LY CORPORATION LIMITED
Company Registration Number: 201629154K
(Incorporated in the Republic of Singapore on 24 October 2016)

PRESS RELEASE

For Immediate Release

LY Corporation's 1H2026 net loss narrowed on improved gross profit; design and retail business partially offset manufacturing segment challenges

	1H2026 RM'000	1H2025 RM'000	Change %
Revenue	78,409	102,195	(23.3)
Gross profit/(loss)	1,800	(1,839)	(197.9)
Loss before tax	(11,964)	(15,351)	(22.1)
Loss after tax	(12,208)	(15,532)	(21.4)
Net loss attributable to owners of the Company	(13,301)	(14,644)	(9.2)

SINGAPORE, 12 August 2026 – 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 owners of the Company of RM13.3 million for the half year ended 30 June 2026 ("**1H2026**").

The Group's revenue declined by 23.3% to RM78.4 million in 1H2026, mainly due to lower revenue from its manufacturing segment. The number of 40-ft containers ("**containers**") sold fell from 1,117 containers in 1H2025 to 900 containers in 1H2026 due to lower demand from the United States of America, while the average selling price per container declined from RM83,000 in 1H2025 to RM69,000 in 1H2026, impacted by the weaker USD exchange rate against the RM, as the Group's export sales are primarily denominated in USD.

The decline was partially offset by higher revenue from the Group's design and retail of customised cabinet segment, which increased by RM6.4 million in 1H2026 compared to 1H2025, mainly driven by stronger sales to end consumers and developer projects, which increased by RM4.6 million and RM1.8 million respectively.

The Group recorded a gross profit of RM1.8 million in 1H2026, compared to a gross loss of RM1.8 million in 1H2025. The gross profit margin improved to 2.3% in 1H2026 from a gross loss margin of 1.8% in 1H2025, mainly due to a larger reduction in cost of sales relative to the decline in revenue.

The Group's loss per share attributable to the owners of the Company narrowed to 2.72 sen in the latest half-year results, compared to 3.00 sen in the corresponding period last year.

Mr Tan Yong Chuan, Chief Executive Officer and Executive Director of LY Corporation, said, ***"The launch of our Unity Home concept at our southern outlet marks an important milestone in strengthening our design and retail business. By offering a wider range of home products alongside our customised cabinetry solutions, we are better positioned to meet customers' evolving home furnishing needs with more comprehensive, value-driven solutions. Building on this momentum, we plan to continue expanding Unity Home across Malaysia through our own retail outlets and dealer network, broadening our customer reach, strengthening our market presence and supporting our long-term growth strategy."***

Financial Position

As at 30 June 2026, the Group's net asset value was RM176.6 million, which translates into a net asset value per share of RM0.36, compared with RM0.39 as at 31 December 2025. Cash and cash equivalents stood at RM8.0 million as at the end of the period.

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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 2026.

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 a proven track record of over 45 years in the furniture industry, the Group is an established original design manufacturer and original equipment manufacturer of wooden bedroom furniture. The Group has broadened its product range to include kitchen cabinets and expanded into original brand manufacturing, specialising in easy-to-assemble and custom-made furniture.

The Group has also diversified into the manufacturing of millwork products. Additionally, the Group has expanded into the design and retail of customised cabinetry solutions in Malaysia, thereby broadening its regional footprint and product offerings.

The Group operates from 14 factories and warehouses with a combined built-up area of approximately 1.2 million square feet. The Group's products are primarily sold to overseas dealers, including furniture wholesalers and retailers, who resell them to end-users through their retail networks. We also sell to domestic customers, mainly third-party agents, who export and resell its products outside Malaysia, including to markets such as the United States of America.

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, 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 Catalist (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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