

## HALLYS Confirms Victory in Patent Infringement Lawsuit in China

HALLYS Corporation (hereinafter "HALLYS") confirms victory in the second (final) instance in patent infringement lawsuit against Shenzhen DayuCNC technology limited (hereinafter "DAYU"). In the February 2021, HALLYS received the final judgement that recognizes the infringement of DAYU and affirm the original judgment.

In March 2019, HALLYS filed a lawsuit against DAYU in the Shenzhen Intermediate People's Court that alleges DAYU's thin plate machine infringe HALLYS's patent (ZL201410267474.2). In March 2020, the Court ruled in favor of HALLYS, ordered DAYU to stop thin plate machine manufacturing and sales activities, destroy the thin plate machine and the die to manufacture the thin plate process machine, as well as pay damages in the amount of 800,000 Chinese yuan to HALLYS.DAYU objected to this judgment and appealed to Supreme People's Court of the People's Republic of China in April 2020. Finally, The Supreme People's Court dismissed DAYU's arguments and affirmed the original judgment.

The patent (ZL201410267474.2) is a basic patent (=dominant patent) on thin plate grinding, and the technology of this patent can be widely used in glass and panel manufacture industry. HALLYS believes the final judgement is reasonable and shows a determined attitude in protecting intellectual property. With the inspiration of this positive result, HALLYS will continue to respect and protect intellectual property, as well as innovate and make more productive products to help our customers to increase productivity. HALLYS will also take actions to protect HALLYS's intellectual property in the future.

HALLYS Corporation Feb 22<sup>nd</sup>, 2021