

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

**GROUP TO STREAMLINE AND OPTIMISE
MANUFACTURING RESOURCES IN CHINA**

1. INTRODUCTION

The Board of Directors (the “**Board**”) of Fu Yu Corporation Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce the decision to wind down its under-utilised factory located in Zhuhai, which is held by its wholly-owned subsidiary, Fu Yu Moulding & Tooling (Zhuhai) Co., Ltd (“**Fu Yu Zhuhai**”), and scaling up its existing factory in Dongguan before the end of the financial year ending 31 December 2025. Relevant assets of Fu Yu Zhuhai will also be transferred to the Dongguan factory, and subject to market conditions, the remaining equipment which is not transferred will be disposed.

Zhuhai and Dongguan are both located in Guangdong province in southern China.

2. RATIONALE

The Group is streamlining its manufacturing operations amid ongoing geopolitical uncertainty and in anticipation of economic challenges.

The decision to right size the Group’s manufacturing resources in China is expected to result in a reduction of fixed overheads, more efficient use of production resources and cost savings in the long term.

Following cessation of Fu Yu Zhuhai, the Group’s remaining operations in China will be located in Suzhou and Dongguan. Both are strategically located within China’s key manufacturing regions. Together with its established presence in Singapore and Malaysia, the Group remains committed to providing strong, cost effective and reliable support to its customers throughout the region.

3. FINANCIAL INFORMATION

Based on the audited financial statements of Fu Yu Zhuhai as at 31 December 2024, the net tangible asset value of Fu Yu Zhuhai was approximately RMB18.6 million (or approximately S\$3.5 million based on an exchange rate of RMB1: S\$0.1864 as at 31 December 2024). For the financial year ended 31 December 2024, Fu Yu Zhuhai contributed less than 10% to the Group’s revenue and 51% of the Group’s loss before tax respectively.

The Group expects to recognise one-time estimated expenses of approximately S\$3.0 million arising from the closure of Fu Yu Zhuhai. Save for the one-time expenses, the closure of Fu Yu Zhuhai is not expected to have a material impact on the Group’s NTA and overall financial performance for the financial year ending 31 December 2025.

4. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDER

None of the directors or the controlling shareholders of the Company has any interest, direct or indirect, in the above.

BY ORDER OF THE BOARD

Seow Jun Hao David
Executive Director and Group Chief Executive Officer
29 July 2025