



**FU YU CORPORATION LIMITED
AND SUBSIDIARY COMPANIES**

**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025**

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A Condensed interim statements of financial position

		Group		Company	
	Note	As at 30 Jun 2025 \$'000	As at 31 Dec 2024 \$'000	As at 30 Jun 2025 \$'000	As at 31 Dec 2024 \$'000
Non-current assets					
Property, plant and equipment	3	56,459	58,603	38,019	39,069
Investment property	4	5,728	5,842	—	—
Subsidiaries	5	—	—	53,898	53,898
Other receivables	6	—	—	15,541	17,109
Deferred tax assets		794	806	—	—
		62,981	65,251	107,458	110,076
Current assets					
Trade and other receivables	6	35,561	33,682	23,331	20,515
Inventories		18,450	15,081	4,722	3,755
Cash and bank balances	7	46,075	55,531	2,665	4,741
Contract assets		5,070	4,007	1,936	1,190
Tax recoverable		338	253	—	—
		105,494	108,554	32,654	30,201
Total assets		168,475	173,805	140,112	140,277
Equity attributable to equity holders of the Company					
Share capital	8	103,770	103,770	103,770	103,770
Reserves		21,182	32,395	14,406	19,168
Total equity		124,952	136,165	118,176	122,938
Non-current liabilities					
Provision		1,197	1,186	1,197	1,186
Loans and borrowings	9	5,170	6,113	4,613	5,278
Deferred tax liabilities		794	1,357	279	720
		7,161	8,656	6,089	7,184
Current liabilities					
Trade and other payables		28,953	25,898	14,013	9,461
Provision		3,000	—	—	—
Contract liabilities		2,511	749	1,632	147
Loans and borrowings	9	713	1,078	202	547
Tax payable		1,185	1,259	—	—
		36,362	28,984	15,847	10,155
Total liabilities		43,523	37,640	21,936	17,339
Total equity and liabilities		168,475	173,805	140,112	140,277

B Condensed interim consolidated income statement and statement of comprehensive income
For the six months ended 30 June 2025

		Group		
		Six Month Ended 30 June		
	Note	2025	2024	
		\$'000	\$'000	
Revenue	10	60,452	54,750	10.4%
Cost of sales		(53,607)	(47,705)	12.4%
Gross profit		6,845	7,045	-2.8%
Other income		1,441	1,221	18.0%
Selling and administrative expenses		(11,918)	(9,223)	29.2%
Other (expenses)/income, net		(6,138)	876	NM
Results from operating activities		(9,770)	(81)	NM
Finance costs		(139)	(184)	-24.5%
Loss before income tax	11	(9,909)	(265)	NM
Tax (credit)	12	104	(101)	NM
Loss from continuing operations		(9,805)	(366)	NM
Profit from discontinued operations		246	438	
(Loss)/Profit for the period attributable to owners of the Company		(9,559)	72	
Other comprehensive income				
<i>Items that are or may be reclassified subsequently to profit or loss:</i>				
Foreign currency translation differences		(1,654)	1,158	NM
Other comprehensive income for the period (net of tax)		(1,654)	1,158	NM
Total comprehensive income for the period attributable to owners of the Company		(11,213)	1,230	NM
Loss per share				
Basic (loss)/earnings per share (cents)		(1.25)	0.01	
Diluted (loss)/earnings per share (cents)		(1.25)	0.01	
Loss per share from continuing operations				
Basic (loss)/earnings per share (cents)		(1.28)	(0.05)	
Diluted (loss)/earnings per share (cents)		(1.28)	(0.05)	

NM denotes Not Meaningful

C Condensed interim statements of changes in equity
For the six months ended 30 June 2025 (Group)

	Share capital	Capital reserve	Statutory reserve	Revaluation reserve	Foreign currency translation reserve	Retained earnings	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group							
At 1 January 2025	103,770	(415)	4,278	789	(29,324)	57,067	136,165
Total comprehensive loss for the period							
Loss for the period	–	–	–	–	–	(9,559)	(9,559)
Other comprehensive loss							
- Foreign currency translation differences	–	–	–	–	(1,654)	–	(1,654)
Total comprehensive loss for the period	–	–	–	–	(1,654)	(9,559)	(11,213)
At 30 June 2025	103,770	(415)	4,278	789	(30,978)	47,508	124,952

	Attributable to equity holders of the Company						
	Share capital	Capital reserve	Statutory reserve	Revaluation reserve	Foreign currency translation reserve	Share-based payment reserve	Retained earnings
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group							
At 1 January 2024	102,985	(415)	4,278	789	(32,500)	759	61,547
Total comprehensive income for the period							
Profit for the period	–	–	–	–	–	–	72
Other comprehensive income	–	–	–	–	1,158	–	–
- Foreign currency translation differences	–	–	–	–	1,158	–	–
Total comprehensive income for the period	–	–	–	–	1,158	–	72
Transaction with owners, recognised directly in equity							
Contributions by and distributions to owners							
Equity-settled share-based payment transactions	785	–	–	–	–	336	–
Total transactions with owners	785	–	–	–	–	336	–
At 30 June 2024	103,770	(415)	4,278	789	(31,342)	1,095	61,619

