# FU YU CORPORATION LIMITED
# AND SUBSIDIARY COMPANIES

## UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
## FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2026

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## A Condensed interim statements of financial position

| | Note | Group | | Company | |
|---|---|---|---|---|---|
| | | As at 30 Jun 2026 $'000 | As at 31 Dec 2025 $'000 | As at 30 Jun 2026 $'000 | As at 31 Dec 2025 $'000 |
| **Non-current assets** | | | | | |
| Property, plant and equipment | 3 | 49,397 | 51,512 | 32,277 | 34,264 |
| Investment property | 4 | 5,853 | 5,917 | – | – |
| Subsidiaries | 5 | – | – | 51,345 | 51,345 |
| Intangible assets | | 884 | 997 | 884 | 997 |
| Other receivables | 6 | – | – | 12,118 | 11,868 |
| Deferred tax assets | | 692 | 715 | – | – |
| | | 56,826 | 59,141 | 96,624 | 98,474 |
| **Current assets** | | | | | |
| Trade and other receivables | 6 | 31,598 | 32,271 | 17,195 | 17,265 |
| Inventories | | 16,766 | 16,973 | 4,127 | 4,667 |
| Cash and bank balances | 7 | 54,978 | 50,164 | 13,329 | 6,984 |
| Contract assets | | 7,957 | 6,202 | 942 | 1,188 |
| Tax recoverable | | 292 | 233 | – | – |
| | | 111,591 | 105,843 | 35,593 | 30,104 |
| **Total assets** | | 168,417 | 164,984 | 132,217 | 128,578 |
| **Equity attributable to owners of the Company** | | | | | |
| Share capital | 8 | 103,770 | 103,770 | 103,770 | 103,770 |
| Reserves | | 24,169 | 24,421 | 11,148 | 6,586 |
| **Total equity** | | 127,939 | 128,191 | 114,918 | 110,356 |
| **Non-current liabilities** | | | | | |
| Loans and borrowings | 9 | 4,446 | 4,572 | 4,404 | 4,512 |
| Provision | | 1,215 | 1,214 | 1,214 | 1,214 |
| Deferred tax liabilities | | 1,733 | 1,591 | 1,053 | 901 |
| | | 7,394 | 7,377 | 6,671 | 6,627 |
| **Current liabilities** | | | | | |
| Trade and other payables | | 26,785 | 25,449 | 10,160 | 11,002 |
| Contract liabilities | | 4,832 | 2,815 | 254 | 337 |
| Loans and borrowings | 9 | 330 | 322 | 214 | 210 |
| Tax payable | | 1,137 | 830 | – | 46 |
| | | 33,084 | 29,416 | 10,628 | 11,595 |
| **Total liabilities** | | 40,478 | 36,793 | 17,299 | 18,222 |
| **Total equity and liabilities** | | 168,417 | 164,984 | 132,217 | 128,578 |

## B (i) Condensed interim consolidated income statement and statement of comprehensive income For the six months ended 30 June 2026

| | Note | Group Six Months Ended 30 June 2026 $'000 | 2025 $'000 | |
|---|---|---|---|---|
| Revenue | 10 | 59,994 | 60,452 | -0.8% |
| Cost of sales | | (52,716) | (53,607) | -1.7% |
| **Gross profit** | | 7,278 | 6,845 | 6.3% |
| Other income | | 1,588 | 1,441 | 10.2% |
| Selling and administrative expenses | | (9,024) | (11,918) | -24.3% |
| Other operating income/(expenses), net | | 1,005 | (6,138) | NM |
| Results from operating activities | | 847 | (9,770) | NM |
| Finance costs | | (108) | (139) | -22.3% |
| **Profit/(loss) before tax** | 11 | 739 | (9,909) | NM |
| Tax (expense)/credit | 12 | (604) | 104 | NM |
| Profit/(loss) from continuing operations | | 136 | (9,805) | NM |
| Profit/(loss) from discontinued operations | | (1) | 246 | NM |
| **Profit/(loss) for the period attributable to owners of the Company** | | 135 | (9,559) | NM |
| **Other comprehensive loss** | | | | |
| *Items that are or may be reclassified subsequently to profit or loss:* | | | | |
| Foreign currency translation differences | | (387) | (1,654) | NM |
| **Other comprehensive loss for the period (net of tax)** | | (387) | (1,654) | NM |
| **Total comprehensive loss for the period attributable to owners of the Company** | | (252) | (11,213) | NM |
| **Earnings/(loss) per share** | | | | |
| Basic earnings/(loss) per share (cents) | | 0.02 | (1.25) | |
| Diluted earnings/(loss) per share (cents) | | 0.02 | (1.25) | |
| **Earnings/(loss) per share from continuing operations** | | | | |
| Basic earnings/(loss) per share (cents) | | 0.02 | (1.28) | |
| Diluted earnings/(loss) per share (cents) | | 0.02 | (1.28) | |

NM denotes Not Meaningful

## C Condensed interim statements of changes in equity
## For the six months ended 30 June 2026 (Group)

| | Attributable to equity holders of the Company | | | | | | |
|---|---|---|---|---|---|---|---|
| | Share capital | Capital reserve | Statutory reserve | Revaluation reserve | Foreign currency translation reserves | Retained earnings | Total equity |
| | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 |
| **Group** | | | | | | | |
| At 1 January 2026 | 103,770 | (415) | 4,278 | 789 | (29,159) | 48,928 | 128,191 |
| **Total comprehensive loss for the period** | | | | | | | |
| Profit for the period | – | – | – | – | – | 135 | 135 |
| **Other comprehensive loss** | | | | | | | |
| - Foreign currency translation differences | – | – | – | – | (387) | – | (387) |
| Total comprehensive loss for the period | – | – | – | – | (387) | 135 | (252) |
| **At 30 June 2026** | 103,770 | (415) | 4,278 | 789 | (29,546) | 49,063 | 127,939 |

| | Attributable to equity holders of the Company | | | | | | |
|---|---|---|---|---|---|---|---|
| | **Share capital** | **Capital reserve** | **Statutory reserve** | **Revaluation reserve** | **Foreign currency translation reserves** | **Retained earnings** | **Total equity** |
| | **$'000** | **$'000** | **$'000** | **$'000** | **$'000** | **$'000** | **$'000** |
| **Group** | | | | | | | |
| At 1 January 2025 | 103,770 | (415) | 4,278 | 789 | (29,324) | 57,067 | 136,165 |
| **Total comprehensive loss for the period** | | | | | | | |
| Loss for the period | – | – | – | – | – | (9,559) | (9,559) |
| **Other comprehensive loss** | | | | | | | |
| - Foreign currency translation differences | – | – | – | – | (1,654) | – | (1,654) |
| Total comprehensive loss for the period | – | – | – | – | (1,654) | (9,559) | (11,213) |
| **At 30 June 2025** | 103,770 | (415) | 4,278 | 789 | (30,978) | 47,508 | 124,952 |

