



## CYL CORPORATION BERHAD

(Company No. 516143-V)  
(Incorporated in Malaysia under the Companies Act, 1965)



**PUBLIC ISSUE  
OF**

**7,858,000 NEW ORDINARY SHARES OF RM0.50 EACH COMPRISING:**

- I) 4,600,000 NEW ORDINARY SHARES OF RM0.50 EACH TO THE MALAYSIAN PUBLIC AND ELIGIBLE EMPLOYEES, CUSTOMERS AND SUPPLIERS OF CYL CORPORATION BERHAD AND ITS SUBSIDIARY; AND
- II) 3,258,000 NEW ORDINARY SHARES OF RM0.50 EACH BY PRIVATE PLACEMENT TO IDENTIFIED INVESTORS

**AND  
OFFER FOR SALE  
OF**

**9,499,400 ORDINARY SHARES OF RM0.50 EACH COMPRISING:**

- I) 2,357,400 ORDINARY SHARES OF RM0.50 EACH TO BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY; AND
- II) 7,142,000 ORDINARY SHARES OF RM0.50 EACH BY PRIVATE PLACEMENT TO IDENTIFIED INVESTORS

**AT AN ISSUE/OFFER PRICE OF RM0.65 PER ORDINARY SHARE PAYABLE IN FULL ON APPLICATION IN CONJUNCTION WITH ITS LISTING ON THE SECOND BOARD OF KUALA LUMPUR STOCK EXCHANGE**

*Adviser,  
Underwriter and Placement Agent*

**CIMB**

Commerce International Merchant Bankers Berhad  
*Company Number 18417-M*



## CYL CORPORATION BERHAD

(Company No. 516143-V)  
(Incorporated in Malaysia under the Companies Act, 1965)

NO. 12, JALAN TELUK GADUNG 27/93, SECTION 27, 40000 SHAH ALAM, SELANGOR, MALAYSIA.

TEL: 03-5191 3888 (12 Lines) Fax: 03-5191 2888 / 5192 5051

THE ORDINARY SHARES TO BE ISSUED/OFFERED HEREIN INVOLVE A CERTAIN DEGREE OF RISK.  
FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS,  
SEE "RISK FACTORS" IN SECTION 6 HEREIN

*This Prospectus is dated 28 February 2003*

THIS PROSPECTUS HAS BEEN SEEN AND APPROVED BY THE DIRECTORS AND PROMOTERS OF CYL CORPORATION BERHAD (516143-V) ("CYL") AND THE OFFERORS AND THEY COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION GIVEN AND CONFIRM THAT, AFTER HAVING MADE ALL REASONABLE ENQUIRIES, AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THERE ARE NO FALSE OR MISLEADING STATEMENTS OR OTHER FACTS THE OMISSION OF WHICH WOULD MAKE ANY STATEMENT HEREIN FALSE OR MISLEADING.

COMMERCE INTERNATIONAL MERCHANT BANKERS BERHAD (18417-M), THE ADVISER, UNDERWRITER AND PLACEMENT AGENT, ACKNOWLEDGES THAT, BASED ON ALL AVAILABLE INFORMATION, AND TO THE BEST OF ITS KNOWLEDGE AND BELIEF, THIS PROSPECTUS CONSTITUTES A FULL AND TRUE DISCLOSURE OF ALL MATERIAL FACTS CONCERNING THE PUBLIC ISSUE AND OFFER FOR SALE AND IS SATISFIED THAT THE CONSOLIDATED PROFIT ESTIMATE AND FORECAST (FOR WHICH THE DIRECTORS OF CYL ARE FULLY RESPONSIBLE) PREPARED FOR INCLUSION IN THIS PROSPECTUS HAVE BEEN STATED BY THE DIRECTORS AFTER DUE AND CAREFUL ENQUIRY AND HAVE BEEN DULY REVIEWED BY THE REPORTING ACCOUNTANTS.

THE SECURITIES COMMISSION ("SC") HAS APPROVED THIS PUBLIC ISSUE AND OFFER FOR SALE BUT THAT APPROVAL SHALL NOT BE TAKEN TO INDICATE THAT THE SC RECOMMENDS THIS PUBLIC ISSUE OR OFFER FOR SALE, WHICH ARE THE SUBJECT OF THIS PROSPECTUS. THE SC SHALL NOT BE LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF CYL AND ASSUMES NO RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENTS MADE OR OPINIONS OR REPORTS EXPRESSED IN THIS PROSPECTUS. **INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT.**

THE VALUATION OF THE PROPERTIES APPROVED OR ACCEPTED BY THE SC SHALL ONLY BE UTILISED FOR THE PURPOSE OF THE LISTING PROPOSAL SUBMITTED TO AND APPROVED BY THE SC, AND SHALL NOT BE CONSTRUED AS AN ENDORSEMENT BY THE SC ON THE VALUE OF THE SUBJECT ASSETS FOR ANY OTHER PURPOSES.

THE KUALA LUMPUR STOCK EXCHANGE ("KLSE") ASSUMES NO RESPONSIBILITY FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS PROSPECTUS. ADMISSION TO THE OFFICIAL LIST OF THE SECOND BOARD OF KLSE IS NOT TO BE TAKEN AS AN INDICATION OF THE MERITS OF CYL OR OF ITS ORDINARY SHARES.