Condensed interim statements of changes in equity
For the six months ended 30 June 2025 (Company)

	Share capital	Revaluation reserve	Merger reserve	Share- based payment reserve	Retained earnings	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Company						
At 1 January 2025	103,770	789	(1,425)	–	19,804	122,938
Total comprehensive loss for the period						
Loss for the period	–	–	–	–	(4,762)	(4,762)
Total comprehensive loss for the period	–	–	–	–	(4,762)	(4,762)
At 30 June 2025	103,770	789	(1,425)	–	15,042	118,176
Company						
At 1 January 2024	102,985	789	(1,425)	759	22,177	125,285
Total comprehensive loss for the period						
Loss for the period	–	–	–	–	(206)	(206)
Total comprehensive loss for the period	–	–	–	–	(206)	(206)
Transaction with owners, recognised directly in equity						
Contributions by and distributions to owners						
Equity-settled share-based payment transactions	785	–	–	336	–	1,121
Total transactions with owners	785	–	–	336	–	1,121
At 30 June 2024	103,770	789	(1,425)	1,095	21,971	126,200

D Condensed interim consolidated statement of cash flows
For the six months ended 30 June 2025

		Group	
		Six Month Ended 30 Jun	
		2025	2024
	Note	\$'000	\$'000
Cash flows from operating activities			
Loss before tax from continuing operations		(9,909)	(265)
Profit before tax from discontinued operations		246	598
		(9,663)	333
Adjustments for:			
Depreciation of property, plant and equipment and investment property	11	3,923	4,086
Finance costs		176	503
Interest income		(739)	(836)
Gain on disposal of property, plant and equipment	11	(30)	(6)
Property, plant and equipment written off	11	62	185
Share-based payment transactions		—	1,121
		(6,271)	5,386
Changes in working capital:			
Trade and other receivables		(1,878)	(4,495)
Contract assets		(1,064)	(921)
Contract liabilities		1,762	164
Inventories		(3,369)	(379)
Trade and other payables		3,008	4,223
Provision		3,000	—
Currency translation adjustments		945	(323)
Cash used in operations		(3,867)	3,655
Tax (paid)/credit		(711)	307
Net cash (used in)/ generated from operating activities		(4,578)	3,962
Cash flows from investing activities			
Interest income received		739	836
Proceeds from disposal of property, plant and equipment		37	6
Purchase of property, plant and equipment		(2,816)	(3,874)
Net cash used in investing activities		(2,040)	(3,032)
Cash flows from financing activities			
Repayment of lease liabilities	9	(590)	(737)
Repayment of bank loan		—	(2,005)
Finance costs paid		—	(395)
Deposits pledged		(1)	(1)
Cash restricted-in-use		—	3,700
Net cash (used in)/generated from financing activities		(591)	562
Net (decrease)/increase in cash and cash equivalents		(7,209)	1,492
Cash and cash equivalents at 1 January		55,455	55,186
Effect of exchange rate fluctuations on cash held		(2,247)	949
Cash and cash equivalents at 30 June	7	45,999	57,627

E Selected notes to the condensed interim financial statements

1. Corporate Information

Fu Yu Corporation Limited (the “**Company**”) is incorporated and domiciled in Singapore and whose shares are publicly traded on the Mainboard of the Singapore Exchange.

These condensed interim financial statements as at and for the six months ended 30 June 2025 comprise the Company and its subsidiaries (collectively, the “**Group**”).

The principal activities of the Company are those of manufacturing and sub-assembly of precision plastic parts and components, fabrication of precision moulds and dies and investment holding. The principal activities of the Company's subsidiaries consist of manufacturing and sub-assembly of precision plastic parts and components, fabrication of precision moulds and dies, trading, provision of management services and investment holding.

2. Basis of Preparation

2.1. Statement of compliance

The condensed interim financial statements for the six months ended 30 June 2025 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2024.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.5.

2.2. Basis of measurement

The condensed interim financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities which are measured at fair value or amortised cost.

2.3. Functional and presentation currency

The condensed interim financial statements are presented in Singapore dollars (\$) which is the Company's functional currency. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

2.4. Use of judgements and estimates

The preparation of the condensed interim financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2024.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following note:

- Note 5 and 6 – recoverability of investments in and amounts due from subsidiaries
- Note 6 – measurement of expected credit losses (ECL) allowance for trade and other receivables

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the condensed interim financial statements is included in the following note:

- Note 4 – classification of investment property

Measurement of fair values

A number of the Group's accounting policies and disclosures requires the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 4 – Investment property
- Note 14 – financial risk management: accounting classification and fair value

2.5. New and amended standards adopted by the Group

The Group has applied the following SFRS(I)s, amendments to and interpretations of SFRS(I) for the first time for the annual period beginning on 1 January 2025:

- Amendments to SFRS(I) 1-1: Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants.