**Condensed interim statements of changes in equity**
**For the six months ended 30 June 2026 (Company)**

| | Share capital $'000 | Revaluation reserve $'000 | Merger reserve $'000 | Retained earnings $'000 | Total equity $'000 |
|---|---|---|---|---|---|
| **Company** | | | | | |
| At 1 January 2026 | 103,770 | 789 | (1,425) | 7,222 | 110,356 |
| **Total comprehensive income for the period** | | | | | |
| Profit for the period | – | – | – | 4,562 | 4,562 |
| Total comprehensive income for the period | – | – | – | 4,562 | 4,562 |
| **At 30 June 2026** | 103,770 | 789 | (1,425) | 11,784 | 114,918 |
| | | | | | |
| **Company** | | | | | |
| At 1 January 2025 | 103,770 | 789 | (1,425) | 19,804 | 122,938 |
| **Total comprehensive loss for the period** | | | | | |
| Loss for the period | – | – | – | (4,762) | (4,762) |
| Total comprehensive loss for the period | – | – | – | (4,762) | (4,762) |
| **At 30 June 2025** | 103,770 | 789 | (1,425) | 15,042 | 118,176 |

## D Condensed interim consolidated statement of cash flows For the six months ended 30 June 2026

| | | Group | |
|---|---|---|---|
| | | Six Months Ended 30 Jun | |
| | | 2026 | 2025 |
| | Note | $'000 | $'000 |
| Cash flows generated from/(used in) operating activities | | | |
| Profit/(loss) before tax from continuing operations | | 739 | (9,909) |
| (Loss)/profit from discontinued operations | | (1) | 246 |
| | | 738 | (9,663) |
| Adjustments for: | | | |
| Depreciation of property, plant and equipment and investment property | 11 | 3,433 | 3,923 |
| Amortisation of intangible assets | 11 | 113 | – |
| Finance costs | | 108 | 176 |
| Interest income | 11 | (507) | (739) |
| Gain on disposal of property, plant and equipment | 11 | (3) | (30) |
| Property, plant and equipment written off | 11 | 39 | 62 |
| | | 3,921 | (6,271) |
| Changes in working capital: | | | |
| Trade and other receivables | | 673 | (1,878) |
| Contract assets | | (1,755) | (1,064) |
| Contract liabilities | | 2,017 | 1,762 |
| Inventories | | 207 | (3,369) |
| Trade and other payables | | 1,337 | 6,008 |
| Currency translation adjustments | | (815) | 945 |
| Cash generated from/(used in) operations | | 5,585 | (3,867) |
| Tax paid | | (169) | (711) |
| Net cash generated from/(used in) operating activities | | 5,416 | (4,578) |
| | | | |
| Cash flows used in investing activities | | | |
| Interest income received | | 507 | 739 |
| Proceeds from disposal of property, plant and equipment | | 3 | 37 |
| Purchase of property, plant and equipment | | (989) | (2,816) |
| Net cash used in investing activities | | (479) | (2,040) |
| | | | |
| Cash flows used in financing activities | | | |
| Repayment of lease liabilities | 9 | (127) | (590) |
| Finance costs paid | | (91) | – |
| Deposits pledged | | (8) | (1) |
| Net cash used in financing activities | | (226) | (591) |
| | | | |
| Net increase/(decrease) in cash and cash equivalents | | 4,711 | (7,209) |
| Cash and cash equivalents at 1 January | | 49,762 | 55,455 |
| Effect of exchange rate fluctuations on cash and cash equivalents | | 96 | (2,247) |
| Cash and cash equivalents at 30 June | 7 | 54,569 | 45,999 |

## E Selected notes to the condensed interim financial statements

### 1. Corporate Information

Fu Yu Corporation Limited (the “**Company**”) is incorporated and domiciled in Singapore and whose shares are publicly traded on the Mainboard of the Singapore Exchange.

These condensed interim financial statements as at and for the six months ended 30 June 2026 comprise the Company and its subsidiaries (collectively, the “**Group**”).

The principal activities of the Company are those of manufacturing and sub-assembly of precision plastic parts and components, fabrication of precision moulds and dies and investment holding. The principal activities of the Company’s subsidiaries consist of (i) manufacturing and sub-assembly of precision plastic parts and components, fabrication of precision moulds and dies, trading, provision of management services and investment holding and (ii) providing supply chain management services and commodity raw materials.

### 2. Basis of Preparation

#### 2.1. Statement of compliance

The condensed interim financial statements for the six months ended 30 June 2026 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2025.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.5.

#### 2.2. Basis of measurement

The condensed interim financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities which are measured at fair value or amortised cost.

#### 2.3. Functional and presentation currency

The condensed interim financial statements are presented in Singapore dollars ($) which is the Company’s functional currency. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

#### 2.4. Use of judgements and estimates

The preparation of the condensed interim financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2025.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following note:

- Note 5 and Note 6 – recoverability of investments in and amounts due from subsidiaries
- Note 6 – measurement of expected credit losses (ECL) allowance for trade and other receivables

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the condensed interim financial statements is included in the following note:

Note 4 – classification of investment property

**Measurement of fair values**

A number of the Group's accounting policies and disclosures requires the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 4 – Investment property
- Note 14 – financial risk management: accounting classification and fair values

## 2.5. New and amended standards adopted by the Group

The Group has applied the following SFRS(I)s, amendments to and interpretations of SFRS(I) for the first time for the annual period beginning on 1 January 2026:

- Amendments to SFRS(I) 9 and SFRS(I) 7 – Amendments to the Classification and Measurement of Financial Instruments
- Various – Annual Improvements to SFRS(I)s – Volume 11

The application of these amendments to standards and interpretations does not have a material effect on the condensed interim financial statements.

## 3. Property, plant and equipment

During the six months ended 30 June 2026, the Group acquired assets amounting to $989,000 (30 June 2025: $2,816,000) and disposed of assets with net book value of nil (30 June 2025: $10,000).