A COPY OF THIS PROSPECTUS HAS BEEN REGISTERED BY THE SC AND LODGED WITH THE CHIEF EXECUTIVE OFFICER OF THE COMPANIES COMMISSION OF MALAYSIA WHO TAKES NO RESPONSIBILITY FOR ITS CONTENTS.

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**INDICATIVE TIME-TABLE**

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The indicative timing of events leading up to the listing of and quotation for CYL's entire enlarged issued and paid-up share capital on the Second Board of Kuala Lumpur Stock Exchange is set out below:

<b>Event</b>	<b>Date</b>
Opening of Application for the Issue Shares and Offer Shares	28 February 2003
Closing of Application for the Issue Shares and Offer Shares	14 March 2003*
Tentative Balloting Date for Applications for the Issue Shares	End March 2003
Tentative Allotment Date of the Issue Shares and Offer Shares to successful applicants	Early April 2003
Tentative Listing Date	Mid April 2003

**Note:**

- \* *Or such other date or dates as the Directors of CYL and the Offerors may in their absolute discretion mutually decide.*

Further information on the indicative time-table is set out in Sections 5.1 and 5.2 of this Prospectus.

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**DEFINITIONS**


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In this Prospectus, unless otherwise stated, the following abbreviations shall have the following meanings:

Acquisition of PJP	:	Acquisition of the entire equity interest in PJP, comprising 1,650,000 ordinary shares of RM1.00 each, for a purchase consideration of RM47,749,184 satisfied wholly by the issuance of 92,141,996 new ordinary shares of RM0.50 each in CYL, credited as fully paid-up, at an issue price of approximately RM0.52 per new CYL Share
ADA	:	Authorised Depository Agent
ADA Code	:	ADA (Broker) Code
ATM	:	Automated Teller Machine
CDS	:	Central Depository System
CIMB	:	Commerce International Merchant Bankers Berhad (18417-M)
CYL or Company	:	CYL Corporation Berhad (516143-V)
CYL Group or Group	:	CYL and its subsidiary
CYL Share(s)	:	Ordinary share(s) of RM0.50 each in CYL
Electronic Share Application	:	Application for the Issue Shares through a Participating Financial Institution's ATM
EPS	:	Earnings per share
FIC	:	Foreign Investment Committee
Issue Shares	:	7,858,000 new CYL Shares to be issued at an issue price of RM0.65 per CYL Share
KLSE	:	Kuala Lumpur Stock Exchange (30632-P)
Listing	:	Listing of and quotation for the entire issued and paid-up share capital of CYL on the Second Board of KLSE
LS	:	Licensed Secretary
MCD	:	Malaysian Central Depository Sdn Bhd (165570-W), a subsidiary of KLSE
MIA	:	Malaysian Institute of Accountants
MIDFCCS	:	MIDF Consultancy and Corporate Services Sendirian Berhad (11324-H)
MITI	:	Ministry of International Trade and Industry
NTA	:	Net tangible assets
Offer for Sale or Offer	:	Offer for sale of the Offer Shares to Bumiputera investors approved by MITI and identified investors
Offer Shares	:	9,499,400 CYL Shares to be offered for sale by the Offerors at an offer price of RM0.65 per CYL Share

**DEFINITIONS (Cont'd)**

Offerors	:	Shareholders of CYL making the Offer for Sale and the number of CYL Shares offered pursuant thereto are as follows:	
		<b>Shareholder</b>	<b>No. of CYL Shares offered</b>
		Chen Yat Lee	4,385,640
		Lau Kim Lian	5,113,760
			9,499,400
Participating Financial Institution(s)	:	Participating financial institutions for Electronic Share Application as listed in Section 24.5(ii)(o) of this Prospectus	
PE multiple	:	Price earnings multiple	
PJP	:	Perusahaan Jaya Plastik (M) Sdn Bhd (54802-A), a wholly-owned subsidiary of CYL	
Public Issue or Issue	:	Public issue of the Issue Shares to the Malaysian public and eligible employees, customers and suppliers of the CYL Group and identified investors	
SC	:	Securities Commission	
Share Split	:	Subdivision of the par value of the ordinary shares of CYL from RM1.00 per share to RM0.50 per share	
sq. ft.	:	square feet	
RM and sen	:	Ringgit Malaysia and sen respectively	
USD	:	United States of America dollar	

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include a corporation.

Any reference in this Prospectus to any enactment is a reference to that enactment as for the time being amended or re-enacted.

Any reference to a time of day in this Prospectus shall be a reference to Malaysian time, unless otherwise stated.

