

**QUARTERLY REPORT FOR THE FOURTH FINANCIAL QUARTER ENDED 31 JANUARY 2021**  
**(THESE FIGURES ARE UNAUDITED)**

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.01.2021 RM'000	Preceding Year Corresponding Quarter 31.01.2020 RM'000	Current Year To Date 31.01.2021 RM'000	Preceding Year Corresponding Period 31.01.2020 RM'000
<b>Revenue</b>	10,094	7,618	41,154	41,443
Other income	330	178	1,375	435
Interest income from short-term deposits	30	50	150	130
Fair value gain on financial assets	-	-	-	-
Changes in inventories of finished goods	1	(403)	335	(146)
Raw materials and consumables used	(5,595)	(3,436)	(20,882)	(21,300)
Remuneration of key management personnel	(404)	(420)	(1,612)	(1,624)
Employee benefits expense	(1,335)	(1,269)	(5,491)	(5,954)
Depreciation of property, plant and equipment	(783)	(665)	(3,357)	(3,811)
Other operating expenses	(2,649)	(1,811)	(10,171)	(8,696)
<b>Loss)/Profit from operations</b>	(311)	(158)	1,501	477
Finance costs	-	-	-	-
<b>(Loss)/Profit before tax</b>	(311)	(158)	1,501	477
Income tax expense	406	(319)	105	(319)
<b>Net (loss)/profit for the period</b>	95	(477)	1,606	158
<b>Other comprehensive income/(loss)</b>				
Deferred tax on revaluation surplus	-	-	-	-
Other comprehensive income for the year	37	37	37	37
<b>Total comprehensive (loss)/income for the year</b>	132	(440)	1,643	195
Net earnings per share				
- Basic	0.09	(0.48)	1.61	0.16

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 January 2020 and the accompanying explanatory notes to the quarterly financial statements.

**QUARTERLY REPORT FOR THE FOURTH FINANCIAL QUARTER ENDED 31 JANUARY 2021  
(THese FIGURES ARE UNAUDITED)**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>31.01.2021</b>	<b>31.01.2020</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	52,996	54,542
Transferable golf club membership	85	85
<b>Total Non-Current Assets</b>	<b>53,081</b>	<b>54,627</b>
<b>Current Assets</b>		
Inventories	7,460	5,870
Trade receivables	8,485	6,575
Right to returned goods assets	44	16
Other receivables, deposits and prepaid expenses	882	243
Current tax asset	376	276
Short-term deposit with a licensed investment bank	6,085	6,324
Cash and bank balances	1,301	1,110
<b>Total Current Assets</b>	<b>24,633</b>	<b>20,414</b>
<b>TOTAL ASSETS</b>	<b>77,714</b>	<b>75,041</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and Reserve</b>		
Issued capital	51,504	51,504
Reserves	11,812	12,117
Profit/(Loss) for the year	1,606	158
<b>Shareholders' Equity</b>	<b>64,922</b>	<b>63,779</b>
<b>Non-Current Liabilities</b>		
Provision for gratuity payment	327	415
Deferred tax liabilities	5,042	5,226
<b>Total Non-Current Liabilities</b>	<b>5,369</b>	<b>5,641</b>
<b>Current Liabilities</b>		
Trade payables	4,869	2,779
Other payables and accrued expenses	2,424	1,983
Refund liability	56	26
Amount owing to director	14	14
Provision for gratuity payment	60	819
Tax liabilities	-	-
<b>Total Current Liabilities</b>	<b>7,423</b>	<b>5,621</b>
<b>Total Liabilities</b>	<b>12,792</b>	<b>11,262</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>77,714</b>	<b>75,041</b>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 January 2020 and the accompanying explanatory notes to the quarterly financial statements.

