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

PROFIT GUIDANCE ON UNAUDITED FINANCIAL RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2025

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 six months unaudited consolidated financial results for the financial period ended 30 June 2025 ("**1H2025**"), the Group is expected to report a net loss for 1H2025.

The loss is mainly attributable to:

(i) Upfront costs for tooling, as the Group recently expanded its customer base and secured new projects, which are expected to commence production from 2H2025 onwards;
(ii) One-off costs of S$3.0 million arising from the liquidation of the Group's facility in Zhuhai, China, as the Group consolidates its manufacturing footprint in China;
(iii) Softer customer demand from the Group's operations in China amid slower business activities;
(iv) One-off professional fees recorded under "Selling and administrative expenses"; and
(v) Foreign exchange losses resulting from the weakening of the US dollar against the Singapore dollar and Malaysian ringgit.

The Group expects to record higher revenue for 1H2025 compared to 1H2024, driven by higher orders from existing customers and projects from new customers recently secured. As announced in its 1Q2025 business update on 15 May 2025, the Group will build upon its broader customer base and stronger manufacturing capabilities to accelerate business momentum.

The management team is actively assessing the Group's cost structure to streamline operations and reduce operating costs, with a view to improving margins and driving financial recovery.

In line with this initiative, the Group is liquidating its Zhuhai facility. Over 90% of projects will be shifted from Zhuhai to the Group's Dongguan facility, without additional operating expenses incurred. The Group expects to recognise operational cost savings starting from 2H2025, and will continue to optimise operational efficiency at its remaining two facilities in Dongguan and Suzhou.

The Group is still in the process of finalising its unaudited consolidated financial results for 1H2025 and will provide further details of the Group's performance when it releases the financial results on or before 14 August 2025.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company. The Board will continue to closely monitor the situation and will make appropriate announcements on any material developments as and when they arise.

BY ORDER OF THE BOARD
FU YU CORPORATION LIMITED

Poh Chee Eng
Company Secretary
29 July 2025