## 4. Investment property

| | Group |
|---|---|
| | $'000 |
| **Cost** | |
| At 1 January 2025 | 8,635 |
| Currency realignment | 343 |
| At 31 December 2025 | 8,978 |
| | |
| At 1 January 2026 | 8,978 |
| Currency realignment | 45 |
| At 30 June 2026 | 9,023 |
| | |
| **Accumulated depreciation** | |
| At 1 January 2025 | 2,793 |
| Depreciation for the year | 152 |
| Currency realignment | 116 |
| At 31 December 2025 | 3,061 |
| | |
| At 1 January 2026 | 3,061 |
| Depreciation for the period | 78 |
| Currency realignment | 31 |
| At 30 June 2026 | 3,170 |
| | |
| **Carrying amounts** | |
| At 31 December 2025 | 5,917 |
| At 30 June 2026 | 5,853 |

The buildings are leased to a third party.

The Group has certain leasehold land held to earn rental income and also for own production or supply of goods and administrative purposes. If a portion of the property cannot be sold or leased out separately under a finance lease, the entire property is classified as investment property only if the portion of the property held for own use is insignificant. Judgement is involved in determining the allocation of investment property and property, plant and equipment.

The fair value of the investment property (fair value hierarchy of level 3) as at 31 December 2025 amounted to approximately $7,443,000 and has been determined based on valuations performed by accredited independent valuers with recent experience in the location and category of investment properties being valued. The valuations are based on comparison method and the depreciated replacement cost method. The depreciated replacement cost method makes reference to the cost of replacing the buildings as new and allowing for depreciation. Key unobservable inputs correspond to replacement costs having regard to asset life, physical deterioration, functional and economic obsolescence. The comparison method involves comparing and adopting recent transactions as a yardstick and sale evidences involving other similar properties in the vicinity. The Group has assessed that the best use of its properties does not differ from their current use.

## 5. Subsidiaries

| | Company | |
|---|---|---|
| | As at 30 Jun 2026 $'000 | As at 31 Dec 2025 $'000 |
| Equity investments, at cost | 107,960 | 107,960 |
| Forgiveness of amounts due from subsidiaries | 12,802 | 12,802 |
| | 120,762 | 120,762 |
| Impairment losses | (69,417) | (69,417) |
| | 51,345 | 51,345 |

## 6. Trade and other receivables

| | Group | | Company | |
|---|---|---|---|---|
| | As at 30 Jun 2026 $'000 | As at 31 Dec 2025 $'000 | As at 30 Jun 2026 $'000 | As at 31 Dec 2025 $'000 |
| Trade receivables | 29,693 | 30,020 | 11,264 | 12,230 |
| Allowance for impairment of doubtful receivables | (1,231) | (1,504) | (1,228) | (1,394) |
| Net trade receivables | 28,462 | 28,516 | 10,036 | 10,836 |
| Other receivables | 468 | 560 | 312 | 332 |
| Amounts due from subsidiaries (see note below) | – | – | 17,811 | 17,269 |
| Deposits | 68 | 184 | 29 | 69 |
| | 28,998 | 29,260 | 28,188 | 28,506 |
| Prepayments | 1,258 | 1,008 | 473 | 314 |
| Advances to suppliers | 1,342 | 2,003 | 652 | 313 |
| | 31,598 | 32,271 | 29,313 | 29,133 |
| Non-current | – | – | 12,118 | 11,868 |
| Current | 31,598 | 32,271 | 17,195 | 17,265 |
| | 31,598 | 32,271 | 29,313 | 29,133 |

**Amounts due from subsidiaries**

| | Company | |
|---|---|---|
| | As at 30 Jun 2026 $'000 | As at 31 Dec 2025 $'000 |
| Amounts due from subsidiaries | | |
| Non-current | | |
| - non-trade | 24,475 | 24,225 |
| Impairment losses | (12,357) | (12,357) |
| | 12,118 | 11,868 |
| Current | | |
| - trade | 803 | 325 |
| - non-trade | 4,890 | 9,708 |
| Impairment losses | – | (4,632) |
| Total | 17,811 | 17,269 |

During the financial period ended 30 June 2026, impairment losses of $4,632,000 was written back as the amount was recovered.

***Expected credit loss ("ECL") assessment***

The Group uses an allowance matrix to measure the ECLs of trade receivables and contract assets which comprise a large number of small balances, while for other receivables there is no significant increase in credit risk for these exposures, therefore impairment has been measured on the 12-month expected loss basis and the amount of the allowance is insignificant.

Loss rates are estimated based on actual credit loss experience over the past five years. These rates are adjusted to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected life of the receivables.

There have been no significant changes to the movement in the allowance for impairment loss in respect of trade and other receivables during the period.

## 7. Cash and bank balances

| | Group | | Company | |
|---|---|---|---|---|
| | As at 30 Jun 2026 $'000 | As at 31 Dec 2025 $'000 | As at 30 Jun 2026 $'000 | As at 31 Dec 2025 $'000 |
| Cash at bank and in hand | 45,874 | 22,250 | 7,587 | 6,984 |
| Deposits with banks | 9,104 | 27,914 | 5,742 | – |
| Cash and bank balances in the statements of financial position | 54,978 | 50,164 | 13,329 | 6,984 |
| Deposits pledged | (409) | (401) | | |
| Cash and cash equivalents in the consolidated statement of cash flows | 54,569 | 49,763 | | |

The deposit pledged represents bank balance pledged for bank guarantee purposes in the normal course of business.

Cash and bank balances totaling the equivalent of $2,402,000 (31 December 2025: $4,312,000) are held in a country which operates foreign exchange controls.

## 8. Share capital

| | Group and Company | |
|---|---|---|
| | 2026 | 2025 |
| **Fully paid ordinary shares, with no par value:** | No. of shares | |
| On issue at 1 January | 761,994,775 | 761,994,775 |
| Issuance of new ordinary shares | – | – |
| On issue at 30 June (2025: 31 December) | 761,994,775 | 761,994,775 |

The Company did not hold any treasury shares as at 30 June 2026 and 31 December 2025.

The Company's subsidiaries do not hold any shares in the Company as at 30 June 2026 and 31 December 2025.

