



LY CORPORATION
LIMITED

ANNUAL GENERAL MEETING

29 April 2024

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The contact person for the Sponsor is Ms Pauline Sim, Head of Corporate Finance, at 3 Shenton Way, #24-02, Singapore 068805, telephone (65) 6319 4954.





AGENDA

01 FINANCIAL HIGHLIGHTS

02 BUSINESS UPDATES

03 GROWTH STRATEGY

FINANCIAL HIGHLIGHTS



FINANCIAL HIGHLIGHTS

(RM'000)	FY2023	FY2022	% Change
Revenue	198,862	234,521	(15.2)
Gross Profit	6,060	30,990	(80.4)
(Loss) / Profit Before Tax	(10,927)	12,952	(184.4)
(Loss) / Profit After Tax	(8,212)	8,234	(199.7)
Net (Loss) / Profit Attributable to Shareholders	(8,144)	12,351	(165.9)
Gross Profit Margin	3.0%	13.2%	
Net (Loss) / Profit Margin	(4.1%)	3.5%	
(Loss) / Earnings Per Share (sen)	(1.67)	2.53	



REVENUE

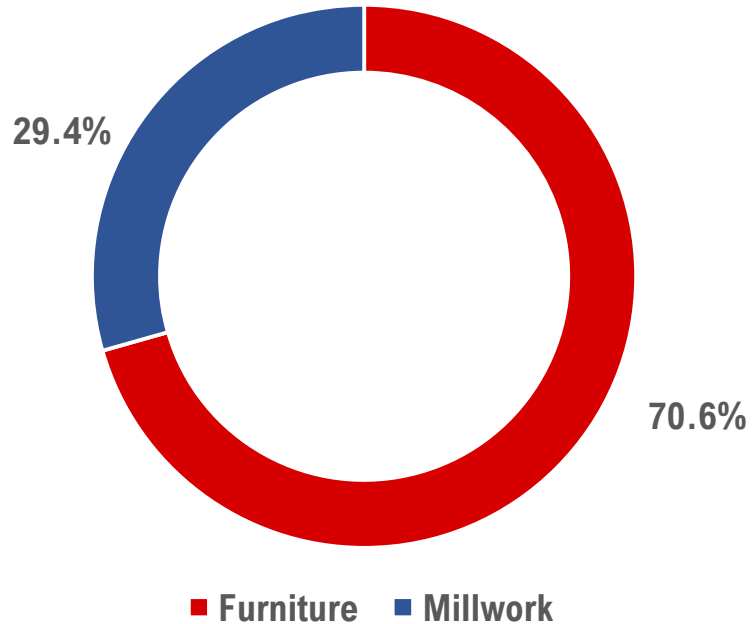
	FY2023	FY2022	% Change
Number of 40-ft containers sold (“Container”)	2,346	3,220	(27.1%)
Average Selling Price per Container	RM85,000	RM73,000	16.4

- Revenue fell 15.2% to RM198.9 million due to a decrease in sales volume as a result of lower demand for our products, which was affected by the excess inventory among furniture importers in the United States of America (“**USA**”)
- However, the decline was offset by an increase in the Average Selling Price per Container due to different product mix sold and stronger USD against RM in FY2023 compared to FY2022
- The average movement of USD against RM has strengthened by approximately 4.2% in FY2023 compared to FY2022



REVENUE BY BUSINESS SEGMENT

Revenue by Business Segment
FY2023



Business Segment	FY2023	FY2022
Furniture	70.6%	77.9%
Millwork	29.4%	22.1%
Total	100.0%	100.0%

