

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

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**RESPONSES TO QUESTIONS RECEIVED FROM SECURITIES INVESTORS ASSOCIATION  
(SINGAPORE)**

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The Board of Directors (the “**Board**”) of Fu Yu Corporation Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to questions received from the Securities Investors Association (Singapore) (“**SIAS**”) on 16 January 2025.

The Company would like to provide its responses to the questions received from the SIAS as below Appendix.

By Order of the Board

Seow Jun Hao David  
Executive Director and Group Chief Executive Officer  
Singapore, 24 January 2025

## **Appendix**

### **Question 1**

**What were the reason(s) for the Nominating Committee (NC) rejecting Mr Lim's request to join the Board?**

In its assessment of Mr Victor Lim's application to join the Board, the Nominating Committee ("NC") assessed that he was not suitable for the role at this point in time based on his capabilities and the potential non-conformance to the Directors' integrity requirements set out by SGX. In reaching its conclusion, the NC relied on the requirements set out in Rules 246(5)(a) of the Listing Manual, read with paragraph 8, Part 7 of the Securities and Futures (Offers of Investments) (Securities and Securities-Based Derivatives Contracts) Regulations 2018.

### **Question 2**

**What justifications did Mr Lim present to the NC to be a director on the Board?**

Mr Lim presented his experience as a director of strategy of the Company for the past 4 years, and said he has a turnaround strategy. However, the NC does not hold the same view; the NC also notes that Mr Lim's justifications were verbal, and not written.

### **Question 3**

**Can the Board substantiate the claim by Mr Lim that the Independent Directors (IDs) should be removed due to the performance of the company, since the IDs are not typically involved in the management of the company?**

With reference to the announcement released 13 January 2025, the Company and the Board note that independent non-executive directors "are not involved in the day-to-day running of the business of the Company and the Group". Further, Mr Lim has proposed that the incoming directors, Mr Gilbert L. Rodrigues, Mr Ralf Pilarczyk and Mr Yang Zhenrong, take on independent non-executive positions in the Company. It is therefore difficult to see how and why, the replacement of non-executive directors can effectively improve the performance of the Company and its share price.

### **Question 4**

**In the event the IDs are removed at the proposed EGM, who will review the suitability of the ID candidates proposed by Mr Lim as there will be no NC to assess the Board candidates proposed by Mr Lim?**

The current NC remains willing and able to discharge their duties to perform the assessment of the current Board candidates proposed by Mr Lim.

### **Question 5**

**What were the results of any Board evaluation that may have been conducted?**

The Board is satisfied with the performance of the company and of its Board directors despite challenging economic conditions and the transition from a legacy business as announced in the Company's Corporate and Business Update ("CBU") on 28 November 2023.

### **Question 6**

**Has the Board actively engaged with the controlling shareholder on the strategic direction of the group?**

As announced on 16 December 2024, Mr Lim had only communicated his interest as a controlling shareholder on the same day. In the spirit of discussion and openness, the Board is open to engaging

with Mr Lim. The Board has also instructed its legal advisors to reach out to Mr Lim for information and documents in relation to the requisition.

### **Question 7**

**Have there been any disagreements between the Board and the management on the strategic direction of the company?**

There have not been disagreements between the Board and management. The Board is supportive of management's strategic direction, which has been outlined in the CBU on 28 November 2023.

In the Board's view, the execution of these strategies will be necessary to drive the Company's financial turnaround, and pave the way for future growth.

### **Question 8**

**Does the Board think that the recent upturn in its financial performance will continue?**

The Board is confident the Company will continue to see improvements in financial performance. The Group is at the tail end of its internal re-tooling and transformation, which will provide a strong business foundation to secure customers in new markets and improve operational efficiencies.

Already, the Group has recorded increases in orders and higher interest to increase order volumes in recent months, partially driven by customers looking to stockpile inventory in response to an expected rise in US-China trade tensions.

During FY2024, Fu Yu also secured new clients and has already begun the initial stages of prototyping, design iterations, and mould development. These help lay the foundation for sustainable, long-term revenue from mass production, and the Group expects to recognise this positive impact in FY2025.

Lastly, the Group has undertaken a thorough review of its business portfolio and will make strategic adjustments to ensure resources are optimally allocated and aligned with its long-term growth strategy.

More details on Fu Yu's unaudited FY2024 financial results will be released at the end of February 2025.