**QUARTERLY REPORT FOR THE FOURTH FINANCIAL QUARTER ENDED 31 JANUARY 2021**  
**(THESE FIGURES ARE UNAUDITED)**

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

	<b>31.01.2021</b>	<b>31.01.2020</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM / (USED IN) OPERATING ACTIVITIES</b>		
Profit before tax	1,501	477
Adjustments for:		
Depreciation of property, plant and equipment	3,357	3,811
Interest income for gratuity	(29)	39
Changes in allowance for doubtful debts	188	(64)
Unrealised (gain)/loss on forex	20	20
Gain on disposal of PPE	(40)	
PPE written down	123	-
Inventories written down	460	402
Interest income	(150)	(130)
Provision for gratuity payment	(15)	45
<b>Operating Profit Before Working Capital Changes</b>	<b>5,415</b>	<b>4,600</b>
(Increase)/Decrease in:		
Inventories	(2,050)	(605)
Trade receivables	(2,118)	5,360
Right to returned goods assets	(28)	22
Other receivables, deposits and prepayments	29	132
Increase/ (Decrease) in:		
Trade payables	2,090	(2,847)
Other payables and accrued expenses	441	49
Refund liability	30	(35)
Directors	-	
<b>Cash Generated From Operations</b>	<b>3,801</b>	<b>6,676</b>
Tax refund	284	
Income tax paid	(426)	(193)
Gratuity paid	(804)	-
<b>Net Cash Generated From Operating Activities</b>	<b>2,864</b>	<b>6,483</b>
<b>CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES</b>		
Purchase of PPE	(1,889)	(957)
Proceeds for disposal of PPE	40	
Interest received	150	130
Refundable deposits paid for PPE	(712)	(45)
<b>Net Cash Used In Investing Activities</b>	<b>(2,411)</b>	<b>(872)</b>
<b>CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES</b>		
Dividend paid	(500)	(500)
<b>Net Cash Used in Financing Activities</b>	<b>(500)</b>	<b>(500)</b>
<b>NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(48)</b>	<b>5,111</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>7,434</b>	<b>2,323</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>7,386</b>	<b>7,434</b>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 January 2020 and the accompanying explanatory notes to the quarterly financial statements.

**CYL CORPORATION BERHAD**  
(Incorporated in Malaysia)  
Registration No.: 2000010113537 (516143-V)

**QUARTERLY REPORT FOR THE FOURTH FINANCIAL QUARTER ENDED 31 JANUARY 2021**  
**(THESE FIGURES ARE UNAUDITED)**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	<b>Issued capital RM'000</b>	<b>Unappropriated profits RM'000</b>	<b>Total RM'000</b>
<b>Balance as of 1 February 2019</b>	51,504	12,580	64,084
Dividends	-	(500)	(500)
Profit for the year	-	158	158
Other comprehensive income for the year	-	37	37
<b>Balance as of 31 January 2020</b>	51,504	12,275	63,779
<b>Balance as of 1 February 2020</b>	51,504	12,275	63,779
Dividends	-	(500)	(500)
Profit for the year	-	1,606	1,606
Other comprehensive income for the year	-	37	37
<b>Balance as of 31 January 2021</b>	51,504	13,418	64,922

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 January 2020 and the accompanying explanatory notes to the quarterly financial statements.

## CYL CORPORATION BERHAD

(Incorporated in Malaysia)

Company No. 516143 - V

### QUARTERLY REPORT FOR THE FOURTH FINANCIAL QUARTER ENDED 31 JANUARY 2021 (THESE FIGURES ARE UNAUDITED)

#### A NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 JANUARY 2021.

#### EXPLANATORY NOTES IN COMPLIANCE TO MFRS 134 ON INTERIM FINANCIAL REPORTING

##### A1. Accounting policies and basis of preparation

This interim financial report is unaudited and has been prepared in compliance with the requirements of MFRS 134, Interim Financial Reporting, paragraph 9.22 and Appendix 9B of the Listing requirements of Bursa Malaysia Securities Berhad (Bursa Malaysia).

The interim financial report is unaudited and should be read in conjunction with the audited financial statements for the year ended 31 January 2020. The explanatory notes attached to the quarterly financial statements provide an explanation of events and transactions that are significant to gain an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 January 2020.

##### A2. Changes in Accounting Policies

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards (“IFRS”) and the provisions of the Companies Act, 2016 in Malaysia.