## 9. Loans and borrowings

| | Group | | Company | |
|---|---|---|---|---|
| | As at 30 Jun 2026 $'000 | As at 31 Dec 2025 $'000 | As at 30 Jun 2026 $'000 | As at 31 Dec 2025 $'000 |
| **Non-current liabilities** | | | | |
| Lease liabilities | 4,446 | 4,572 | 4,404 | 4,512 |
| **Current liabilities** | | | | |
| Lease liabilities | 330 | 322 | 214 | 210 |

**Terms and debt repayment schedule**

Terms and conditions of outstanding loans and borrowings are as follows:

| | | | | As at 30 Jun 2026 | |
|---|---|---|---|---|---|
| | Currency | Nominal interest rate | Year of maturity | Face value $'000 | Carrying amount $'000 |
| **Group** | | | | | |
| Lease liabilities | SGD | 3.44%-4.50% | 2028-2044 | 6,207 | 4,618 |
| Lease liabilities | MYR | 6.45% | 2027 | 158 | 151 |
| Lease liabilities | RMB | 4.75% | 2031 | 8 | 7 |
| | | | | 6,373 | 4,776 |
| **Company** | | | | | |
| Lease liabilities | SGD | 3.44%-4.50% | 2028-2044 | 6,207 | 4,618 |
| | | | | 6,207 | 4,618 |

| | | | | As at 31 Dec 2025 | |
|---|---|---|---|---|---|
| | Currency | Nominal interest rate | Year of maturity | Face value $'000 | Carrying amount $'000 |
| **Group** | | | | | |
| Lease liabilities | SGD | 3.44%-4.50% | 2028-2044 | 6,398 | 4,722 |
| Lease liabilities | MYR | 6.45% | 2027 | 179 | 172 |
| | | | | 6,577 | 4,894 |
| **Company** | | | | | |
| Lease liabilities | SGD | 3.44%-4.50% | 2028-2044 | 6,398 | 4,722 |
| | | | | 6,398 | 4,722 |

**Intra-group financial guarantee**

Intra-group financial guarantee comprises a guarantee given by the Company to banks in respect of banking credit facilities amounting to $2,545,000 (2025: $2,532,000) granted to the wholly-owned subsidiaries in Malaysia. As at the reporting date, the Company has not recognised an ECL provision as the credit facilities have not been utilised. The Company does not consider it probable that a claim will be made against the Company under the guarantee.

**Reconciliation of movements of loans and borrowings or lease liabilities to cash flows arising from financing activities:**

| | **Lease liabilities $'000** |
|---|---|
| **Group** | |
| Balance at 1 January 2026 | 4,894 |
| **Changes in financing cash flows** | |
| Payment of lease liabilities | (127) |
| Finance costs paid | (91) |
| **Total changes from financing cash flows** | (218) |
| **Other changes** | |
| **Liability-related** | |
| Currency realignment | 1 |
| Interest expense | 91 |
| New Lease | 8 |
| **Total liability-related other changes** | 100 |
| Balance at 30 June 2026 | 4,776 |

## 10. Revenue

### (i) Disaggregation of revenue

In the following table, revenue from contracts with customers is disaggregated by primary geographical markets, major products and service lines and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments (see Note 13).

| | Reportable segments | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Manufacturing Segment | | | | | | | | Supply Chain Management Services Segment (Discontinued) | | | |
| | Singapore | | China | | Malaysia | | Total for Manufacturing Segment | | Singapore | | Total | |
| Six months ended 30 Jun | 2026 | 2025 | 2026 | 2025 | 2026 | 2025 | 2026 | 2025 | 2026 | 2025 | 2026 | 2025 |
| | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 |
| **Group** | | | | | | | | | | | | |
| **Major products/ service line** | | | | | | | | | | | | |
| Sales of goods | 21,141 | 21,756 | 15,796 | 13,833 | 17,052 | 16,699 | 53,989 | 52,288 | – | – | 53,989 | 52,288 |
| Revenue from tooling contracts | 2,479 | 6,223 | 1,709 | 1,476 | 1,817 | 465 | 6,005 | 8,164 | – | – | 6,005 | 8,164 |
| | 23,620 | 27,979 | 17,505 | 15,309 | 18,869 | 17,164 | 59,994 | 60,452 | – | – | 59,994 | 60,452 |
| **Timing of revenue recognition** | | | | | | | | | | | | |
| At a point in time | 22,714 | 22,310 | 16,087 | 14,120 | 18,379 | 16,906 | 57,180 | 53,336 | – | – | 57,180 | 53,336 |
| Over time | 906 | 5,669 | 1,418 | 1,189 | 490 | 258 | 2,814 | 7,116 | – | – | 2,814 | 7,116 |
| | 23,620 | 27,979 | 17,505 | 15,309 | 18,869 | 17,164 | 59,994 | 60,452 | – | – | 59,994 | 60,452 |

**(ii) Seasonal operations**

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

## 11. Profit/(Loss) before Tax

***Significant items***

| | Group | |
|---|---|---|
| | Six Months Ended 30 Jun | |
| | **2026** | **2025** |
| | **$'000** | **$'000** |
| **A. Profit/(loss) before tax is arrived at after (crediting)/charging the following:** | | |
| Interest income | (507) | (739) |
| Gain on disposal of property, plant and equipment | (3) | (30) |
| Foreign exchange (gain)/loss, net | (1,042) | 2,842 |
| Property, plant and equipment written off | 39 | 62 |
| Depreciation of property, plant and equipment and investment property | 3,433 | 3,923 |
| Amortisation of intangible assets | 113 | - |
| Interest expenses on lease liabilities | 91 | 117 |
| Provision for closure cost of Fu Yu Moulding & Tooling (Zhuhai) Co., Ltd ("FYZH") factory | - | 3,000 |
| Allowance for doubtful debts (written back)/made | (166) | 553 |
| Allowance (write-back) for inventory obsolescence, net and inventories written off | 869 | (7) |
| **B. Tax expense** | | |
| Adjustments for (over)/under provision of current tax in respect of prior years | (45) | 106 |

## 12. Tax expense/(credit)

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings.

| | Group | |
|---|---|---|
| | Six Months Ended 30 Jun | |
| | **2026** | **2025** |
| | **$'000** | **$'000** |
| **Current tax expense** | | |
| Current period | 449 | 308 |
| Withholding taxes | 13 | 63 |
| (Over)/under provision in prior years | (45) | 106 |
| | 417 | 477 |
| **Deferred tax expense/(credit)** | | |
| Movements in temporary differences | 33 | (659) |
| Under provision in prior years | 154 | 78 |
| | 187 | (581) |
| **Tax expense/(credit)** | 604 | (104) |

## 13. Operating Segments

The Group has the following two strategic divisions, which are its reportable segments. These divisions offer different products and services, and are managed separately because they require different technology and marketing strategies.

