



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

APPLICATION FOR EXTENSION OF TIME TO RELEASE THE UNAUDITED FINANCIAL RESULTS FOR THE HALF YEAR ENDING 30 JUNE 2021

1. INTRODUCTION

The board of directors (the “**Board**”) of LY Corporation Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) would like to announce that the Company has on 29 June 2021 made an application to the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for an extension of time to release the unaudited financial results for the half year ending 30 June 2021 (“**HY2021**”) by 13 September 2021 (from the original timeline of 14 August 2021) to comply with Rule 705(3)(b)(ii) of the Listing Manual (Section B: Rules of Catalyst) of the SGX-ST (the “**Application**”).

2. BACKGROUND

On 1 June 2021, the Company announced that, as a result of the full movement control order (the “**FMCO**”) implemented by the Malaysian Government from 1 June 2021 to 14 June 2021 nationwide to curb the spread of the COVID-19 in Malaysia, the Group will be temporarily closing all its factories until 14 June 2021 in compliance with the FMCO.

On 12 June 2021, the Malaysian Government announced that the FMCO (which is Phase 1 of Malaysia’s National Recovery Plan for COVID-19 (“**NRP**”)) will be extended by another two weeks to 28 June 2021.

On 27 June 2021, the Malaysian Government announced that Phase 1 of the NRP (“**NRP Phase 1**”) will continue until, amongst others, the daily new cases of COVID-19 in Malaysia drop below 4,000, Malaysia’s healthcare system is no longer at a critical stage and at least 10% of the population has received two doses of COVID-19 vaccines. Thereafter, the Malaysian Government will consider to ease the country into Phase 2 of the NRP (“**NRP Phase 2**”). Furniture manufacturing companies that export their products will be able to resume production operations in NRP Phase 2. This will apply to the Company as its principal activities relate to furniture manufacturing for export.

3. REASONS FOR THE APPLICATION

The Company is making the Application on the following grounds:

- (a) The Group’s entire operations are based in Malaysia. Since the implementation of the FMCO by the Malaysian Government on 1 June 2021, all the Group’s staff were unable to access the Group’s premises except for loading and unloading activities as set out in (b). This is unlike the movement control order

implemented in March 2020 when the Group was able to carry out partial production operations;

- (b) Since 15 June 2021, some of the Group's warehouse staff have been granted access to the Group's warehouses on certain weekdays for loading and unloading purposes. However, these warehouse staff can only perform loading and unloading activities under the supervision of the government task force and are unable to update a substantial portion of their loading and unloading progress (in particular, activities relating to the receipt of raw materials and work-in-progress) into the Group's systems. As a result, the Group has at least one full month of inventories back-logs which have not been reflected in its systems;
- (c) The Group's finance staff also need access to the finance office, to ensure that the key financial records (such as delivery orders and invoices from its suppliers) are completely uploaded into its accounting system; and
- (d) Based on the above, the Group foresees difficulties in preparing the Group's financial statements for HY2021.

In the event that Malaysia shifts into NRP Phase 2 by end July 2021, as a furniture manufacturing company that exports, the Group will be able to resume production operations and its staff will be able to return to office to retrieve the necessary documents and information to complete its consolidation of the Group's half year results.

4. FURTHER ANNOUNCEMENTS

The Company will update shareholders on the outcome of the Application in due course.

ON BEHALF OF THE BOARD

Tan Yong Chuan
Executive Director and Chief Executive Officer
29 June 2021

This announcement has been prepared by LY Corporation Limited (the "Company") and its contents have been reviewed by the Company's sponsor, Xandar Capital 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.

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