The application of these amendments to standards and interpretations does not have a material effect on the condensed interim financial statements.

3. Property, plant and equipment

During the six months ended 30 June 2025, the Group acquired assets amounting to \$2,816,000 (30 June 2024: \$3,874,000) and disposed of assets amounting to net book value of \$10,000 (30 June 2024: \$Nil).

4. Investment property

	Group
	\$'000
Cost	
At 1 January 2024	8,144
Currency realignment	491
At 31 December 2024	<u>8,635</u>
At 1 January 2025	8,635
Currency realignment	(57)
At 30 June 2025	<u>8,578</u>
Accumulated depreciation	
At 1 January 2024	2,492
Depreciation for the year	145
Currency realignment	156
At 31 December 2024	<u>2,793</u>
At 1 January 2025	2,793
Depreciation for the period	74
Currency realignment	(17)
At 30 June 2025	<u>2,850</u>
Carrying amounts	
At 31 December 2024	<u>5,842</u>
At 30 June 2025	<u>5,728</u>

The buildings are leased to a third party.

The Group has certain leasehold land held to earn rental income and also for own production or supply of goods and administrative purposes. If a portion of the property cannot be sold or leased out separately under a finance lease, the entire property is classified as investment property only if the portion of the property held for own use is insignificant. Judgement is involved in determining the allocation of investment property and property, plant and equipment.

The fair value of the investment property (fair value hierarchy of level 3) as at 31 December 2024 amounts to approximately \$7,158,000 and has been determined based on valuations performed by accredited independent valuers with recent experience in the location and category of investment properties being valued. The valuations are based on comparison method and the depreciated replacement cost method. The depreciated replacement cost method makes reference to the cost of replacing the buildings as new and allowing for depreciation. Key unobservable inputs correspond to replacement costs having regard to asset life, physical deterioration, functional and economic obsolescence. The comparison method involves comparing and adopting recent transactions as a yardstick and sale evidences involving other similar properties in the vicinity. The Group has assessed that the best use of its properties does not differ from their current use.

5. Subsidiaries

	Company	
	As at 30 Jun 2025 \$'000	As at 31 Dec 2024 \$'000
Equity investments, at cost	107,960	107,960
Forgiveness of amounts due from subsidiaries	12,802	12,802
	120,762	120,762
Impairment losses	(66,864)	(66,864)
	53,898	53,898

6. Trade and other receivables

	Group		Company	
	As at 30 Jun 2025 \$'000	As at 31 Dec 2024 \$'000	As at 30 Jun 2025 \$'000	As at 31 Dec 2024 \$'000
Trade receivables	32,417	30,095	15,454	11,760
Allowance for impairment of doubtful receivables	(539)	(3)	(97)	–
Net trade receivables	31,878	30,092	15,357	11,760
Other receivables	985	538	333	184
Amounts due from subsidiaries	–	–	22,062	24,449
Deposits	201	346	50	144
	33,064	30,976	37,802	36,537
Prepayments	1,111	1,149	664	703
Advances to suppliers	1,386	1,557	406	384
	35,561	33,682	38,872	37,624
Non-current	–	–	15,541	17,109
Current	35,561	33,682	23,331	20,515
	35,561	33,682	38,872	37,624

Amounts due from subsidiaries

	Company	
	As at 30 Jun 2025 \$'000	As at 31 Dec 2024 \$'000
Amounts due from subsidiaries		
Non-current		
- non-trade	24,010	25,578
Impairment losses	(8,469)	(8,469)
	15,541	17,109
Current		
- trade	325	287
- non-trade	9,598	10,455
Impairment losses	(3,402)	(3,402)
	22,062	24,449

Expected credit loss (“ECL”) assessment

The Group uses an allowance matrix to measure the ECLs of trade receivables and contract assets which comprise a large number of small balances, while for other receivables there is no significant increase in credit risk for these exposures, therefore impairment has been measured on the 12-month expected loss basis and the amount of the allowance is insignificant.

Loss rates are estimated based on actual credit loss experience over the past five years. These rates are adjusted to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected life of the receivables.

There have been no significant changes to the movement in the allowance for impairment loss in respect of trade and other receivables during the period.

7. Cash and bank balances

	Group		Company	
	As at 30 Jun 2025 \$'000	As at 31 Dec 2024 \$'000	As at 30 Jun 2025 \$'000	As at 31 Dec 2024 \$'000
Cash at bank and in hand	21,033	24,405	2,665	4,741
Deposits with banks	25,042	31,126	–	–
Cash and bank balances in the statements of financial position	46,075	55,531	2,665	4,741
Deposits pledged	(76)	(76)		
Cash and cash equivalents in the consolidated statement of cash flows	45,999	55,455		

The deposit pledged represents bank balance pledged for bank guarantee purposes in the normal course of business.