- Manufacturing Segment
- Supply Chain Management Services Segment (discontinued during financial year ended 31 December 2024)

Within the manufacturing segment, the Group has three reportable geographical segments based on the location of assets, namely Singapore, Malaysia and China. These segments are managed separately because they bear different financial and business risks. The locations of the Group's customers are not significantly different from the locations of the Group's assets.

Segmental results and assets include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Performance is measured based on profit before income tax, depreciation of property, plant and equipment and investment property, amortisation of intangible assets, interest income, finance costs and net foreign exchange gain/(loss) as included in internal management reports that are reviewed by the Operating Committee (operating decision maker). Such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within the Group's industry. Both inter-segment and intra-segment pricing are based on terms agreed by the counterparties.

The full results of the Supply Chain Management Services Segment are presented separately on the condensed interim consolidated income statement as "Discontinued operations" for each of the six months period ended 30 June 2026 and 30 June 2025.

### *Reportable Segments*

| Six months ended 30 Jun | Manufacturing Segment – Singapore | | Manufacturing Segment – China | | Manufacturing Segment – Malaysia | | Total for Manufacturing Segment | | Supply Chain Management Services Segment (Discontinued) – Singapore | | Total operations before adjustment | | Group adjustment and eliminations | | Total operations | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | **2026** | **2025** | **2026** | **2025** | **2026** | **2025** | **2026** | **2025** | **2026** | **2025** | **2026** | **2025** | **2026** | **2025** | **2026** | **2025** |
| | **$'000** | **$'000** | **$'000** | **$'000** | **$'000** | **$'000** | **$'000** | **$'000** | **$'000** | **$'000** | **$'000** | **$'000** | **$'000** | **$'000** | **$'000** | **$'000** |
| **Revenue and expenses** | | | | | | | | | | | | | | | | |
| Total external revenue | 23,620 | 27,979 | 17,505 | 15,309 | 18,869 | 17,164 | 59,994 | 60,452 | – | – | 59,994 | 60,452 | – | – | 59,994 | 60,452 |
| Inter-segment revenue | 164 | 455 | 616 | 403 | 1,033 | 340 | 1,813 | 1,198 | – | – | 1,813 | 1,198 | (1,813) | (1,198) | – | – |
| Segment profit/(loss) before income tax* | 6,288 | 10 | (1,195) | (1,708) | 2,055 | 1,897 | 7,148 | 199 | (1) | (612) | 7,147 | (413) | (4,303) | (48) | 2,844 | (461) |
| Depreciation of property, plant and equipment and investment property | (1,955) | (2,203) | (763) | (998) | (718) | (768) | (3,436) | (3,969) | – | (9) | (3,436) | (3,978) | 3 | 55 | (3,433) | (3,923) |
| Amortisation of intangible assets | (113) | – | – | – | – | – | (113) | – | – | – | (113) | – | – | – | (113) | – |
| Provision for closure cost of FYZH | – | – | – | (3,000) | – | – | – | (3,000) | – | – | – | (3,000) | – | – | – | (3,000) |
| Interest income | 439 | 91 | 2 | 19 | 98 | 83 | 539 | 193 | – | 546 | 539 | 739 | (32) | | 507 | 739 |
| Finance costs | (135) | (117) | – | (18) | (5) | (4) | (140) | (139) | – | (37) | (140) | (176) | 32 | – | (108) | (176) |
| Foreign exchange (loss)/gain (net) | 512 | (2,953) | 566 | 266 | (37) | (513) | 1,041 | (3,200) | – | 358 | 1,042 | (2,842) | – | – | 1,042 | (2,842) |
| Profit/(loss) before income tax | 5,036 | (5,172) | (1,390) | (5,439) | 1,393 | 695 | 5,039 | (9,916) | (1) | 246 | 5,039 | (9,670) | (4,300) | 7 | 739 | (9,663) |
| Tax (expense)/credit | | | | | | | | | | | | | | | (604) | 104 |
| Net profit/(loss) for the period | | | | | | | | | | | | | | | 135 | (9,559) |
| **Other segment information** | | | | | | | | | | | | | | | | |
| Non-current assets | 88,252 | 91,917 | 3,699 | 5,024 | 19,779 | 19,330 | 111,730 | 116,271 | – | 31,130 | 111,730 | 147,401 | (55,596) | (85,214) | 56,134 | 62,187 |
| Unallocated assets | | | | | | | | | | | | | | | 692 | 794 |
| Total non-current assets | | | | | | | | | | | | | | | 56,826 | 62,981 |
| Capital expenditure** | 169 | 2,002 | 354 | 97 | 466 | 767 | 989 | 2,866 | – | – | 989 | 2,866 | – | (50) | 989 | 2,816 |
| Segment reporting assets | 158,815 | 140,269 | 31,768 | 28,069 | 52,239 | 48,326 | 242,822 | 216,664 | 184 | 59,546 | 243,006 | 276,210 | (75,573) | (108,529) | 167,433 | 167,681 |
| Unallocated assets | | | | | | | | | | | | | | | 984 | 794 |
| Total assets | | | | | | | | | | | | | | | 168,417 | 168,475 |
| Segment reporting liabilities | 16,767 | 21,922 | 45,605 | 40,238 | 7,988 | 8,266 | 70,360 | 67,426 | 190 | 6,960 | 70,550 | 74,386 | (32,942) | (35,842) | 37,608 | 41,544 |
| Unallocated liabilities | | | | | | | | | | | | | | | 2,870 | 1,979 |
| Total liabilities | | | | | | | | | | | | | | | 40,478 | 43,523 |

* After excluding depreciation, amortisation, provision for closure cost of FYZH, interest income, finance costs and foreign exchange gain/(loss) (net).
** Excluding addition of right-of-use assets.

## 14. Financial Risk Management

### *Accounting classification and fair values*

The carrying amounts of financial assets and liabilities (including trade and other receivables, cash and bank balances and trade and other payables) are assumed to approximate their fair values because of the short period to maturity or re-pricing. Further, the fair value disclosure of lease liabilities is also not required.