##### Adoption of new and revised MFRS

In the current year, the Group and the Company have applied a number of standard, IC Interpretation and amendments to MFRSs issued by the Malaysian Accounting Standards Board (“MASB”) that are mandatorily effective for accounting period that begins on or after 1 February 2020:

- Amendments to MFRS 3: Definition of a Business
- Amendments to MFRS 101 and MFRS 108: Definition of Material;
- Amendments to References to the Conceptual Framework in MFRS Standards
- Amendments to MFRS 9, MFRS 139 and MFRS 7, Interest Rate Benchmark Reform
- Amendments to MFRS 3: Reference to the Conceptual Framework
- Amendments to MFRS 116: Proceeds before Intended Use
- Amendments to MFRS 137: Costs of Fulfilling a Contract
- Amendments to MFRSs contained in the document “*Annual Improvements to MFRS Standards 2018-2020*”

The adoption of these amendments to MFRS have not affected the amounts reported in the financial statements of the Group and of the Company for the current year and prior years.

##### Accounting Standards in Issue But Not Yet Effective

At the date of authorisation for issue of these financial statements, the new and revised Standards which were in issue but not yet effective and adopted by the Group and the Company are as listed below:

*Standard and amendments effective for annual periods beginning on or after 1 June 2020, 1 January 2022<sup>1</sup> and 1 January 2023<sup>2</sup>, with earlier application permitted:*

- Amendments to MFRS 101 and MFRS 108: <sup>2</sup>Classification of Liabilities as Current or Non-Current; <sup>2</sup>Disclosure of Accounting Policies; <sup>2</sup>Definition of Accounting Estimates
- Amendments to MFRS 16: <sup>1</sup>Covid-19-Related Rent Concessions
- Amendments to MFRS 17, <sup>2</sup>Insurance Contracts

The abovementioned Standards and Amendments will be adopted in the annual financial statements of the Group and of the Company when they become effective. These Standards and Amendments will have no material impact on the financial statements of the Group and of the Company in the period of initial application.

**QUARTERLY REPORT FOR THE FOURTH FINANCIAL QUARTER ENDED 31 JANUARY 2021  
(THESE FIGURES ARE UNAUDITED)**

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**A3. Audit Qualification of Annual Financial Statements**

The financial statements of the preceding year for the Group and the Company were not subject to any qualifications.

**A4. Seasonal or cyclical factors**

The Group's interim business operation was not materially affected by seasonal or cyclical factors for the quarter under review.

**A5. Unusual nature and amount of items affecting assets, liabilities, equity, net income and cash flows**

There are no unusual nature and amount of items affecting assets, liabilities, equity, net income and cash flows of the Group during the quarter under review.

**A6. Material changes in estimates of amounts reported in prior periods in current financial year or prior financial years which have material effect in the current interim period**

There are no material changes in estimates of amounts reported in prior financial years that have a material effect in the current interim period.

**A7. Changes in debts and equity securities**

There were no issuance, cancellation, repurchases, resale and repayments of debts and equity securities for the current financial quarter ended 31 January 2021.

**A8. Dividend**

An interim tax exempt dividend of 0.50 sen per ordinary share amounting to RM500,000 was declared and paid on 29 January 2021 to the shareholders whose names appear in the Record of Depositors on 20 January 2021.

**A9. Segmental reporting**

The Group operates in a single industry in the business of manufacturing and supplying of plastic packaging products in Malaysia. Accordingly, the financial information by industry and geographical segments of the Group's operations are not applicable.

**A10. Property, plant and equipment**

The valuations of property, plant and equipment have been brought forward without amendment from the previous annual financial statements ended 31 January 2020.

The total additions to property, plant and equipment for the financial quarter ended 31 January 2021 amounted to RM797 thousand. During the said period, there was no significant disposal of property, plant and equipment.

**QUARTERLY REPORT FOR THE FOURTH FINANCIAL QUARTER ENDED 31 JANUARY 2021  
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**A11. Material events subsequent to the current quarter**

There were no items, transaction or event of a material and unusual nature which has arisen which would substantially affect the results of the Group and the Company for the period between 31 January 2021 and the date of this report.

**A12. Changes in the composition of the Company**

There were no changes in the composition of the Group for the current financial period to date.

**A13. Changes in Contingent Assets and Contingent Liabilities**

There were no significant changes in contingent assets and liabilities since the last balance sheet as at 31 January 2021. Corporate guarantees given to banks for credit facilities granted to the subsidiary company is currently at RM6.50 million.

