

**LY CORPORATION LIMITED**

Company Registration Number: 201629154K

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

PRESS RELEASE**For Immediate Release****LY Corporation posts 1H2020 net profit of RM2.0 million**

(RM'000)	1H2020	1H2019	Change %
Revenue	107,341	102,890	4.3
Gross profit	9,703	6,875	41.1
Profit/(Loss) before tax	2,386	(2,716)	N.M.
Profit/(Loss) after tax	1,308	(2,888)	N.M.
Net profit/(loss) attributable to shareholders	1,976	(2,103)	N.M.

N.M. – Not meaningful

SINGAPORE, 12 August 2020 – 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, reported net profit attributable to shareholders of RM2.0 million for the half year ended 30 June 2020 (“**1H2020**”).

Group revenue increased by 4.3% to RM107.3 million mainly due to an increase in average selling price per 40-ft container (“**container**”), from RM48,000 in the half year ended 30 June 2019 (“**1H2019**”) to RM55,000 in 1H2020, due to the strengthening of the USD against RM. However, this was partially offset by a decrease in the number of containers sold, from 2,146 in 1H2019 to 1,947 in 1H2020, largely due to the temporary closure of the Group’s operations since 18 March 2020 as a result of the Movement Control Order instated by the Malaysian government in an effort to contain the spread of Covid-19. The Group was able to resume partial operations on 30 March 2020 pursuant to the subsequent receipt of conditional approval from the relevant authority. As of 30 June 2020, the Group has resumed normal operations.



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Gross profit increased by 41.1% to RM9.7 million in 1H2020, and gross profit margin rose from 6.7% in 1H2019 to 9.0% in 1H2020, mainly due to an increase in the average selling price per container.

Mr Tan Yong Chuan (“**Mr Tan**”), Chief Executive Officer and Executive Director of LY Corporation said, *“We are encouraged by our resilient performance for the first half of 2020 and we will continue to vigilantly monitor our operations and manage our costs moving forward. Furthermore, despite the challenging global conditions such as the Covid-19 pandemic and the uncertainty of US-China trade war, we are hopeful that our products expansion and diversification since 2019 will help to mitigate the financial impact of such uncertainties in the near future.”*

Financial Position

As at 30 June 2020, the Group had net asset value of RM221.7 million, which translates into a net asset value per share of RM0.45. Cash and cash equivalents was RM24.7 million.

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This press release is to be read in conjunction with the Company’s announcement posted on the SGX website on 12 August 2020.

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 approximately 40 years in the furniture industry, the Group is an established original design manufacturer and original equipment manufacturer of wooden bedroom furniture.

In January 2019, the Group has expanded into original brand manufacturing business, and manufactures and markets easy-to-assemble and custom-made furniture under the EZBO and CUBO brand names.



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The Group operates from 19 factories and warehouses, occupying a combined built-up area of approximately 1.6 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 US.

Issued on behalf of LY Corporation Limited by:

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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, 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 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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