Deposits with financial institutions mature on varying periods within 6 months (2024: 12 months) from the financial period end. Effective interest rates range from 1.60% to 5.30% (2024: 1.80% to 4.90%) per annum.

Cash and bank balances totaling the equivalent of \$4,797,000 (31 December 2024: \$7,467,000) are held in a country which operates foreign exchange controls.

8. Share capital

	Group and Company	
	2025	2024
Fully paid ordinary shares, with no par value:	No. of shares	
On issue at 1 January	761,994,775	756,994,775
Issuance of new ordinary shares	–	5,000,000
On issue at 30 June (2024: 31 December)	761,994,775	761,994,775

The Company did not hold any treasury shares as at 30 June 2025 and 31 December 2024.

The Company's subsidiaries do not hold any shares in the Company as at 30 June 2025 and 31 December 2024.

9. Loans and borrowings

	Group		Company	
	As at 30 Jun 2025 \$'000	As at 31 Dec 2024 \$'000	As at 30 Jun 2025 \$'000	As at 31 Dec 2024 \$'000
Non-current liabilities				
Lease liabilities	5,170	6,113	4,613	5,278
	5,170	6,113	4,613	5,278
Current liabilities				
Lease liabilities	713	1,078	202	547
	713	1,078	202	547

Terms and debt repayment schedule

Terms and conditions of outstanding loans and borrowings are as follows:

	Currency	Nominal interest rate	Year of maturity	30 Jun 2025	
				Face value \$'000	Carrying amount \$'000
Group					
Lease liabilities	SGD	1.60%-4.50%	2025-2044	6,581	4,815
Lease liabilities	MYR	5.45%-6.76%	2026	110	107
Lease liabilities	RMB	3.35%-4.75%	2026	997	961
				7,688	5,883
Company					
Lease liabilities	SGD	1.60%-4.50%	2025-2044	6,581	4,815
				6,581	4,815
	Currency	Nominal interest rate	Year of maturity	31 Dec 2024	
				Face value \$'000	Carrying amount \$'000
Group					
Lease liabilities	SGD	1.60%-5.79%	2025-2044	7,705	5,829
Lease liabilities	MYR	5.45%-6.70%	2025-2026	151	147
Lease liabilities	RMB	3.35%-4.75%	2026-2027	1,271	1,215
				9,127	7,191
Company					
Lease liabilities	SGD	1.60%-3.91%	2025-2044	7,701	5,825
				7,701	5,825

Intra-group financial guarantee

Intra-group financial guarantee comprises a guarantee given by the Company to banks in respect of banking credit facilities amounting to \$40,672,200 (2024: \$118,060,700) granted to the wholly-owned subsidiaries in Malaysia and Singapore. As at the reporting date, the Company has not recognised an ECL provision as the credit facilities have not been utilised. The Company does not consider it probable that a claim will be made against the Company under the guarantee.

Reconciliation of movements of loans and borrowings and lease liabilities to cash flows arising from financing activities:

	Lease liabilities \$'000
Group	
Balance at 1 January 2025	7,191
Changes in financing cash flows	
Payment of lease liabilities	(473)
Finance costs paid	(117)
Total changes from financing cash flows	(590)
Other changes	
Liability-related	
Currency realignment	(40)
Interest expense	117
Termination of leases	(795)
Total liability-related other changes	(718)
Balance at 30 June 2025	5,883

10. Revenue

(i) Disaggregation of revenue

In the following table, revenue from contracts with customers is disaggregated by primary geographical markets, major products and service lines and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments (see Note 13).

← Reportable segments →												
← Manufacturing Segment →									Supply Chain Management Services Segment (Discontinued)*			
Six months ended 30 Jun	Singapore		China		Malaysia		Total for Manufacturing Segment		Singapore		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group												
Major products/ service line												
Sales of goods	21,756	19,279	13,833	14,031	16,699	16,999	52,288	50,309	–	71,963	52,288	122,272
Revenue from tooling contracts	6,223	1,725	1,476	1,940	465	776	8,164	4,441	–	–	8,164	4,441
	27,979	21,004	15,309	15,971	17,164	17,775	60,452	54,750	–	71,963	60,452	126,713
Timing of revenue recognition												
Products transferred at a point in time	22,310	19,279	14,120	14,031	16,906	16,999	53,336	50,309	–	71,963	53,336	122,272
Services transferred over time	5,669	1,725	1,189	1,940	258	776	7,116	4,441	–	–	7,116	4,441
	27,979	21,004	15,309	15,971	17,164	17,775	60,452	54,750	–	71,963	60,452	126,713

*Supply Chain Management Services Segment ceased all business activities in the last quarter of FY2024.

