*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.