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**I. CORPORATE INFORMATION****Directors**

<b>Name</b>	<b>Address</b>	<b>Occupation</b>	<b>Nationality</b>
Tan Sri Abu Talib bin Othman ( <i>Non-Executive Chairman</i> )	21, Lingkungan U Thant 55000 Kuala Lumpur	Company Director	Malaysian
Chen Yat Lee ( <i>Managing Director</i> )	13A-05, Block A Gasing Height 46000 Petaling Jaya Selangor Darul Ehsan	Company Director	Malaysian
Lau Kim Lian ( <i>Executive Director</i> )	13A-05, Block A Gasing Height 46000 Petaling Jaya Selangor Darul Ehsan	Company Director	Malaysian
Chen Wai Ling ( <i>Executive Director</i> )	13A-05, Block A Gasing Height 46000 Petaling Jaya Selangor Darul Ehsan	Company Director	Malaysian
Seow Nyoke Yoong ( <i>Independent and Non-Executive Director</i> )	17, Jalan Bunga Ros 41000 Klang Selangor Darul Ehsan	Advocate and Solicitor	Malaysian
Riznida Eliza Binti Hamzah ( <i>Independent and Non-Executive Director</i> )	47, Jalan 17/3 46400 Petaling Jaya Selangor Darul Ehsan	Company Director	Malaysian
Abd Malik Bin A Rahman ( <i>Independent and Non-Executive Director</i> )	72, Jalan Athinahaman Satu Taman Tun Dr Ismail 60000 Kuala Lumpur	General Manager	Malaysian

**Audit Committee**

<b>Name</b>	<b>Designation</b>	<b>Directorship</b>
Abd Malik Bin A Rahman	Chairman of the Committee	Independent and Non-Executive Director
Seow Nyoke Yoong	Member of the Committee	Independent and Non-Executive Director
Chen Yat Lee	Member of the Committee	Managing Director

**Company Secretaries** :

Ng Yen Hoong  
(LS: 008016)  
101 SS 26/21  
Taman Mayang Jaya  
47301 Petaling Jaya  
Selangor Darul Ehsan

Kuan Hui Fang  
(MIA: 16876)  
23 Jalan BU3/2  
Bandar Utama  
47800 Petaling Jaya  
Selangor Darul Ehsan

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**I. CORPORATE INFORMATION (Cont'd)**

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- Registered Office** : Level 14, Uptown 1  
1, Jalan SS21/58  
Damansara Uptown  
47400 Petaling Jaya  
Selangor Darul Ehsan
- Tel. No.: 603-7725 2888  
Fax. No.: 603-7725 7791  
Email: corpserv@pfa.com.my
- Head/Management Office** : 12, Jalan Teluk Gadung 27/93  
Section 27  
40000 Shah Alam  
Selangor Darul Ehsan
- Tel. No.: 603-5191 3888  
Fax. No.: 603-5191 2888  
Email: enquiry@jayaplastik.com
- Principal Bankers** : Bumiputra-Commerce Bank Bhd (13491-P)  
Tingkat 2, Lot 27, 29 & 31  
Jalan 52/2  
46200 Petaling Jaya  
Selangor Darul Ehsan
- AmBank Berhad (*formerly known as Arab-Malaysian Bank Berhad*)  
(295576-U)  
Level 19, Menara Dion  
Jalan Sultan Ismail  
50250 Kuala Lumpur
- Commerce International Merchant Bankers Berhad (18417-M)  
7th Floor, Bangunan CIMB  
Jalan Semantan  
Damansara Heights  
50490 Kuala Lumpur
- United Overseas Bank (Malaysia) Bhd (271809-K)  
2A, Ground Floor, Wisma Masalam  
Jalan Tengku Ampuan Zabedah 3, 9/C  
Section 9  
40100 Shah Alam  
Selangor Darul Ehsan
- Solicitors for the Public  
Issue and Offer for Sale** : Zaid Ibrahim & Co.  
Advocates & Solicitors  
Level 19, Menara Milenium  
Pusat Bandar Damansara  
50490 Kuala Lumpur
- Auditors and Reporting  
Accountants** : Deloitte KassimChan  
Chartered Accountants  
Level 19, Uptown 1  
1, Jalan SS21/58  
Damansara Uptown  
47400 Petaling Jaya  
Selangor Darul Ehsan

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**I. CORPORATE INFORMATION (Cont'd)**

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<b><i>Registrar</i></b>	:	PFA Registration Services Sdn Bhd (19234-W) Level 13, Uptown 1 1, Jalan SS21/58 Damansara Uptown 47400 Petaling Jaya Selangor Darul Ehsan
<b><i>Issuing House</i></b>	:	MIDF Consultancy and Corporate Services Sendirian Berhad (11324-H) 12th Floor, MIDF Building 195A, Jalan Tun Razak 50400 Kuala Lumpur
<b><i>Valuers</i></b>	:	Henry Butcher, Lim & Long (Selangor) Sdn Bhd (495503-K) 52-3, Jalan SS15/4D Subang Jaya 47500 Petaling Jaya Selangor Darul Ehsan
<b><i>Independent Industry Consultant</i></b>	:	Vital Factor Consulting Sdn Bhd (266797-T) 75C & 77C, Jalan SS22/19 Damansara Jaya 47400 Petaling Jaya Selangor Darul Ehsan
<b><i>Adviser, Underwriter and Placement Agent</i></b>	:	Commerce International Merchant Bankers Berhad (18417-M) 7th Floor, Bangunan CIMB Jalan Semantan Damansara Heights 50490 Kuala Lumpur
<b><i>Listing Sought</i></b>	:	Second Board of KLSE

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## 2. INTRODUCTION

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This Prospectus is dated 28 February 2003.

A copy of this Prospectus has been registered by the SC and lodged with the Chief Executive Officer of the Companies Commission of Malaysia who takes no responsibility for its contents.