(ii) **Seasonal operations**

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

11. Loss before Income Tax

Significant items

	Group	
	Six Months	
	Ended 30 Jun	
	2025	2024
	\$'000	\$'000
A. Loss before income tax is arrived at after (crediting)/ charging the following:		
Interest income	(739)	(836)
Gain on disposal of property, plant and equipment	(30)	(6)
Foreign exchange loss/(gain), net	2,842	(706)
Property, plant and equipment written off	62	185
Depreciation of property, plant and equipment and investment property	3,923	4,086
Interest expenses on lease liabilities	117	108
Interest expenses on bank loan	—	395
Provision for closure cost of Fu Yu Zhuhai factory	3,000	—
Provision for doubtful debts	553	—
Write back for inventory obsolescence	(7)	(104)
B. Tax expense		
Adjustments for over provision of income tax in respects of prior year	106	142

12. Tax (credit)/ expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings.

	Group	
	Six Months	
	Ended 30 Jun	
	2025	2024
	\$'000	\$'000
Current tax expense		
Current year	308	724
Withholding taxes	63	53
Under provision in prior years	106	142
	477	919
Deferred tax (credit)/expense		
Movements in temporary differences	(659)	(685)
Under/(over) provision in prior years	78	(133)
	(581)	(818)
Tax (credit)/expense	(104)	101

13. Operating Segments

During the six months ended 30 June 2025, the Group has three reportable geographical segments based on the location of assets, namely Singapore, Malaysia and China. These segments are managed separately because they bear different financial and business risks. The locations of the Group's customers are not significantly different from the locations of the Group's assets.

Segmental results and assets include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Performance is measured based on (loss)/profit before income tax, depreciation of property, plant and equipment and investment property, finance cost and net foreign exchange gain/(loss) as included in internal management reports that are reviewed by the Group's Chief Executive Officer (chief operating decision maker). Such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within the Group's industry. Both inter-segment and intra-segment pricing are based on terms agreed by the counterparties.

Reportable Segments

	Manufacturing Segment								Supply Chain Management Services Segment (Discontinued)***							
	Singapore		China		Malaysia		Total for Manufacturing Segment		Singapore		Total operations before adjustment		Group adjustment and eliminations		Total operations	
Six months ended 30 Jun	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue and expenses																
Total external revenue	27,979	21,004	15,309	15,971	17,164	17,775	60,452	54,750	—	71,963	60,452	126,713	—	—	60,452	126,713
Inter-segment revenue	455	249	403	204	340	51	1,198	504	—	—	1,198	504	(1,198)	(504)	—	—
Segment profit/ (loss) before income tax*	10	18	(1,708)	(326)	1,897	3,056	199	2,748	(612)	632	(413)	3,380	(48)	—	(461)	3,380
Depreciation of property, plant and equipment and investment property	(2,203)	(2,098)	(998)	(1,159)	(768)	(845)	(3,969)	(4,102)	(9)	(12)	(3,978)	(4,114)	55	28	(3,923)	(4,086)
Provision for closure cost of Fu Yu Zhuhai	—	—	(3,000)	—	—	—	(3,000)	—	—	—	(3,000)	—	—	—	(3,000)	—
Interest income	91	130	19	29	83	54	193	213	546	627	739	840	—	(4)	739	836
Finance costs	(117)	(182)	(18)	(6)	(4)	(7)	(139)	(195)	(37)	(310)	(176)	(505)	—	2	(176)	(503)
Foreign exchange (loss)/gain (net)	(2,953)	1,286	266	(481)	(513)	187	(3,200)	992	358	(170)	(2,842)	822	—	(116)	(2,842)	706
(Loss)/Profit before income tax	(5,172)	(846)	(5,439)	(1,943)	695	2,445	(9,916)	(344)	246	767	(9,670)	423	7	(90)	(9,663)	333
Tax credit/(expense)															104	(261)
Net (loss)/profit for the period															(9,559)	72
Other segment information																
Non-current assets	91,917	93,269	5,024	6,177	19,330	18,178	116,271	117,624	31,130	31,160	147,401	148,784	(85,214)	(81,960)	62,187	66,824
Unallocated assets															794	1,300
Total non-current assets															62,981	68,124
Capital expenditure**	2,002	3,415	97	330	767	129	2,866	3,874	—	—	2,866	—	(50)	—	2,816	3,874
Interest income	91	130	19	29	83	54	193	213	546	627	739	840	—	(4)	739	836
Segment reporting assets	140,269	145,043	28,069	36,024	48,326	43,762	216,664	224,829	59,546	65,585	276,210	290,414	(108,529)	(111,829)	167,681	178,585
Unallocated assets															794	1,558
Total assets															168,475	180,143
Segment reporting liabilities	21,922	18,547	40,238	40,212	8,266	6,411	70,426	65,170	6,960	10,656	77,386	75,826	(35,842)	(38,092)	41,544	37,734
Unallocated liabilities															1,979	2,615
Total liabilities															43,523	40,349

* After excluding finance cost, foreign exchange gain/(loss) (net) and depreciation.

