

**FU YU CORPORATION LIMITED**  
(Incorporated in the Republic of Singapore)  
(Company Registration Number: 198004601C)  
(the “**Company**”)

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**UPDATE ON THE GROUP’S MANUFACTURING OPERATIONS IN ASIA**

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The Board of Directors of Fu Yu Corporation Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to provide an update on its manufacturing operations in Asia.

The government of Malaysia implemented a movement control order nationwide, starting from 18 March 2020 to 31 March 2020 (the “**Movement Control Order**”) to address the Covid-19 outbreak. This includes a shutdown of business premises except for those in essential services. As such, the Group is temporarily closing its factories in Johor and Penang from 18 March 2020 to 31 March 2020 to adhere to the directive from the government of Malaysia.

The Group’s Johor and Penang operations serve primarily local customers in Malaysia. With a ready workforce, the Group will be able to quickly resume manufacturing activities in Malaysia to serve certain customers that could receive the government’s approval to be exempted from the shutdown. As part of customers’ supply chain, the Group will also obtain the necessary approvals to resume operations in Malaysia if required by the authorities.

As a result of the Movement Control Order, some of the Malaysian employees working at the Group’s operations in Singapore will not be able to commute daily to Singapore. In this respect, the Group has already made accommodation arrangements for its Malaysian employees who are able to reside in Singapore from 18 March 2020 to 31 March 2020. As more than half of its Malaysian workforce in Singapore will continue to stay here, the Group does not foresee the Movement Control Order to have a significant impact on the production capacity of its factories in Singapore.

At the same time, the Group’s factories in China have already resumed normal operations. However, ongoing travel restrictions and disruptions in supply chain amid the Covid-19 situation may still hinder customers’ operations in China. Hence, while the Group’s factories in China are operationally ready, its orders will be subject to customers’ level of manufacturing activities.

As a consequence of the Covid-19 outbreak, businesses in China had to remain closed for an extended period after the Chinese New Year holidays while companies in Malaysia are also facing shutdowns due to the Movement Control Order. These temporary closures are expected to have an impact on the Group’s revenue for the first quarter ending 31 March 2020 which is also a seasonally slower quarter.

In view of the rapidly changing Covid-19 situation around the world, the Group will continue to monitor the situation closely and shall keep shareholders informed of any material developments as and when they arise.

By Order of the Board

Kong Wei Fung  
Company Secretary  
Singapore, 18 March 2020