

**LY CORPORATION LIMITED**

Company Registration Number: 201629154K

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

PRESS RELEASE**For Immediate Release****LY Corporation reports full-year net loss as revenue reduced by 15.2%**

RM'000	2H2023	2H2022	Change %	FY2023	FY2022	Change %
Revenue	111,952	99,583	12.4	198,862	234,521	(15.2)
Gross profit	7,828	9,285	(15.7)	6,060	30,990	(80.4)
(Loss)/Profit before tax	(1,049)	(247)	324.7	(10,927)	12,952	(184.4)
Profit/(Loss) after tax	1,671	(4,965)	(133.7)	(8,212)	8,234	(199.7)
Net profit/(loss) attributable to shareholders	1,477	(2,149)	(168.7)	(8,144)	12,351	(165.9)

SINGAPORE, 29 February 2024 – 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 a net loss attributable to shareholders of RM8.1 million for the full year ended 31 December 2023 (“**FY2023**”).

The Group’s revenue declined by 15.2% to RM198.9 million primarily due to a decrease in the number of 40-ft containers (“**containers**”) sold, from 3,220 in FY2022 to 2,346 in FY2023. Demand for the Group’s products has dropped due to high inventory buildup among furniture importers in the United States during the pandemic years. The Company believes that the inventory levels of its customers are gradually declining, however, such surplus inventory level continues to have a lingering impact on overall demand for the Group’s products.



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The decrease in number of containers was partially offset by an increase in average selling price per container, from RM73,000 in FY2022 to RM85,000 in FY2023, due to a different product mix sold and stronger USD against the RM in FY2023 compared to the previous year.

Gross profit dropped by 80.4% to RM6.1 million in FY2023, and gross profit margin decreased from 13.2% in FY2022 to 3.0% in FY2023 as a result of a decline in sales.

In the latest full-year results, the Group posted a loss per share of 1.67 sen versus earnings per share of 2.53 sen in the previous year. For the half year ended 31 December 2023, the Group posted a net profit attributable to shareholders of RM1.5 million, reversing a net loss attributable to shareholders of RM2.1 million in the corresponding period a year ago, on the back of a 12.4% increase in revenue to RM112.0 million.

Mr Tan Yong Chuan, Chief Executive Officer and Executive Director of LY Corporation said, ***“As we navigate evolving challenges in our operating environment, we remain committed to implementing our strategic initiatives, continuously building business resilience, and investing prudently to position the LY Group for future growth. To strengthen our earnings base, we constantly seek and evaluate new investment opportunities to expand our core businesses and gain access to new customers and markets.”***

Financial Position

As at 31 December 2023, the Group’s net asset value was RM213.6 million, which translates into a net asset value per share of RM0.44, compared with RM0.45 a year ago. Cash and cash equivalents as at 31 December 2023 stood at RM54.2 million as compared to RM25.8 million in the previous year.

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This press release is to be read in conjunction with the Company’s announcement posted on the SGX website on 29 February 2024.



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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.

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 24 factories and warehouses, occupying a combined built-up area of approximately 1.7 million sq ft. The Group’s 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:

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 Catalyst (the “**Catalist Rules**”).*

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 correctness of any of the statements or opinions made or reports contained in this press release.

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