

FU YU CORPORATION LIMITED

(Company Registration No. 198004601C)

(Incorporated in the Republic of Singapore)

("Company")

**SETTLEMENT AGREEMENT
IN RELATION TO SERVICE AGREEMENT WITH MR NG HOCK CHING**

The Company would like to inform shareholders that it has today entered into a settlement agreement with Mr Ng Hock Ching (previously a director of the Company and currently general manager of the Company's subsidiaries, SolidMicron Technologies Pte Ltd and NanoTechnology Manufacturing Pte. Ltd.) in respect of a dispute pertaining to his previous service agreement as a director of the Company. The settlement is made without admission of liability basis, and the terms of the settlement agreement are otherwise confidential.

The Company has accrued for the settlement in its audited financial statements for the financial year ended 31 December 2013, and the settlement is not expected to have any material impact on the net asset value per share of the Group for the current financial year ending 31 December 2014.

BY ORDER OF THE BOARD

FU YU CORPORATION LIMITED

Low Siew Tian

Company Secretary

Singapore, 16 September 2014