An application will be made to the KLSE within three (3) market days of the issuance of this Prospectus for admission to the Official List of the Second Board of KLSE and for permission to deal in and the listing of and quotation for the entire issued and fully paid-up ordinary shares of the Company, including the Issue Shares and Offer Shares, which are the subject of this Prospectus. These ordinary shares will be admitted to the Official List of the Second Board of KLSE and official quotation will commence after receipt of confirmation from MCD that all CDS accounts of the successful applicants have been duly credited and notices of allotment have been despatched to all successful applicants.

Acceptance of applications will be conditional upon permission being granted by the KLSE to deal in and quotation for the entire issued and fully paid-up ordinary shares of the Company, including the Issue Shares and Offer Shares, within six (6) weeks from the date of this Prospectus or such longer period as may be specified by the SC, provided the Company is notified by or on behalf of KLSE within the six (6) weeks or such longer period as may be specified by the SC. Accordingly, monies paid in respect of any application accepted will be returned without interest if the said permission from the KLSE is not granted.

Pursuant to Section 14(1) of the Securities Industry (Central Depositories) Act, 1991, the KLSE has prescribed CYL as a CDS counter. In consequence thereof, the shares issued and offered through this Prospectus will be deposited directly with MCD and any dealings in these shares will be carried out in accordance with the aforesaid Acts and the Rules of MCD.

Pursuant to the SC's Policies and Guidelines on Issue/Offer of Securities, the Company needs to have at least 25% of the enlarged issued and paid-up share capital in the hands of public shareholders and a minimum number of 750 public shareholders (of which at least 500 shareholders are members of the public who are not employees of the Group) holding not less than 1,000 shares each at the point of Listing. The Company is expected to achieve this at the point of Listing. In the event that the above requirement is not met pursuant to the Public Issue and Offer for Sale, the Company may not be allowed to proceed with the Listing. In the event thereof, monies paid in respect of all applications will be returned without interest.

In the case of an application by way of Application Form, if an applicant presently has a CDS account, he/she should state his/her CDS account number in the space provided in the Application Form and should not complete the preferred ADA Code. Where an applicant does not presently have a CDS account, the applicant should state his/her preferred ADA Code in the Application Form.

In the case of any application by way of Electronic Share Application, only an applicant who is an individual and has a CDS account can make an Electronic Share Application and the applicant shall furnish his/her CDS account number to the Participating Financial Institution by way of keying in his/her CDS account number if the instructions on the ATM screen at which he/she enters his/her Electronic Share Application requires him/her to do so. A corporation or institution cannot apply for the Issue Shares or Offer Shares by way of Electronic Share Application.

Where an applicant already has a CDS account, his/her completion of the Application Form includes his/her authority for MCD to disclose information pertaining to the CDS account to MIDFCCS or the Company.

No person is authorised to give any information or to make any representation not contained herein in connection with the Public Issue and/or the Offer for Sale and if given or made, such information or representation must not be relied upon as having been authorised by CYL, the Offeror and/or CIMB. Neither the delivery of this Prospectus nor any Public Issue and/or Offer for Sale made in connection with this Prospectus shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the CYL Group since the date hereof.

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**2. INTRODUCTION (Cont'd)**

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The distribution of this Prospectus and the sale of the Issue Shares and/or Offer Shares are subject to Malaysian law and the Company takes no responsibility for the distribution of this Prospectus and/or sale of the Issue Shares and/or Offer Shares outside Malaysia. Persons who may be in possession of this Prospectus are required to inform themselves of and to observe such restrictions. This Prospectus does not constitute and may not be used for the purpose of an offer to sell or invitation of an offer to buy any Issue Shares and/or Offer Shares in any jurisdiction in which such offer is not authorised or lawful or to any person to whom it is unlawful to make such offer.

**If you are in doubt about this Prospectus, you should consult your stockbroker, bank manager, solicitor, professional accountant or other professional adviser immediately prior to making any investment decision.**

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### 3. INFORMATION SUMMARY

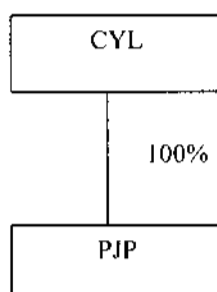
The following is only a summary of the salient information about the CYL Group and of the Public Issue and Offer for Sale. Investors should read and understand the whole Prospectus prior to deciding whether to invest in the Issue/Offer Shares. The following information is derived from, and should be read in conjunction with, the full text of this Prospectus.

#### 3.1 History and Business

CYL was incorporated in Malaysia under the Companies Act, 1965 on 6 June 2000 as a private limited company under the name of CYL Corporation Sdn Bhd. On 21 June 2000, it was converted to a public limited company and assumed its present name.

CYL is principally an investment holding company. It has a wholly-owned subsidiary, PJP, which is principally involved in the manufacturing and supplying of plastic packaging products. For further details on CYL and its subsidiary, please refer to Sections 7 and 9 of this Prospectus.