** Excluding addition of right-of-use assets.

*** Supply Chain Management Services Segment ceased all business activities in the last quarter of FY2024.

14. Financial Risk Management

Accounting classification and fair values

The carrying amounts of financial assets and liabilities (including trade and other receivables, cash and bank balances, trade and other payables and unsecured bank loans) are assumed to approximate their fair values because of the short period to maturity or re-pricing. Further, the fair value disclosure of lease liabilities is also not required.

Set out below is an overview of the financial assets and financial liabilities of the Group and Company as at 30 June 2025 and 31 December 2024:

	Financial assets \$'000	Financial liabilities \$'000	Total carrying amount \$'000
Group			
30 June 2025			
Trade and other receivables ⁺	33,064	–	33,064
Cash and bank balances	46,075	–	46,075
Trade and other payables [#]	–	(28,604)	(28,604)
	<u>79,139</u>	<u>(28,604)</u>	<u>50,535</u>
31 December 2024			
Trade and other receivables ⁺	30,976	–	30,976
Cash and bank balances	55,531	–	55,531
Trade and other payables [#]	–	(25,766)	(25,766)
	<u>86,507</u>	<u>(25,766)</u>	<u>60,741</u>
	Financial assets \$'000	Financial liabilities \$'000	Total carrying amount \$'000
Company			
30 June 2025			
Trade and other receivables ⁺	37,802	–	37,802
Cash and bank balances	2,665	–	2,665
Trade and other payables [#]	–	(13,782)	(13,782)
	<u>40,467</u>	<u>(13,782)</u>	<u>26,685</u>
31 December 2024			
Trade and other receivables ⁺	36,537	–	36,537
Cash and bank balances	4,741	–	4,741
Trade and other payables [#]	–	(9,329)	(9,329)
	<u>41,278</u>	<u>(9,329)</u>	<u>31,949</u>

⁺ Excludes prepayments and advances to suppliers

[#] Excludes advance billings

15. Related Party Transactions

The Group does not have material related party transactions apart from those disclosed elsewhere in the condensed interim financial statements.

F Other information required by Listing Rule Appendix 7.2

- 1(i) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares or cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuers, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year**

NIL.

- 1(ii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediate preceding year.**

The total number of issued ordinary shares excluding treasury shares as at 30 June 2025 was 761,994,775 (31 December 2024: 761,994,775).

- 1(iii) A statement showing all sales, transfer, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

- 1(iv) A statement showing all sales, transfer, disposal, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable.

- 2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.**

The condensed interim statements of financial position of Fu Yu Corporation Limited and its subsidiaries as at 30 June 2025 and the related condensed interim consolidated income statement and statement of comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the six-months ended 30 June 2025 and selected explanatory notes have not been audited or reviewed.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of a matter)**

Not applicable.

- 3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:**

(a) Updates on the efforts taken to resolve each outstanding audit issue.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

Based on the latest financial statements dated 5 June 2025, the financial statements are subject to a qualified opinion due to an ongoing investigation into the affairs of Fu Yu Supply Chain Solutions Pte Ltd.

According to the announcement published on the SGX website on 17 June 2025, the Company wishes to update shareholders that Rajah & Tann Singapore LLP ("R&T") has issued its report in connection with the Ongoing Investigations dated 6 June 2025 (the "R&T Report"). The R&T Report is finalised but has not undergone the Maxwellisation process. Pursuant to R&T's recommendation

and the Company's counsel, Nine Yards Chambers' ("Nine Yards"), advice, the Company will conduct a full Maxwellisation process vis-à-vis the persons mentioned in the R&T Report. The Maxwellisation process is expected to take 4 to 6 weeks. The Company has instructed Nine Yards to complete the Maxwellisation process and to consider the relevant input and the outcome of the Ongoing Investigations so that the Company can make an informed decision.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

Accounting policies and methods of computation used in the condensed interim financial statements for the period ended 30 June 2025 are consistent with those applied in the consolidated financial statements for the year ended 31 December 2024.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

Not applicable.

6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

	Group	
	Six Months Ended 30 June	
	2025	2024
Loss per share from continuing operations		
- Basic and diluted (cents)	(1.28)	(0.05)
Earnings per share from discontinued operations		
- Basic and diluted (cents)	0.03	0.06

Earnings per ordinary share on existing issued share capital is computed based on the weighted average number of shares in issue during the period of 761,994,775 (2024: 761,734,501).

There was no difference between the basic and diluted earnings per share as the Company has no dilutive securities as at 30 June 2025 and 31 December 2024.