Set out below is an overview of the financial assets and financial liabilities of the Group and Company as at 30 June 2026 and 31 December 2025:

| Group | Financial assets $'000 | Financial liabilities $'000 | Total carrying amount $'000 |
|---|---|---|---|
| **30 June 2026** | | | |
| Trade and other receivables+ | 28,998 | – | 28,998 |
| Cash and bank balances | 54,978 | – | 54,978 |
| Trade and other payables# | – | (26,704) | (26,704) |
| | 83,976 | (26,704) | 57,272 |
| **31 December 2025** | | | |
| Trade and other receivables+ | 29,260 | – | 29,260 |
| Cash and bank balances | 50,164 | – | 50,164 |
| Trade and other payables# | – | (25,227) | (25,227) |
| | 79,424 | (25,227) | 54,197 |

| Company | Amortised costs $'000 | Other financial liabilities $'000 | Total carrying amount $'000 |
|---|---|---|---|
| **30 June 2026** | | | |
| Trade and other receivables+ | 28,188 | – | 28,188 |
| Cash and bank balances | 13,329 | – | 13,327 |
| Trade and other payables# | – | (10,052) | (10,052) |
| | 41,517 | (10,052) | 31,463 |
| **31 December 2025** | | | |
| Trade and other receivables+ | 28,506 | – | 25,506 |
| Cash and bank balances | 6,984 | – | 6,984 |
| Trade and other payables# | – | (10,894) | (10,894) |
| | 35,490 | (10,894) | 24,596 |

\+ *Excludes prepayments and advances to suppliers*
\# *Excludes advance billings*

## 15. Related Party Transactions

The Group does not have material related party transactions apart from those disclosed elsewhere in the condensed interim financial statements.

## 16. Contingent liabilities

### (a) Legal claims

As announced by the Company on 1 November 2025, the Company terminated the employment of its Executive Director and Group Chief Executive Officer, Mr. Seow Jun Hao David ("Mr. Seow") on 1 November 2025 on grounds of gross default and misconduct. The Board has since commenced an internal review into several matters, including the vesting of shares under the Restricted Share Plan, the introduction of previously undisclosed five-year lock-in termination clauses for senior management, and the award of "Special Bonuses" to two senior management personnel during periods of financial loss.

As announced by the Company on 6 November 2025, following the termination of Mr. Seow's employment, the Company received a letter of demand dated 4 November 2025 from Mr. Seow's solicitors alleging wrongful termination of employment and demanding that the sum of $1,853,548.39. Additionally, the Company received a further letter of demand dated 5 November 2025 from Mr. Seow alleging defamation and demanding damages be paid to Mr. Seow in the sum of $200,000.

Based on the legal advice received, the Board is of the view that the Company has a strong basis and it is not probable that an outflow of resources embodying economic benefits will be required. Accordingly, no provision has been recognised in these financial statements.

### (b) Claims from former employees

During the financial year ended 31 December 2025, the Company terminated the employment of two employees. Subsequent to the year end, the Company received letters of claims from these former employees alleging wrongful termination and seeking total claims of $1,511,070.54.

The Company, having consulted legal counsel, is of the view that the terminations were carried out in accordance with employment contracts. As the outcome of these claims is uncertain and an outflow of resources is not considered probable at this stage, no provision has been recognised in these financial statements.

## F Other information required by Appendix 7.2 of the Listing Manual

**1(i) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares or cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuers, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year**

NIL.

**1(ii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediate preceding year.**

The total number of issued ordinary shares excluding treasury shares as at 30 June 2026 was 761,994,775 (31 December 2025: 761,994,775).

**1(iii) A statement showing all sales, transfer, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

**1(iv) A statement showing all sales, transfer, disposal, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable.

**2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.**

The condensed interim statements of financial position of Fu Yu Corporation Limited and its subsidiaries as at 30 June 2026 and the related condensed interim consolidated income statement and statement of comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the six-months ended 30 June 2026 and selected explanatory notes have not been audited or reviewed.

**3. Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of a matter)**

Not applicable.

**3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:**
**(a) Updates on the efforts taken to resolve each outstanding audit issue.**
**(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements has been adequately disclosed.**

The Company's former Independent Auditor expressed a qualified opinion on our latest audited financial statements for the year ended 31 December 2025 in their audit report dated 13 April 2026 ("**2025 Audit Report**"). The 2025 Audit Report is included on pages 96 to 99 of the 2025 Annual Report.

The audit qualification relates to 2 matters in the headers that follows:

*(1) Ongoing internal review into the termination of the former Group Chief Executive Officer*

**3A.(a) Updates on the efforts taken to resolve each outstanding audit issue.**

The qualified opinion expressed by the Company's former Independent Auditor in the 2025 Audit Report (set out on pages 96 and 99 of the 2025 Annual Report) was based on the following matters:

(i) The Company terminated the employment of its former Group Chief Executive Officer ("**Former GCEO**") former and commenced an internal review into several matters, including the vesting of shares under the Restricted Share Plan, the introduction of previously undisclosed five-year lock-in termination clauses for senior management, and the award of "Special Bonuses" to two senior management personnel during periods of financial loss;

(ii) As the internal review was ongoing, the former Independent Auditor was unable to obtain sufficient appropriate audit evidence to determine whether any adjustments to the financial statements were necessary;

(iii) The former GCEO has commenced proceedings against the Company, while the two senior management personnel submitted letters of claims alleging wrongful termination, claiming approximately S$2.05 million and S$1.51 million, respectively; and

(iv) While the Group has disclosed these matters as contingent liabilities, the ultimate outcome of these matters is dependent on the conclusion of the ongoing internal review and legal proceedings, and as a consequence of which, the former Independent Auditor was unable to determine whether a provision should be recognised or if the existing contingent liability disclosures are adequate under SFRS(I) 1-37 Provisions, Contingent Liabilities and Contingent Assets.

Since the internal review, the Company, with the assistance of the Company's solicitors, has completed the fact-finding necessary to formulate and commence the Company's claims arising from the matters under review. Proceedings have been commenced by the Company against the Former GCEO in HC/OC 162/2026 seeking several reliefs against the Former GCEO. On 16 July 2026, a consent order was made by the High Court restraining the Former GCEO from, inter alia, dealing in the shares awarded to him under the Restricted Share Plan and providing for dividends arising on those shares to be held in escrow pending the final determination of HC/OC 162/2026. It is also worth noting that the internal review is an on-going process and forms part of the discovery process in the proceedings.

As regards the Former GCEO's suits against the Company in HC/OC 962/2025 for alleged wrongful termination of employment, and HC/OC 332/2026 (formerly DC/OC 2264/2025) which is claim by the Former GCEO against the Company and four of its independent directors for alleged defamation, these suits have since been formally consolidated under HC/OC 162/2026. The Company, and the four independent directors, have filed their respective defences accordingly and are contesting both suits.

