

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

PROFIT GUIDANCE FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

The Board of Directors (the “**Board**”) of Fu Yu Corporation Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) would like to inform shareholders that following a preliminary review of the draft unaudited consolidated financial results for the financial year ended 31 December 2024 (“**FY2024**”), the Group is expected to report a net loss for FY2024.

The loss is mainly attributable to:

- (i) a one-off non-cash impairment of the remaining goodwill of S\$3.3 million in connection with the Group’s investment in Fu Yu Supply Chain Solutions Pte Ltd (“**FYSCS**”) in FY2021, primarily due to the cessation of all business activities in FYSCS in the last quarter of FY2024; and
- (ii) a one-off non-cash impairment of approximately S\$0.5 million on the property, plant and equipment of a subsidiary in China due to its recoverable amount being below its carrying value.

Excluding these one-off non-cash impairments, the Group expects to record an operating profit for FY2024, and an improvement in financial performance compared to FY2023.

The cessation of all business activities in FYSCS will allow the Group to reallocate resources to meet the anticipated demand for its manufacturing services.

As announced in the Group’s Corporate and Business Update of 28 November 2023 and on 24 January 2025, the Group’s core manufacturing division is completing its internal re-tooling and transformation to sharpen its focus on higher-precision tooling and components.

The stronger business foundation, together with advanced processes at its Smart Factory in Singapore, has borne fruit and resulted in higher orders for such products in recent months, and the Group will also be commencing mass production for new clients secured in FY2024.

With reference to its announcements dated 31 January 2025, 6 February 2025, 7 February 2025 and 11 February 2025 in relation to the investigation into affairs of FYSCS, the Company wishes to reiterate that the ongoing inquiry is isolated to FYSCS, and does not impact its core manufacturing division, which continues to serve customers in its usual course of business.

The Group plans to release its FY2024 results on or before 28 February 2025, when further details on the Group’s performance and forward strategies will be disclosed.

In the meantime, shareholders of the Company and potential investors are advised to exercise caution when dealing with the shares of the Company. The Board will continue to closely monitor the situation and will make the appropriate announcement(s) on any material development(s) as and when they arise.

BY ORDER OF THE BOARD
FU YU CORPORATION LIMITED

Seow Jun Hao David
Executive Director and Group Chief Executive Officer
Singapore, 14 February 2025