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

	Group		Company	
	As at 30 Jun 2025	As at 31 Dec 2024	As at 30 Jun 2025	As at 31 Dec 2024
Net asset value (\$'000)	124,952	136,165	118,176	122,938
Issued capital at the end of the period ('000)	761,995	761,995	761,995	761,995
Net asset value per Ordinary Share (cents)	16.40	17.87	15.51	16.24

8. Review of performance of the Group

CONSOLIDATED INCOME STATEMENT

Revenue

For the six months ended 30 June 2025 (“1H25”), the Group’s revenue declined 52.3% to \$60.5 million from \$126.7 million in 1H24, mainly due to the discontinuation of the supply chain management segment in the last quarter of FY2024. Revenue from the manufacturing business rose 10.4% to \$60.5 million in 1H25 from \$54.8 million in 1H24.

Manufacturing Business

For 1H25, revenue from the manufacturing business rose, mainly due to higher sales from the Singapore operations, partially offset by a decline in the Group’s operations in China and Malaysia. During 1H25, the Group secured new projects and recorded higher order volumes, underscoring the recovery in the overall manufacturing environment and global economy.

Sales from Singapore operations improved 33.3% to \$28.0 million from \$21.0 million, mainly due to higher sales in the consumer segment.

Meanwhile, revenue contribution from the Malaysia segment decreased 3.4% to \$17.2 million in 1H25 from \$17.8 million a year ago, mainly due to lower demand from the consumer, medical and power tools segments.

Revenue contribution from China declined 4.4% to \$15.3 million in 1H25 compared to \$16.0 million, amid slower business activities due to a lower-than-expected recovery in the domestic economy.

As a percentage of total sales from the manufacturing business, the Singapore segment’s contribution increased to 46.3% in 1H25 (1H24: 38.4%). Malaysia segment’s revenue contribution grew to 28.4% (1H24: 32.5%) while the China operations accounted for 25.3% (1H24: 29.1%) of the manufacturing business’ revenue in 1H25.

Supply chain management services

The supply chain management services segment was discontinued in the last quarter of FY2024. In 1H24, supply chain management services segment registered revenue of \$72.0, which made up 56.8% of the Group’s total revenue.

Gross Profit

The Group’s gross profit in 1H25 decreased by 19.4% to \$6.8 million from \$8.5 million in 1H24. Gross profit from the manufacturing segment in 1H25 decreased 2.8% to \$6.8 million from \$7.0 million in 1H24, translating to a lower gross profit margin of 11.3% compared to 12.9% previously.

The supply chain management services segment registered gross profit of \$1.5 million in 1H24 and gross profit margin of 2.1%.

Overall gross profit margin stood at 11.3% in 1H25, compared to 6.7% in 1H24, mainly due to a change in revenue mix and upfront tooling expenses as several new projects progress towards production from 2H2025.

Other Income from continuing operation

Other income in 1H25 increased to \$1.4 million from \$1.2 million in 1H24, mainly due to an increase in government grants and other consultation services provided.

Selling and Administrative Expenses for continuing operations

Selling and administrative expenses in 1H25 increased 29.2% to \$11.9 million from \$9.2 million in 1H24, attributed mainly to an increase in professional fees of \$2.2 million arising from (i) the requisition of shareholder's requisition to convene extraordinary general meeting to appoint and remove directors and (ii) the investigations into the affairs of Fu Yu Supply Chain Solutions Pte. Ltd. and bad debt written off of \$553,000.

Other Operating (Expenses)/Income – Net for continuing operations

The Group recorded other operating expenses of \$6.1 million in 1H25 compared to other operating income of \$0.9 million, mainly due to higher foreign exchange losses, and a provision for the closure cost of Fu Yu Zhuhai as announced on 29 July 2025.

The Group recognises foreign exchange gains or losses as a result of transactions denominated in foreign currencies, and the translation of receivables, cash and payables denominated in foreign currencies to the functional currencies of the respective companies in the Group as at each reporting date. As the Group is in net US Dollar assets position, the depreciation of the US Dollar against the Singapore Dollar and Malaysia Ringgit contributed to the higher foreign exchange losses in 1H25.

Finance Costs for continuing operations

Finance costs in 1H25 decreased to \$139,000 from \$184,000 in 1H24, attributed mainly to interest expenses on lease liabilities.

Loss before Income Tax for continuing operations

The Group's continuing operation recorded a loss before income tax ("**LBT**") of \$9.9 million in 1H25, compared to a LBT of \$265,000 in 1H24. LBT excluding foreign exchange impact in 1H25 amounted to a loss of \$6.7 million, compared to to \$1.1 million a year ago.

On a geographical segmental basis, the Group's manufacturing operations in Singapore posted LBT of \$5.2 million in 1H25 compared to LBT of \$0.8 million in 1H24. Malaysia segment recorded a lower profit before income tax ("**PBT**") of \$695,000 million compared to 1H24's PBT of \$2.4 million, while China segment posted a LBT of \$5.4 million in 1H25 compared to a LBT of \$1.9 million in 1H24.

Tax Expense for continuing operations

The Group recorded a tax credit of \$104,000 for 1H25 compared to tax expense of \$101,000 in 1H24 mainly due to recognition of tax benefits to be utilised when the subsidiaries are in taxable income position.

