

**LY CORPORATION LIMITED**

Company Registration Number: 201629154K

(Incorporated in the Republic of Singapore on 24 October 2016)

**PRESS RELEASE****For Immediate Release****LY Corporation reverses loss to post net profit of RM12.4 million in FY2022**

<b>RM'000</b>	<b>2H2022</b>	<b>2H2021</b>	<b>Change %</b>	<b>FY2022</b>	<b>FY2021</b>	<b>Change %</b>
Revenue	99,583	93,475	6.5	234,521	189,222	23.9
Gross profit/(loss)	9,285	(9,004)	203.1	30,990	(3,488)	988.5
(Loss)/Profit before tax	(247)	(10,806)	(97.7)	12,952	(13,209)	198.1
(Loss)/Profit after tax	(4,965)	(4,421)	12.3	8,234	(6,862)	(220.0)
Net profit/(loss) attributable to shareholders	(2,149)	(4,926)	(56.4)	12,351	(7,191)	271.8

**SINGAPORE, 28 February 2023** – LY Corporation Limited (“**LY Corporation**” or the “**Company**”, and together with its subsidiaries, the “**Group**”), one of Malaysia’s leading manufacturers and exporters of wooden bedroom furniture, today reported a net profit attributable to shareholders of RM12.4 million for the full year ended 31 December 2022 (“**FY2022**”), reversing from a net loss of RM7.2 million a year ago.

The Group’s revenue improved year-on-year by 23.9% to RM234.5 million thanks to the higher average selling price and sales volume of its products. The average selling price per 40-ft container (“**container**”) increased from RM59,000 in FY2021 to RM73,000 in FY2022 due to the different product mix sold and the strengthening of USD to RM. The number of containers sold rose slightly from 3,207 containers in FY2021 to 3,220 containers in FY2022.



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In FY2022, the Group achieved a gross profit and gross profit margin of RM31.0 million and 13.2% respectively as a result of a lower percentage increase in the cost of sales as compared to revenue.

The Group's overall performance was moderated by a net foreign exchange loss of RM2.4 million arising from USD loans due to the strengthening of USD against RM. Excluding the net foreign exchange loss, the Group would have registered a net profit attributable to shareholders of RM14.8 million in FY2022.

In the latest full-year results, the Group posted earnings per share of 2.53 sen, compared to a loss per share of 1.47 sen in the previous year.

Mr Tan Yong Chuan, Chief Executive Officer and Executive Director of LY Corporation said, ***“As we move into FY2023, we foresee the business environment remains challenging amidst global economic headwinds resulting from rising interest rates and inflationary pressure. We will remain focused on strengthening our business and sharpening our competitive edge by building new capabilities, streamlining our manufacturing operations, and expanding our product range to drive sustainable and long-term growth.”***

### **Financial Position**

As at 31 December 2022, the Group's net asset value was RM221.8 million, which translates into a net asset value per share of RM0.45, compared with RM0.44 a year ago. Cash and cash equivalents stood at RM25.8 million as at year end.

- End -

*This press release is to be read in conjunction with the Company's announcement posted on the SGX website on 28 February 2023.*

### **About LY Corporation Limited**

**LY Corporation Limited** and its subsidiaries (the “**Group**”) is one of Malaysia's leading manufacturers and exporters of wooden bedroom furniture. With an established track record of more than 40 years in the furniture industry, the Group is an established original design manufacturer and original equipment manufacturer of wooden bedroom furniture.



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The Group has expanded into the manufacturing of kitchen cabinets as well as original brand manufacturing business to manufacture easy-to-assemble and custom-made furniture under the EZBO brand name to widen its product offerings.

The Group has also diversified into the manufacturing of millworks products which are categorised as building materials.

The Group operates from 27 factories and warehouses, occupying a combined built-up area of approximately 2.0 million sq ft. Its products are sold mainly to overseas dealers such as furniture wholesalers and retailers who generally resell the products to end-users through their respective retail networks and domestic customers who are primarily third-party agents who typically export and resell its products outside Malaysia, such as to the USA.

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**Issued on behalf of LY Corporation Limited by:**

**GC Consultants Pte Ltd**

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*This press release has been prepared by LY Corporation Limited (the "**Company**") and its contents have been reviewed by the Company's sponsor, Xandar Capital Pte. Ltd. (the "**Sponsor**") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist.*

*This press release has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this press release, including the accuracy, completeness, or correctness of any of the information, statements, or opinions made or reports contained in this press release.*

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