The current structure of the CYL Group is as follows:



#### 3.2 Major Shareholders, Promoters, Directors and Key Management

##### 3.2.1 Major Shareholders

The major shareholders (holding 5% or more of the issued and paid-up share capital) of CYL and their respective shareholdings, after the Public Issue and Offer for Sale are as follows:

Shareholder	Nationality	----After the Public Issue and Offer for Sale----			
		----No. of ordinary shares of RM0.50 each ----			
		Direct	%	Indirect	%
Tan Sri Abu Talib bin Othman	Malaysian	19,900,000+	19.90	-	-
Chen Yat Lee	Malaysian	34,314,000	34.31	-	-
Lau Kim Lian	Malaysian	20,686,000	20.69	-	-

*Note:*

+ On the basis that he accepts the offer of 1,563,742 CYL Shares under the Offer for Sale.

##### 3.2.2 Promoters

Chen Yat Lee and Lau Kim Lian individually and collectively are the promoters of the Company and further details of their profiles and shareholdings are set out in Sections 3.2.1, 8.1, 8.2 and 8.3 of this Prospectus.

### 3. INFORMATION SUMMARY (Cont'd)

#### 3.2.3 Directors

The Directors of CYL and their shareholdings after the Public Issue and Offer for Sale are as follows:

Director	Designation	-----After the Public Issue and Offer for Sale----- -----No. of ordinary shares of RM0.50 each -----			
		Direct	%	Indirect	%
Tan Sri Abu Talib bin Othman	Non-Executive Chairman	19,900,000+	19.90	-	-
Chen Yat Lee	Managing Director	34,314,000	34.31	-	-
Lau Kim Lian	Executive Director	20,686,000	20.69	-	-
Chen Wai Ling	Executive Director	-	-	-	-
Seow Nyoke Yoong	Independent and Non-Executive Director	-	-	-	-
Riznida Eliza Binti Hamzah	Independent and Non-Executive Director	-	-	-	-
Abd Malik Bin A Rahman	Independent and Non-Executive Director	-	-	-	-

*Note:*

+ On the basis that he accepts the offer of 1,563,742 CYL Shares under the Offer for Sale.

#### 3.2.4 Key Management

Save for the shareholdings of Chen Yat Lee and Lau Kim Lian which are set out in Section 8.1.1 of this Prospectus, none of the key management personnel has any shareholdings in CYL as at the date hereof.

Detailed information on the major shareholders, promoters, Directors and key management of CYL is set out in Section 8 of this Prospectus.



### 3. INFORMATION SUMMARY (Cont'd)

#### 3.3 Financial Highlights

##### 3.3.1 Proforma Consolidated Income Statements

The following is a summary of the proforma audited consolidated results of the CYL Group for the past five (5) financial years ended 31 January 1998 to 2002 and seven (7) months ended 31 August 2002, prepared for illustrative purposes only, based on the assumption that the current structure of the Group has been in existence throughout the financial years and period under review:

	Financial year ended 31 January					7 months ended 31 August 2002
	1998 RM 000	1999 RM 000	2000 RM 000	2001 RM 000	2002 RM 000	RM 000
Revenue	34,216	35,013	43,658	49,901	56,706	30,287
Earnings before interest, depreciation, taxation and amortisation	9,112	8,887	10,501	11,519	12,783	7,821
Net interest expense	(1,486)	(1,780)	(1,405)	(1,066)	(920)	(489)
Depreciation	(2,868)	(2,888)	(3,132)	(3,399)	(3,946)	(2,726)
Amortisation	-	-	-	-	-	-
Profit before taxation	4,758	4,219	5,964	7,054	7,917	4,606
Taxation	(615)	(196)	230	(469)	(924)	(865)
Profit after taxation	4,143	4,023	6,194	6,585	6,993	3,741
Minority interests	-	-	-	-	-	-
Profit for the year attributable to shareholders	4,143	4,023	6,194	6,585	6,993	3,741
No. of ordinary shares assumed in issue (000)*	92,142	92,142	92,142	92,142	92,142	92,142
Net EPS (sen)	4.50	4.37	6.72	7.15	7.59	6.96*
Gross dividend rate (%)	-	-	-	-	-	-

**Notes:**

+ *Annualised*

\* *The assumed issued and paid-up share capital of 92,142,000 ordinary shares of RM0.50 each is based on the issued and paid-up share capital of CYL after the Acquisition of PJP but prior to the Public Issue.*

Further details on the proforma consolidated results are set out in Section 13.1 of this Prospectus.

## 3. INFORMATION SUMMARY (Cont'd)

## 3.3.2 Proforma Consolidated Balance Sheets

The following is a summary of the proforma consolidated balance sheets of the CYL Group as at 31 August 2002, prepared for illustrative purposes only based on the audited balance sheet of CYL as at 31 August 2002, to show the effects of the Acquisition of PJP, the Public Issue and proposed utilisation of proceeds from the Public Issue, on the assumption that these transactions were completed on 31 August 2002:

	Audited as at 31 August 2002 RM 000	Proforma			
		1 RM 000	2 RM 000	3 RM 000	4 RM 000
Property, plant and equipment	-	58,472	58,472	58,472	58,472
Investments	-	73	73	73	73
<b>Current Assets</b>					
Inventories	-	4,913	4,913	4,913	4,913
Trade receivables	-	12,428	12,428	12,428	12,428
Other receivables and prepaid expenses	-	2,342	2,342	2,342	2,342
Deferred expenditure	-	400	400	400	-
Cash and bank balances	*	12	12	5,120	1,867
	*	20,095	20,095	25,203	21,550
<b>Current Liabilities</b>					
Trade payables	-	3,634	3,634	3,634	3,634
Other payables and accrued expenses	1	6,333	6,333	6,333	6,333
Amount owing to related party	4	-	-	-	-
Amount owing to directors	-	170	170	170	170
Bank borrowings	-	10,951	10,951	10,951	8,898
Hire-purchase obligations - current portion	-	626	626	626	626
Tax liabilities	-	245	245	245	245
	5	21,959	21,959	21,959	19,906
<b>Net Current Assets/(Liabilities)</b>	(5)	(1,864)	(1,864)	3,244	1,644
<b>Long-Term and Deferred Liabilities</b>					
Long-term loans - non-current portion	-	(3,702)	(3,702)	(3,702)	(3,702)
Hire-purchase obligations - non-current portion	-	(332)	(332)	(332)	(332)
Deferred tax liabilities	-	(2,389)	(2,389)	(2,389)	(2,389)
	-	(6,423)	(6,423)	(6,423)	(6,423)
<b>Net Assets/(Liabilities)</b>	(5)	50,258	50,258	55,366	53,766

## 3. INFORMATION SUMMARY (Cont'd)

	Audited as at 31 August 2002 RM 000	Proforma			
		1 RM 000	2 RM 000	3 RM 000	4 RM 000
<b>Represented by:</b>					
Issued capital	**	46,071	46,071	50,000	50,000
Share premium	-	1,678	1,678	2,857	1,257
Reserve arising on consolidation	-	2,514	2,514	2,514	2,514
Accumulated loss	(5)	(5)	(5)	(5)	(5)
Shareholders' Equity/(Capital Deficiency)	(5)	50,258	50,258	55,366	53,766
NTA	***	49,858	49,858	54,966	53,766
NTA per ordinary share (RM)	***	0.54	0.54	0.55	0.54

**Notes:**

\* This represents RM2.00 cash on hand.

\*\* This represents RM2.00 comprising two (2) ordinary shares of RM1.00 each.

\*\*\* The Company has not commenced operations as at 31 August 2002. Accordingly, NTA per ordinary share is not computed.

*Proforma 1* Incorporates the effects of subdivision of the par value of the ordinary shares of CYL from RM1.00 to RM0.50 per share and the acquisition by CYL of the entire equity interest in PJP comprising 1,650,000 ordinary shares of RM1.00 each for a purchase consideration of RM47,749,184 satisfied by the issuance of 92,141,996 new CYL Shares at an issue price of approximately RM0.52 per ordinary share. The acquisition of PJP has been consolidated using the acquisition method based on the audited financial statements of PJP as at 31 August 2002.

The land and buildings of PJP were revalued by the Directors of PJP on 20 June 2000 based on a valuation carried out by an independent firm of professional valuers using the "Comparison Method" and "Investment Method" of valuation. The revaluation was carried out as part of the listing exercise which was approved by the SC. The surplus arising from the revaluation amounting to RM9,684,562 has been recognised in the statement of assets and liabilities of the proforma Group as at 31 August 2002.

*Proforma 2* Incorporates the effects of Proforma 1 and the offer for sale of 9,499,400 CYL Shares at an offer price of RM0.65 per ordinary share.

*Proforma 3* Incorporates the effects of Proforma 2 and the public issue of 7,858,000 new CYL Shares at an issue price of RM0.65 per ordinary share.

*Proforma 4* Incorporates the effects of Proforma 3 and the proposed utilisation of the proceeds arising from the Public Issue amounting to RM5,107,700. The total estimated listing expenses amounting to RM1,600,000, of which RM399,537 has been incurred by CYL and shown as deferred expenditure under current assets as at 31 August 2002. The total estimated listing expenses are written off against the share premium account.

Further details on the proforma consolidated balance sheets of CYL as at 31 August 2002 are set out in Section 17 of this Prospectus. The above summary should be read together with the notes and assumptions to the proforma consolidated balance sheets as set out in Section 17 of this Prospectus.

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**3. INFORMATION SUMMARY (Cont'd)**


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**3.4 Principal Statistics Relating to the Public Issue and Offer for Sale****(i) Share Capital**

	<b>RM</b>
<i>Authorised</i>	
200,000,000 ordinary shares of RM0.50 each	<u>100,000,000</u>
<i>Issued and fully paid-up as at the date of this Prospectus</i>	
92,142,000 ordinary shares of RM0.50 each	46,071,000
<i>To be issued pursuant to the Public Issue</i>	
7,858,000 ordinary shares of RM0.50 each	<u>3,929,000</u>
	<u>50,000,000</u>
<i>To be offered pursuant to the Offer for Sale</i>	
9,499,400 ordinary shares of RM0.50 each	<u>4,749,700</u>

**(ii) Classes of Shares and Rights**

There is only one class of shares in CYL, being ordinary shares of RM0.50 each. The Issue/Offer Shares will rank pari passu in all respects with the existing issued and paid-up CYL Shares.

Subject to any special rights attaching to any shares that may be issued by the Company in the future, the shareholders of ordinary shares in the Company shall, in proportion to the amount paid-up on the shares held by them, be entitled to share in the whole of the profits paid out by the Company as dividends and other distributions and the whole of any surplus in the event of liquidation of the Company, in accordance with its Articles of Association.