Net Loss from continuing operations

	1H25 (\$ million)	1H24 (\$ million)	Change
Operating loss	(9.8)	(0.1)	N.M.
Operating loss excludes Forex and one-off costs*	(1.4)	(1.0)	N.M.
Net loss	(9.9)	(0.4)	N.M.
EBITDA before Forex and one-off costs*	2.3	3.0	(23.3%)

* Professional fees, provision of bad debts and provision of closure cost of Fu Yu Zhuhai

The Group recorded a net loss of \$9.6 million for 1H25, which included softer customer demand from the Group's operations in China, one-off professional fees of \$2.2 million, foreign exchange loss of \$2.9 million, provision for costs of \$3.0 million to close the Fu Yu Zhuhai factory and upfront tooling expense as several new projects progress towards production from 2H2025, compared to a net profit of \$72,000 in 1H24.

STATEMENTS OF FINANCIAL POSITION

As at 30 June 2025, the Group remained in a sound financial position with net cash of \$46.1 million. Shareholders' equity stood at \$125.0 million, equivalent to net asset value of 16.4 cents per share (based on the total number of issued shares of approximately 762.0 million shares) which included net cash of around 6.0 cents per share.

Total assets as at 30 June 2025 decreased to \$168.5 million from \$173.8 million as at 31 December 2024. The decrease was mainly due to reduce in cash and bank balance by \$9.5 million and property, plant and equipment by \$2.1 million offset by increase in trade and other receivables, inventories as well as contract assets.

The Group's total liabilities as at 30 June 2025 increased to \$43.5 million from \$37.6 million as at 31 December 2024. This was due mainly to an increase in trade and other payables.

CONSOLIDATED STATEMENT OF CASH FLOWS

The Group reported net operating cash outflow of \$4.6 million in 1H25 compared to net cash inflow from operating activities of \$4.0 million in 1H24. This was attributed mainly to loss before tax for 1H25, offset by increase in inventories, and trade and other receivables.

Net cash used in investing activities amounted to \$2.0 million during 1H25. The Group incurred capital expenditure of \$2.8 million, mainly for new machineries and software in Singapore.

Net cash used in financing activities totalled \$0.6 million in 1H25. This was attributed mainly to payment of lease liabilities.

As a result of the above, the Group's cash and cash equivalents decreased to \$46.0 million at the end of 1H25 compared to \$55.5 million as at 31 December 2024 (including cash deposits pledged of \$0.1 million).

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

Not applicable.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

During the period under review, the Group secured \$23.2 million worth of new manufacturing projects. Of this, \$14.2 million is made up of seven tooling and moulding projects in Malaysia and China for customers in the consumer, medical devices and fast-moving consumer goods sectors, while the remaining \$9.0 million is from an export tooling project for a high-precision drug delivery device customer in Singapore.

These projects reflect the success of the Group's strategies to enhance manufacturing capabilities and broaden its customer base, as outlined in its Corporate and Business Update ("CBU") announced in November 2023.

Building upon the stronger business foundation, the Group will grow its project pipeline and accelerate business momentum. The management team is also actively lowering its cost structure to improve margins. These measures include:

1. Mitigating future foreign exchange losses through a mix of operational strategies and financial instruments to hedge risk.

2. Consolidating its manufacturing footprint in China, with the liquidation of its facility in Zhuhai. While this has involved one-off costs and provision related to the closure, this move will streamline operations and achieve long-term cost savings.

These cost management initiatives, combined with new projects and wider customer base, will drive long term sustainable financial recovery for the Group. The Group also expects professional fees to decline from 2H25.

That said, the pace of recovery could be hampered by headwinds in the broader manufacturing industry, such as evolving tariffs announced by the US government. In response, the Group will continue to maintain a strong balance sheet, which will serve as a buffer against these challenges.

11. Dividend

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on?

No dividends have been recommended or declared in the six months period ended 30 June 2025 as the Company is in a loss-making position.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

(c) Date payable

Not applicable.

(d) Books Record date

Not applicable.

12. If no dividend has been declared/ recommended, a statement to that effect.

No dividends have been recommended or declared in the six months period ended 30 June 2025 as the Company is in a loss-making position.

13. If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

There is no general mandate obtained from shareholders for IPTs.

There were no material IPTs for the period ended 30 June 2025.

14. Negative assurance confirmation on interim financial results under SGX Listing Rule 705(5) of the Listing Manual

We, Gilbert L. Rodrigues and Seow Jun Hao David, being two directors of Fu Yu Corporation Limited (the “Company”), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to attention of the Board of Directors of the Company which may render the condensed interim financial statement for the six months ended 30 June 2025 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Gilbert L. Rodrigues
Non-Executive Chairman
Independent Director

Seow Jun Hao David
Executive Director
Group Chief Executive Officer

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers under Rule 720(1).

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

BY ORDER OF THE BOARD

Seow Jun Hao David
Executive Director and Group Chief Executive Officer
8 August 2025