



LY CORPORATION LIMITED
Company Registration no. 201629154K
(Incorporated in the Republic of Singapore)

PUBLICATION OF ANNUAL REPORT

The Board of Directors (the "**Board**") of LY Corporation Limited (the "**Company**") refers to the announcement dated 3 April 2020 on the approval by the Singapore Exchange Securities Trading Limited in relation to the Company's application for extension of time to hold the annual general meeting ("**AGM**") for the financial year ended 31 December 2019 ("**FY2019**") by 29 June 2020. One of the conditions set out in the approval is for the Annual Report for FY2019 to be issued by 15 April 2020 ("**AR Condition**").

In compliance with the AR Condition, the Company is publishing the Annual Report for FY2019 as attached in this announcement. The Notice of AGM and the Proxy Form will be despatched to shareholders at a later date when the AGM date is finalised. A summary of proposed resolutions to be tabled at the AGM is also appended for information only.

BY ORDER OF THE BOARD

Tan Yong Chuan
Executive Director and Chief Executive Officer
13 April 2020

This announcement has been prepared by LY Corporation Limited (the "**Company**") and its contents have been reviewed by the Company's sponsor, UOB Kay Hian Private Limited (the "**Sponsor**") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalyst.

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

The contact person for the Sponsor is Mr Lance Tan, Senior Vice President, at 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 6590 6881.



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The Shareholders of LY Corporation Limited (the “**Company**”) should consider the following proposed resolutions to be tabled at the upcoming Company’s Annual General Meeting (“**AGM**”) for the financial year ended 31 December 2019 when reading the Annual Report. Shareholders should note that the proposed resolutions set out below are indicative only and the final form of the resolutions will be included in the notice of AGM and proxy form to be issued at a later date when the AGM date is finalized. Shareholders should note that the proposed resolutions below may be subject to change due to unforeseen circumstances.

The Notice of AGM and Proxy Form will be sent to Shareholders at a later date separately.

ORDINARY BUSINESS

1. To receive, consider and adopt the Directors’ Statement and Audited Financial Statements of the Company for the financial year ended 31 December 2019 together with the Independent Auditors’ Report thereon. **(Resolution 1)**
2. To declare a tax-exempt (one-tier) final dividend of 0.083 Singapore Cent per ordinary share in respect of the financial year ended 31 December 2019. **(Resolution 2)**
3. To approve the proposed Directors’ fees of up to S\$150,000 for the financial year ending 31 December 2020, to be paid quarterly in arrears. **(Resolution 3)**
4. To re-elect Ms Tan Ai Luang as Director of the Company who retired by rotation pursuant to Regulation 98 of the Constitution of the Company. *[See Explanatory Note (a)]* **(Resolution 4)**
5. To re-elect Mr Lee Dah Khang as Director of the Company who retired by rotation pursuant to Regulation 98 of the Constitution of the Company. *[See Explanatory Note (b)]* **(Resolution 5)**
6. To re-appoint Messrs Ernst & Young LLP as Auditors of the Company and to authorise the Directors of the Company to fix their remuneration. **(Resolution 6)**

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without modifications:

7. AUTHORITY TO ALLOT AND ISSUE SHARES

That pursuant to Section 161 of the Companies Act (Chapter 50) of Singapore (“**Companies Act**”) and the Rules of Catalist (“**Catalist Rules**”) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), authority be and is hereby given to the Directors of the Company to (i) issue and allot

new shares in the capital of the Company (“**Shares**”) (whether by way of rights, bonus or otherwise); and/or make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit; and (notwithstanding the authority conferred by this resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this resolution was in force, provided that:

- (1) the aggregate number of the Shares to be issued pursuant to such authority (including the Shares to be issued in pursuance of Instruments made or granted pursuant to such authority), does not exceed 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with paragraph (2) below), and provided further that where shareholders of the Company (“**Shareholders**”) are not given the opportunity to participate in the same on a pro-rata basis (“**non pro-rata basis**”), then the Shares to be issued under such circumstances (including the Shares to be issued in pursuance of Instruments made or granted pursuant to such authority) shall not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of the Shares that may be issued under paragraph (1) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings) shall be based on the issued Shares (excluding treasury shares and subsidiary holdings) at the time such authority was conferred, after adjusting for:
 - (a) new Shares arising from the conversion or exercise of any convertible securities;
 - (b) new Shares arising from the exercising of share options or the vesting of share awards which are outstanding or subsisting at the time this resolution is passed, provided that the share options or share awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules of the SGX-ST; and
 - (c) any subsequent consolidation or subdivision of the Shares;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the requirements imposed by the SGX-ST from time to time and the provisions of the Catalist Rules of the SGX-ST for the time being in force (in each case, unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act and otherwise, and the Constitution of the Company for the time being; and
- (4) unless revoked or varied by the Company in a general meeting, the authority so conferred shall continue to be in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier.” [See *Explanatory Note (c)*] **(Resolution 7)**

8. **AUTHORITY TO ALLOT AND ISSUE SHARES UNDER THE LY PERFORMANCE SHARE PLAN**

“That pursuant to Section 161 of the Companies Act, Chapter 50 and the provisions of the LY Performance Share Plan (“**LYPSP**”), authority be and is hereby given to the Directors of the Company to allot and issue from time to time such number of Shares as may be required to be issued pursuant to the vesting of awards under the LYPSP, provided always that the aggregate number of additional ordinary Shares to be allotted and issued pursuant to LYPSP shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company from time to time.

[See *Explanatory Note (d)*]

(Resolution 8)

9. **RENEWAL OF THE INTERESTED PERSON TRANSACTIONS MANDATE**

“That:

- (a) approval be and is hereby given, for the purposes of Chapter 9 of the Catalist Rules of the SGX-ST, for the Company, its subsidiaries and associated companies that are entities at risk (as that

term is used in Chapter 9 of the Catalist Rules of the SGX-ST), or any of them, to enter into any of the transactions falling within the types of interested person transactions described in the Appendix to Annual Report dated 14 April 2020 (the “**Appendix**”) with the interested persons described in the Appendix, provided that such transactions are made on normal commercial terms and are not prejudicial to the interest of the Company or its minority shareholders, and in accordance with the review procedures for such interested person transactions as set out in the Appendix (the “**IPT General Mandate**”);

- (b) the IPT General Mandate shall, unless revoked or varied by the Company in a general meeting, continue to be in force until the date that the next Annual General Meeting of the Company is held or required by law to be held; and
- (c) the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary or in the interests of the Company to give effect to the IPT General Mandate and/or this Resolution.”

[See Explanatory Note (e)]

(Resolution 9)

10. **PROPOSED ADOPTION OF SHARE BUYBACK MANDATE**

“That:

- (1) for the purposes of Section 76C and 76E of the Companies Act, and such other laws and regulations as may for the time being be applicable, the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire Shares (excluding treasury shares) not exceeding in aggregate the Prescribed Limit (as defined herein), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as defined herein), whether by way of;

- (a) on-market purchases transacted through the ready market of the SGX-ST, or through one or more duly licensed stock brokers appointed by the Company for the purpose (“**Market Purchase**”); and/or
- (b) off-market purchases otherwise than on a securities exchange, in accordance with an equal access scheme as defined in Section 76C of the Companies Act and as may be determined or formulated by the Directors as they consider fit, which scheme shall satisfy all the conditions prescribed by the Companies Act, the Constitution of the Company and the Catalist Rules of the SGX-ST (“**Off-Market Purchase**”),

be and is hereby authorised and approved generally and unconditionally (“**Share Buyback Mandate**”);

- (2) any Share that is purchased or otherwise acquired by the Company pursuant to the Share Buyback Mandate shall, at the discretion of the Directors, either be cancelled or held as treasury shares and dealt with in accordance with the Companies Act;
- (3) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors to purchase Shares pursuant to the Share Buyback Mandate may be exercised by the Directors any time and from time to time, on and from the date of the passing of this resolution, up to the earliest of:
 - (a) the date on which the next annual general meeting is held or is required by law to be held;
 - (b) the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Buyback Mandate have been carried out to the full extent mandated; or
 - (c) the date on which the authority conferred by the Share Buyback Mandate is revoked or varied by Shareholders in a general meeting;
- (4) in this resolution:

“**Average Closing Price**” means the average of the closing market prices of the Shares over

the last five (5) market days on which transactions in the Shares were recorded, preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the Catalist Rules of the SGX-ST, for any corporate action that occurs during the relevant five (5) day period and the day on which the purchases are made;

“date of the making of the offer” means the day on which the Company announces its intention to make an Off-Market Purchase from the Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase;

“Maximum Price” in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, commissions, stamp duties, applicable goods and services tax, clearance fees and other related expenses) to be paid by the Company for the Shares as determined by the Directors must not exceed the maximum price as set out below:

- (a) in the case of a Market Purchase, 105% of the Average Closing Price of the Shares; and
- (b) in the case of an Off-Market Purchase, 120% of the Average Closing Price of the Shares;

“Prescribed Limit” means that number of issued Shares representing 10% of the total number of issued Shares as at the date of the passing of this resolution (excluding any treasury shares and subsidiary holdings as at that date); and

- (5) any Director be and is hereby authorised, in his absolute discretion, to do any and all such acts and things, including without limitation, to sign, seal, execute and deliver all such documents and deeds, and to approve any amendment, alteration or modification to any document, as he may consider necessary, desirable or expedient or in the interest of the Company to give effect to the matters referred to in this resolution and the taking of any and all actions whatsoever, by any Director on behalf of the Company in connection with the proposed Share Buyback Mandate prior to the date of the Annual General Meeting be and are hereby approved, ratified and confirmed.”

[See Explanatory Note (f)]

(Resolution 10)

Explanatory Notes:

- (a) Key information on Ms Tan Ai Luang, who is seeking re-election as a Director of the Company, can be found under the “Board of Directors” section of the Annual Report. The information on directors seeking re-election as set out in Appendix 7F of the Catalist Rules of SGX-ST will be provided together with the notice of AGM at a later date when the AGM date has been finalised. Ms Tan Ai Luang holds 800,000 Shares and she is also the Executive Director of the Company, niece of Mr Tan Kwee Chai (the Executive Chairman), and cousin of Mr Tan Yong Chuan (the Executive Director and Chief Executive Officer).
- (b) Key information of Mr Lee Dah Khang, who is seeking re-election as a Director of the Company, can be found under the “Board of Directors” section of the Annual Report. The information on directors seeking re-election as set out in Appendix 7F of the Catalist Rules of SGX-ST will be provided together with the notice of AGM at a later date when the AGM date has been finalised. Mr Lee Dah Khang will remain as the Lead Independent Director, Chairman of the Nominating Committee, as well as the Member of the Audit Committee and Remuneration Committee upon re-election as a Director of the Company and will be considered independent for the purposes of Rule 704(7) of the Catalist Rules of the SGX-ST. Mr Lee Dah Khang holds 77,000 Shares and has no relationships with the Company, its related corporation, its substantial shareholders or its Directors.
- (c) The proposed ordinary resolution 7, if passed, will empower the Directors of the Company from the date of the above meeting to issue Shares up to an amount not exceeding 100% of the total number of issued Shares in the capital with a sub-limit of 50% other than on a pro-rata basis to shareholders for the time being for such purposes as they consider would be in the interest of the Company. The authority will, unless previously revoked or varied at a general meeting, expire at the next annual general meeting of the Company.
- (d) The proposed ordinary resolution 8, if passed, will empower the Directors of the Company to allot and issue Shares of up to a number not exceeding in total 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the share capital of the Company from time to time pursuant to the grant of share awards under the LYPSA.
- (e) The proposed ordinary resolution 9, if passed, will empower the Directors of the Company to do all acts necessary to give effect to the IPT General Mandate as described in the Appendix. The authority shall, unless revoked or varied by the

Company in a general meeting, continue to be in force until the date that the next Annual General Meeting of the Company is held or required by law to be held.

- (f) The proposed ordinary resolution 10, if passed, will empower the Directors of the Company, to do all acts necessary to give effect to the Share Buyback Mandate as described in the Appendix and to repurchase Shares by way of Market Purchases or Off-Market Purchases of up to 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the Maximum Price. The authority shall, unless revoked or varied by the Company in a general meeting, continue to be in force until the date that the next Annual General Meeting of the Company is held or required by law to be held.