At every general meeting of CYL, each shareholder shall be entitled to vote in person or by proxy or by attorney, and on a show of hands, every person present who is a shareholder or representative or proxy or attorney to a shareholder shall have one vote and on a poll, every shareholder present in person or by proxy or by attorney or other duly authorised representative shall have one vote for each ordinary share held. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965, shall not apply to the Company.

**(iii) Issue/Offer price of RM0.65 per ordinary share of RM0.50 each**

The factors taken into consideration in the pricing of the Issue/Offer Shares are set out in Section 5.6 of this Prospectus.

**(iv) Proforma Group NTA**

	<b>RM</b>
Proforma Group NTA as at 31 August 2002	53,766,000
<i>(after the Share Split, Acquisition of PJP, Public Issue and deducting estimated listing expenses of RM1,600,000)</i>	
Proforma Group NTA per share	0.54
<i>(based on the enlarged issued share capital of 100,000,000 ordinary shares of RM0.50 each)</i>	

### 3. INFORMATION SUMMARY (Cont'd)

#### (v) Consolidated Profit Estimate and Forecast

The consolidated profit estimate and forecast of the Group for the financial years ended/ending 31 January 2003 and 2004 are as follows:

Financial year ended/ending 31 January	2003 RM 000	2004 RM 000
Revenue	58,300	59,000
Consolidated profit before tax	8,630	9,775
Income tax expense	(1,030)	(660)
Consolidated profit after tax	7,600	9,115
Less: Pre-acquisition profit	(7,604)	-
Consolidated profit/(loss) after tax and pre-acquisition profit	(4)	9,115
Net EPS on the consolidated profit after tax (sen)	8.25*	9.26**
Net PE multiple (times)***	7.88	7.02

**Notes:**

\* Computed based on the number of ordinary shares in issue after the Acquisition of PJP but before the Public Issue i.e 92,142,000 ordinary shares of RM0.50 each on the assumption that the current structure of the Group has been in existence throughout the financial year.

\*\* Computed based on the weighted average number of ordinary shares in issue of CYL of 98,406,871 ordinary shares of RM0.50 each on the assumption that the Public Issue will be completed by mid April 2003.

\*\*\* Based on the Issue/Offer price of RM0.65 per ordinary share.

The principal bases and assumptions upon which the consolidated profit estimate and forecast of CYL have been made are set out in Section 14.1 of this Prospectus.

#### (vi) Dividend Estimate and Forecast

For the financial year ended 31 January 2003, the Group declared two interim dividends totalling RM1.155 million, which was paid out from March 2002 to October 2002. The Group did not declare any final dividend for the financial year ended 31 January 2003.

For the financial year ending 31 January 2004, the Directors of CYL proposed to declare an interim tax-exempt dividend amounting to RM577,500 prior to the Public Issue and Offer for Sale. The interim dividend will be paid prior to the date of allotment of the Issue/Offer Shares. The dividend forecast for the financial year ending 31 January 2004 (in addition to the interim dividend) after the Public Issue and Offer for Sale is as follows:

Financial year ending 31 January	Forecast 2004
Tax-exempt dividend per ordinary share (sen)	1.50
Tax-exempt dividend yield based on the Issue/Offer price of RM0.65 per share (%)	2.31

Further information on the dividend estimate and forecast of CYL is set out in Section 16 of this Prospectus.

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**3. INFORMATION SUMMARY (Cont'd)**

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**3.5 Risk Factors**

An investment in shares listed/to be listed on KLSE involves a number of risks. Investors should rely on their own evaluations and to carefully consider the investment considerations, together with other information contained in this Prospectus before applying for the Issue/Offer Shares, which are the subject of this Prospectus.

The following are some of the main risk factors (which may not be exhaustive), as extracted from Section 6 of this Prospectus:

- (i) No prior market for CYL's shares;
- (ii) Delay in or abortion of the Listing;
- (iii) Admission to the Official List of KLSE not granted;
- (iv) Share price may be volatile;
- (v) Ability to realise dividends from its subsidiary;
- (vi) Further sale or possible sale by its shareholders;
- (vii) Control by certain shareholders;
- (viii) Supply and cost of raw materials;
- (ix) Dependence on a small number of customers;
- (x) Absence of long term contractual agreements with customers and/or suppliers;
- (xi) Fluctuations in selling prices of plastic products;
- (xii) Foreign market risk;
- (xiii) Competition;
- (xiv) Business risks;
- (xv) Restrictive covenants under borrowing facility agreements;
- (xvi) Technological change and process development;
- (xvii) Dependence on key personnel;
- (xviii) Consolidated profit estimate and forecast;
- (xix) Construction of new warehouse;
- (xx) Political, economic and regulatory considerations;
- (xxi) Forward-looking statements;
- (xxii) Implementation of Asean Free Trade Area;
- (xxiii) Capital commitments; and
- (xxiv) Global environment concerns on plastic containers.

Investors are advised to read the risk factors (which may not be exhaustive) in detail as disclosed in Section 6 of this Prospectus.

**3.6 Future Prospects and Plans of the CYL Group**

The future prospects of the Group are expected to remain favourable in light of the prospects of the plastic blow and injection moulding industry. The CYL Group is committed to expanding its core business to further improve its competitiveness and strengthen its position in the plastic packaging industry. The Group has plans to invest in additional high tech blow-moulding and injection-moulding machines. Not only would this increase its production efficiency but also the quality of its products, which would lead to more competitive pricing of its products. The Group also intends to increase automation in its production process to reduce its dependency on unskilled labour. Further details of the Group's future prospects and plans are set out in Section 7.6.3 of this Prospectus.