As regards the two former senior employees, no proceedings have been commenced. The Company, in consultation with its solicitors, maintains its position that the terminations were carried out in accordance with the law and the respective applicable employment contracts.

As these matters are before the Court or remain in correspondence, the Company does not consider it appropriate to comment further on their merits.

Concurrently, as announced on 31 July 2026, pursuant to an EGM held on the same day, Foo Kon Tan LLP ("**FKT**") was appointed as the new auditors of the Company. FKT has been concurrently keep apprised and updated of developments in the above matters since its appointment. The Company will continue to work closely with FKT to address the matters underlying the qualifications.

**3A. (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements has been adequately disclosed.**

We wish to reiterate that the matters referred to above remain the subject of proceedings before the Court and that their outcome remains to be determined. The Board will continue to keep the accounting treatment of these matters under review as the proceedings progress and as further information becomes available. As also mentioned, the Company will work closely with FKT and will make any such adjustments and disclosures as may be appropriate in the financial statements for subsequent financial periods.

*(2) Settlement expenses relating to the closure of investigations into affairs of Fu Yu Supply Chain Solutions Pte. Ltd.*

**3A.(a) Updates on the efforts taken to resolve each outstanding audit issue.**

We refer to the announcement published on the SGX website on 29 January 2026 whereby the Company has entered into settlement agreements with the affected parties to conclude full and final settlement claims of any and all claims, counterclaims, actions, debts, rights, obligations, demands, liabilities, set-offs, costs or expenses, disputes, and causes of action between them, whether or not presently known to the parties or to the law. The Company made payments to the affected parties on 23 February 2026 in accordance with the settlement agreements. The amounts paid has been adequately provided for in the financial statements for the year ended 31 December 2025.

The Board was of the view that it was prudent to do so in order to bring closure to these matters and to avoid any future disputes arising from the same.

**3A. (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements has been adequately disclosed.**

Taking into consideration the disclosure notes and updates included in (i) our 2025 Annual Report on pages 158 and 159; and (ii) the announcements made on 29 January 2026, 4 February 2026 and 30 April 2026, the Board is of the view that the impact of this audit issue described in the financial statements for the year ended 31 December 2025 have been adequately disclosed as at the date of this announcement.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

Save as disclosed in Section E Note 2.1 and Section F Note 5, the accounting policies and methods of computation used in the condensed interim financial statements for the period ended 30 June 2026 are consistent with those applied in the consolidated financial statements for the year ended 31 December 2025.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

The Group has adopted all the applicable SFRS(I)s, amendments to and interpretations of SFRS(I) that are mandatory for accounting period beginning on 1 January 2026. The application of these amendments to standards and interpretations does not have a material effect on the condensed interim financial statements.

**6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

| | Group | |
|---|---|---|
| | Six Months Ended 30 June | |
| | **2026** | **2025** |
| Earnings/(Loss) per share from continuing operations | | |
| - Basic and diluted (cents) | 0.02 | (1.28) |
| Earnings /(Loss) per share from discontinued operations | | |
| Basic and diluted (cents) | - | 0.03 |

Earnings per ordinary share on existing issued share capital is computed based on the weighted average number of shares in issue during the period of 761,994,775 (2025: 761,994,775).

There was no difference between the basic and diluted earnings per share as the Company has no dilutive securities as at 30 June 2026 and 31 December 2025.

**7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year**

| | Group | | Company | |
|---|---|---|---|---|
| | **As at 30 Jun 2026** | **As at 31 Dec 2025** | **As at 30 Jun 2026** | **As at 31 Dec 2025** |
| Net asset value (S$'000) | 127,939 | 128,191 | 114,918 | 110,356 |
| Issued capital at the end of the period ('000) | 761,995 | 761,995 | 761,995 | 761,995 |
| Net asset value per Ordinary Share (cents) | 16.80 | 16.82 | 15.08 | 14.48 |

**8. Review of performance of the Group**

**<u>CONSOLIDATED INCOME STATEMENT</u>**

**Revenue**

For the six months ended 30 June 2026 ("**1H26**"), the Group's revenue declined 0.8% to S$60.0 million from S$60.5 million in the six months ended 30 June 2025 ("**1H25**").

<u>Manufacturing Segment</u>

The lower revenue was mainly attributable to lower tooling revenue from the Singapore operations, partially offset by higher sales contributions from the Group's operations in China and Malaysia. Despite the soft demand environment in certain end markets, the Group's manufacturing segment remained resilient and continued to benefit from ongoing customer diversification and operational improvement initiatives.

Revenue from the Singapore operations decreased 15.7% to S$23.6 million in 1H26 from S$28.0 million in 1H25, mainly due to lower tooling revenue and softer demand from certain customer programmes.

Meanwhile, revenue contribution from the Malaysia segment increased 9.9% to S$18.9 million in 1H26 from S$17.2 million 1H25, supported by higher production sales from existing customers.

Revenue contribution from China increased 14.4% to S$17.5 million in 1H26 compared to S$15.3 million in 1H2025, mainly driven by new customers, stronger demand from existing customers and higher production volumes during the period.

As a percentage of total manufacturing revenue, the Singapore segment contributed 39.4% in 1H26 (1H25: 46.3%), while the Malaysia segment accounted for 31.5% (1H25: 28.4%) and the China segment contributed 29.1% (1H25: 25.3%) of the manufacturing segment revenue.

Supply chain management services

The supply chain management services segment was discontinued in the second half of 2024.

**Gross Profit**

The gross profit increased by 6.3% to S$7.28 million in 1H26 from S$6.85 million in 1H25.

The improvement was primarily due to better operational efficiency, favourable product mix and cost management initiatives implemented across the Group's manufacturing operations.

Overall gross profit margin stood at 12.1% in 1H26, compared to 11.3% in 1H25, mainly due to a change in revenue mix.

**Other Income from continuing operations**

Other income increased by 10.2% to S$1.59 million in 1H2026 from S$1.44 million in 1H2025. The increase was mainly attributable to higher rental income from the Group's investment properties.

**Selling and Administrative Expenses from continuing operations**

Selling and administrative expenses in 1H26 decreased significantly by 24.3% to S$9.02 million from S$11.92 million in 1H25. The decrease was mainly due to the absence of substantial professional fees and one-off expenses incurred in the previous corresponding period in relation to investigations and related corporate matters, as well as the impact of ongoing cost optimisation initiatives.

