

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

PROFIT GUIDANCE FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

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 unaudited consolidated financial results for the financial year ended 31 December 2023 (“**FY2023**”), the Group is expected to report a net loss for FY2023.

The loss is mainly attributable to:

- (i) Lower sales volume within the manufacturing sector, compounded by continued geopolitical tensions and economic uncertainty amid higher interest rates;
- (ii) Increased operating costs amid higher labour and energy costs;
- (iii) Costs such as depreciation and engineering resources related to the establishment of a Smart Factory and improvement to the capabilities in Singapore; and
- (iv) A non-cash impairment of goodwill of S\$2.7 million in connection with the Group’s investment in Fu Yu Supply Chain Solutions Pte Ltd in FY2021, primarily due to its recoverable amount being below its carrying value.

The Group intends to release its unaudited results for FY2023 before 29 February 2023, when further details on the Group’s performance and forward strategies will be disclosed.

In the meantime, shareholders of the Company and potential investors are advised to exercise caution when dealing with the shares of the Company.

The Board will continue to closely monitor the situation and will make the appropriate announcement(s) on any material development(s) as and when they arise.

BY ORDER OF THE BOARD
FU YU CORPORATION LIMITED

Janet Tan
Company Secretary
Singapore, 7 February 2024