### 3. INFORMATION SUMMARY (Cont'd)

#### 3.7 Utilisation of Proceeds

The total gross proceeds of RM5,107,700 from the Public Issue will be utilised in the following manner:

	<b>RM 000</b>
Repayment of bank borrowings	2,053
Working capital	1,455
Estimated listing expenses	1,600
	<u>5,108</u>

The estimated expenses and fees, including brokerage, underwriting commission and placement fee relating to the Issue Shares, incidental to the Listing amounting to approximately RM1.6 million will be borne by the Company.

The total gross proceeds from the Offer for Sale of RM6,174,610 shall accrue entirely to the Offerors and no part of the proceeds of the Offer is receivable by CYL. All expenses, including brokerage and placement fees relating to the Offer Shares, shall be borne by the Offerors.

Details of the utilisation of proceeds are set out in Section 5.7 of this Prospectus.

#### 3.8 Material Litigation, Material Commitments and Contingent Liabilities

##### 3.8.1 Material Litigation

CYL and its subsidiary are not engaged in any litigation, either as plaintiff or defendant which has a material effect on the financial position of CYL or its subsidiary, and the Directors do not know of any proceedings pending or threatened or of any fact likely to give rise to any proceedings which might materially and adversely affect the position or business of CYL or its subsidiary.

##### 3.8.2 Material Commitments

As at 14 February 2003 (being the latest practicable date at which such amounts could be calculated prior to the printing of this Prospectus), the capital commitments of the Group are as follows:

	<b>RM 000</b>
Approved and contracted for	-
Approved but not contracted for	9,000
	<u>9,000</u>

The material commitments are mainly in relation to acquisition of land and machinery.

Save as disclosed above, there are no material commitments for capital expenditure contracted or known to be contracted by CYL or its subsidiary, which may have a substantial impact on the financial position of the Group as at 14 February 2003 (being the latest practicable date at which such amounts could be calculated prior to the printing of this Prospectus).

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### 3. INFORMATION SUMMARY *(Cont'd)*

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#### 3.8.3 Contingent Liabilities

As at 14 February 2003 (being the latest practicable date at which such amounts could be calculated prior to the printing of this Prospectus), the Directors of CYL are not aware of any contingent liabilities which, upon becoming enforceable, may have a material impact on the profit or net assets of the Group.

#### 3.9 Independent Industry Assessment Report

In 2001, the market size for the manufacture of all types of plastic blow moulded and injection moulded products (not restricted to plastic containers only) in Malaysia was estimated at RM680 million and RM3.4 billion respectively. Between 1997 and 2001, the average annual growth rate of the production quantity of plastic bottles, household plastic containers and industrial plastic containers was 11.5%, 11.5% and 48.1% respectively.

Overall, the plastic blow and injection moulding industry experienced growth over the last five (5) years. This trend includes 2001 figures, where Malaysia and many global economies experienced a slowdown. This is reflected in the growth in production quantity of plastic bottles, household plastic containers and industrial plastic containers, which increased by 11.6%, 11.6% and 72.0% respectively. The outlook of the plastic blow and injection moulding industry is favourable and is forecasted to grow at approximately 6% to 8% per annum for the next five (5) years.

*(Source: Vital Factor Consulting Sdn Bhd's Independent Industry Assessment Report dated 20 February 2003)*



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**4. SHARE CAPITAL**


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	RM
<i>Authorised</i>	
200,000,000 ordinary shares of RM0.50 each	<u>100,000,000</u>
<i>Issued and fully paid-up as at the date of this Prospectus</i>	
92,142,000 ordinary shares of RM0.50 each	46,071,000
<i>To be issued pursuant to the Public Issue</i>	
7,858,000 ordinary shares of RM0.50 each	<u>3,929,000</u>
	<u>50,000,000</u>
<i>To be offered pursuant to the Offer for Sale</i>	
9,499,400 ordinary shares of RM0.50 each	<u>4,749,700</u>

The price of RM0.65 for each Issue/Offer Share is payable in full on application.

There is only one class of shares in CYL, being ordinary shares of RM0.50 each. The Issue/Offer Shares will rank *pari passu* in all respects with the existing issued and paid-up ordinary shares of RM0.50 each of CYL, including voting rights, dividends, allotments and distributions that may be declared subsequent to the date of the allotment and issuance of the Issue/Offer Shares.

Subject to any special rights attaching to any shares that may be issued by the Company in the future, the shareholders of ordinary shares in the Company shall, in proportion to the amount paid-up on the shares held by them, be entitled to share in the whole of the profits paid out by the Company as dividends and other distributions and the whole of any surplus in the event of liquidation of the Company, in accordance with its Articles of Association.

At every general meeting of CYL, each shareholder shall be entitled to vote in person or by proxy or by attorney, and on a show of hands, every person present who is a shareholder or representative or proxy or attorney to a shareholder shall have one vote and on a poll, every shareholder present in person or by proxy or by attorney or other duly authorised representative shall have one vote for each ordinary share held. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965, shall not apply to the Company.