**Other Operating Income/(Expenses) – Net from continuing operation**

The Group recorded net other operating income of S$1.0 million in 1H26 compared to net other operating expenses of S$6.1 million in 1H25. The improvement was primarily attributable to foreign exchange gains recognised during the current period compared to foreign exchange losses recorded in the previous corresponding period, as well as the absence of the S$3.0 million provision for closure costs relating to the Fu Yu Zhuhai factory that was recognised in 1H25.

As a result of the factors discussed above, the Group recorded operating profit of S$0.8 million in 1H26 compared to an operating loss of S$9.8 million in 1H25. The improvement reflected stronger gross margins, lower operating expenses and favourable foreign exchange movements during the period.

**Finance Costs from continuing operations**

Finance costs decreased by 22.3% to S$108,000 in 1H26 from S$139,000 in 1H25 mainly due to lower interest on lease liabilities.

**Profit/(Loss) before Tax from continuing operations**

The Group recorded a profit before tax of S$739,000 in 1H26 compared to a loss before tax of S$9.9 million in 1H2025. Excluding the impact of provisions for certain non-operating and non-recurring items, the underlying profitability of the Group's manufacturing operations remained resilient and improved significantly compared with the corresponding period of the previous year.

**Tax Expense for continuing operations**

The Group recorded income tax expense of S$604,000 in 1H26 compared to a tax credit of S$104,000 in 1H25. The higher tax expense was mainly attributable to improved profitability in certain operating entities and deferred tax adjustments recognised during the period.

**Profit/(Loss) from continuing operations**

| | 1H26 (S$ million) | 1H25 (S$ million) | Change |
|---|---|---|---|
| **Operating profit/(loss)** | 0.8 | (9.8) | N.M. |
| **Net profit/(loss)** | 0.1 | (9.6) | N.M. |

The Group recorded a net profit attributable to owners of the Company of S$135,000 in 1H26, a significant improvement from the net loss of S$9.8 million reported in 1H25. The turnaround was mainly driven by improved operational performance, lower administrative expenses and favourable foreign exchange movements.

**STATEMENTS OF FINANCIAL POSITION**

The Group's financial position remained strong with cash and bank balances increasing to S$55.0 million as at 30 June 2026 from S$50.2 million as at 31 December 2025. Shareholders' equity stood at S$127.9 million, while the Group remained in a net cash position with low borrowings consisting of lease liabilities. Trade receivables and inventory balances remained stable, reflecting continued focus on working capital management.

Total assets increased to S$168.4 million as at 30 June 2026 from S$165.0 million as at 31 December 2025, mainly due to higher cash and bank balances and contract assets, partially offset by lower property, plant and equipment and trade receivables.

The Group’s total liabilities increased to S$40.5 million as at 30 June 2026 from S$36.8 million as at 31 December 2025, mainly due to increases in trade and other payables, contract liabilities and tax payable.

**CONSOLIDATED STATEMENT OF CASH FLOWS**

The Group generated net cash inflows from operating activities of S$5.4 million in 1H26 compared to net cash outflows of S$4.6 million in 1H25. The improvement was mainly attributable to stronger operating performance and favourable working capital movements.

Net cash used in investing activities amounted to S$0.5 million, primarily for capital expenditure, while financing activities utilised S$0.2 million mainly for lease repayments.

Consequently, cash and cash equivalents increased to S$55.0 million as at 30 June 2026, excluding cash deposit pledged of S$0.4 million.

**9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**

Not applicable.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months**

The global manufacturing sector continues to face a challenging operating environment amid macroeconomic uncertainties, evolving customer demand patterns, geopolitical developments and ongoing pricing pressure. Customers remain cautious in their procurement decisions, although demand from selected end-markets, including medical and industrial applications, continues to show resilience.

Against this backdrop, the Group remains focused on strengthening its precision manufacturing segment through operational excellence, cost optimisation and productivity improvements. The Group continues to enhance manufacturing efficiency through automation, process improvements and disciplined cost management while leveraging its diversified manufacturing footprint across Singapore, Malaysia and China to support customers' regional supply chain requirements.

The Group is actively expanding its business development efforts to diversify its customer base and secure new projects in higher value-added precision engineering, medical, industrial and advanced manufacturing applications. At the same time, management continues to review its manufacturing footprint and optimise resource allocation to improve capacity utilisation and overall profitability.

While market conditions are expected to remain competitive over the next reporting period and the next 12 months, the Group maintains a healthy balance sheet and remains focused on prudent cash flow management, operational efficiency and long-term sustainable growth. The Group will continue to monitor global economic developments, geopolitical uncertainties, foreign exchange fluctuations and customer demand trends, and will respond proactively to changes in the operating environment.

Under the leadership of its Board and management team, the Group remains committed to executing its strategic initiatives, strengthening its competitive position and delivering sustainable long-term value to shareholders.

**11. Dividend**

**(a) Current Financial Period Reported On**

Any dividend recommended for the current financial period reported on?

No dividends have been recommended or declared in the six months period ended 30 June 2026.

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year? No

**(c) Date payable**

Not applicable.

**(d) Books Record date**

Not applicable.

**12. If no dividend has been declared/ recommended, a statement to that effect and the reason(s) for the decision.**

No dividends have been recommended or declared in the six months period ended 30 June 2026 as the Company continues to prioritise strengthening its financial position and supporting its ongoing recovery.

**13. If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii) of the Listing Manual. If no IPT mandate has been obtained, a statement to that effect.**

There is no general mandate obtained from shareholders for IPTs.

There were no IPTs for the period ended 30 June 2026.

**14. Additional information required pursuant to Rule 706A of the Listing Manual**

Save as disclosed, there was no acquisition or sale of shares resulting in a company becoming a subsidiary or an associated company of the Group or any change of the Group’s shareholding percentage in a subsidiary or an associated company in 1H26.

**15. Negative assurance confirmation on interim financial results under Rule 705(5) of the Listing Manual**

We, Gilbert L. Rodrigues and Lim Wei De, Victor, being two directors of Fu Yu Corporation Limited (the “Company”), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to attention of the Board of Directors of the Company which may render the condensed interim financial statement for the six months ended 30 June 2026 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Gilbert L. Rodrigues
Independent Non-Executive Chairman

Lim Wei De, Victor
Managing Director

**16. Confirmation that the issuer has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual.**

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

**BY ORDER OF THE BOARD**

Mr Gilbert L. Rodrigues
Independent Non-Executive Chairman
Singapore, 7 August 2026