

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

RESPONSE TO THE QUERY FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED REGARDING THE 2013 ANNUAL REPORT

The Board of Directors of Fu Yu Corporation Limited (the "**Company**") refers to the query raised by the Singapore Exchange Securities Trading Limited in relation to the Annual Report of the Company for the financial year ended 31 December 2013 (the "**2013 Annual Report**") and wishes to clarify as follows: -

Principle 2: Board Composition and Guidance (with reference to the Corporate Governance Report on Board composition and guidance set out in page 17 of the 2013 Annual Report)

Mr Tan Yew Beng ("Mr Tan") has been an independent and non-executive director of the Company for more than 9 years. The NC has assessed Mr Tan's independence and has recommended to the Board of Directors that Mr Tan remains independent. In arriving at that conclusion, the NC took into account that Mr Tan has never, and is not, involved in the day to day management of the Company. There is nothing to suggest that Mr Tan has any relationship with the Management which would impair his fair judgment. The NC also noted that Mr Tan has always exercised his judgment in the interest of the Company, and has expressed his views independently at all times. The Board of Directors also benefits from Mr Tan's business experience and acumen which he brings to Board meetings.

BY ORDER OF THE BOARD

Low Siew Tian
Company Secretary
Singapore, 23 April 2014