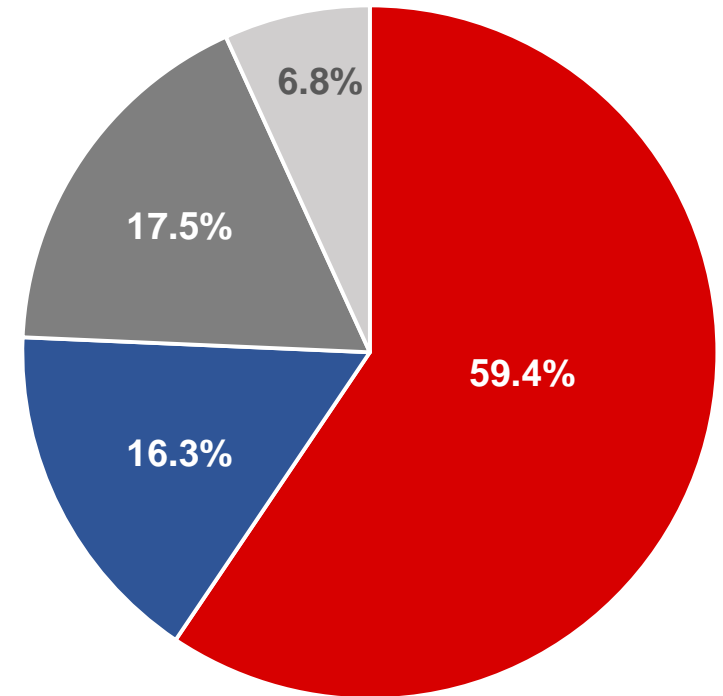


REVENUE BY GEOGRAPHY

Country	FY2023	FY2022
USA	59.4%	58.6%
Malaysia	16.3%	17.3%
Hong Kong	17.5%	16.2%
Others	6.8%	7.9%
Total	100.0%	100.0%

USA continued to be our largest market at 59.4%

Revenue by Geography
FY2023



■ USA ■ Malaysia ■ Hong Kong ■ Others



GROSS PROFITS

(RM'000)	FY2023	FY2022	% Change
Gross Profit	6,060	30,990	(80.4)
Gross Profit Margin	3.0%	13.2%	

- As a result of the drop in sales, the Group's gross profit declined by 80.4% to RM6.1 million in FY2023
- Gross profit margin narrowed to 3.0% in FY2023 compared to 13.2% a year ago



BALANCE SHEET POSITION

(RM'000)	As at 31 Dec 2023	As at 31 Dec 2022
Non-current assets	169,439	186,559
Current assets	128,369	140,513
<i>Cash and cash equivalents</i>	<i>54,215</i>	<i>25,762</i>
Total Assets	297,808	327,072
Current liabilities	56,255	55,978
<i>Loans and borrowings</i>	<i>16,693</i>	<i>16,854</i>
Non-current liabilities	27,966	49,295
<i>Loans and borrowings</i>	<i>9,541</i>	<i>23,463</i>
Total Liabilities	84,221	105,273
Total Equity	213,587	221,799
Debt-to-Equity ⁽¹⁾ (times)	0.1	0.2
Net Asset Value Per Share	RM0.44	RM0.45

The substantial increase in cash reserves strengthens our financial position, providing us with the continued flexibility to pursue growth opportunities and buffer against uncertainties

Note: (1) Debt-to-Equity ratio is calculated based on total loans and borrowings divided by total equity.



LIQUIDITY AND CAPITAL RESOURCES

(RM'000)	As at 31 Dec 2023	As at 31 Dec 2022
Net cash flows generated from operating activities	48,315	22,568
Net cash flows used in investing activities	(462)	(5,551)
Net cash flows used in financing activities	(19,416)	(21,986)
Net increase / (decrease) in cash and cash equivalents	28,437	(4,969)
Effect of exchange rate changes on cash and cash equivalents	16	(188)
Cash and cash equivalents at beginning of year	25,762	30,919
Cash and cash equivalents at end of year	54,215	25,762



BUSINESS UPDATES



BUSINESS UPDATES



FURNITURE

Bedroom Furniture

- Forge strong partnerships with our core customers to drive forward new product development and secure a larger share of the market.
- Continually explore new materials to develop innovative new models to align with evolving trends and satisfy the changing needs of our customers
- To grow our customer base through participation in local and international trade shows and exhibition fairs.

Kitchen Cabinet

- Proactively implemented measures to drive growth in this new furniture product line since commencing manufacturing and direct export to an overseas customer last year
- These measures include:
 - upgrading the kitchen cabinet production line to accommodate the diverse component requirements of our customers
 - leveraging our extensive network in the USA to promote and distribute this new product.

MILLWORK

- Maintained steady and consistent growth driven by intensified marketing efforts
- Successfully secured new and recurring orders from customers, capitalising on increased demand for millworks products amidst rising building construction and renovation activities in the USA
- This growth indicates promising prospects for this segment.

GROWTH STRATEGY



GROWTH STRATEGY





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THANK YOU