**A14. Capital commitments**

As at 31 January 2021, the Group has the following capital expenditure relating to purchase of machinery as follows:

	<b>RM'000</b>
Approved and contracted for	<u>1,430</u>

**A15. Significant Related Party Transactions**

There were no significant related party transactions during the quarter under review.

**QUARTERLY REPORT FOR THE FOURTH FINANCIAL QUARTER ENDED 31 JANUARY 2021  
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**B ADDITIONAL NOTES PURSUANT TO MFRS 134**

**B1. Review of performance  
INDIVIDUAL QUARTER**

	3 months ended 31.01.2021 RM'000	3 months ended 31.01.2020 RM'000	Variance	
			%	RM'000
Revenue	10,094	7,618	32.50	2,476
Consolidated (loss)/profit before tax	(311)	(158)	96.83	153
Income tax (expense)/credit	406	(319)	(227.27)	(725)
Consolidated (loss)/profit after tax	95	(477)	119.92	572

**CUMULATIVE QUARTER**

	12 months ended 31.01.2021 RM'000	12 months ended 31.01.2020 RM'000	Variance	
			%	RM'000
Revenue	41,154	41,443	(0.70)	(289)
Consolidated profit before tax	1,501	477	214.67	1,024
Income tax (expense)/credit	105	(319)	(132.91)	(424)
Consolidated profit after tax	1,606	158	916.46	1,448

(i) Current Quarter Review

The Group revenue for the current financial quarter ended 31 January 2021 increased by RM2.48 million when compared to corresponding quarter ended 31 January 2020.

The Group reported a loss of RM311 thousand and revenue of RM10.09 million for the current quarter ended 31 January 2021. In the corresponding interim period ended 31 January 2020, the Group reported a loss of RM158 thousand and revenue of RM10.87 million respectively. The lower performance is mainly due to the charge for mould expenses incurred during the current quarter and the uptrend in resin prices during the final quarter of the financial year. The tax credit for the quarter is mainly due to recognition of excess tax paid in prior quarter/year and categorized as change of accounting estimate. Additionally, during the quarter, there was a write off pertaining to moulds and inventory amounting to RM296 thousand.

(ii) 12-month review

For the 12-month review, the Group revenue was lower by 0.70% as compared to corresponding period ended 31 January 2020. However, profit before tax increased by 214.67%. The better performance is due to cost control initiated by management coupled with the lower costs of resin which is the Group's main cost driver. The tax credit for the quarter is mainly due to recognition of excess tax paid in prior quarter/year and categorized as change of accounting estimate.



**QUARTERLY REPORT FOR THE FOURTH FINANCIAL QUARTER ENDED 31 JANUARY 2021  
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**B2. Material change in the quarterly results compared to preceding quarter's results**

	3 months ended 31.01.2021 RM'000	3 months ended 31.10.2020 RM'000	Variance	
			%	RM'000
Revenue	10,094	11,873	(14.98)	(1,779)
Consolidated (loss)/profit before tax	(311)	624	(149.84)	(935)
Income tax (expense)/credit	406	(150)	(370.67)	(556)
Consolidated (loss)/profit after tax	95	474	(79.96)	(379)

As compared to the preceding quarter ended 31 October 2020, the Group recorded a lower revenue figure of RM1.78 million corresponding with a profit before tax decrease of RM935 thousand. The decrease in performance reported is mainly due to the charge for mould expenses incurred during the current quarter, lower sales garnered due to festive season and reinstatement of Movement Control Order coupled with the uptrend in resin prices towards the end of the financial year. The tax credit for the quarter is mainly due to recognition of excess tax paid in prior quarter/year and categorized as change of accounting estimate. Additionally, during the quarter, there was a write off pertaining to moulds and inventory amounting to RM296 thousand.

**B3. Prospects for the next financial year**

The next financial year will remain competitive and extremely challenging for the Group. The global economy is experiencing increased volatility of unprecedented levels in the wake of heightened fears of the spread of coronavirus ("Covid-19"). The Group will be able to maintain sufficient liquidity to enable it to meet its liabilities as and when they fall due. However, the full effect of the pandemic could not be ascertained at this juncture. The uncertainty in crude oil price and the volatility of the local currency vis the US dollar will have a direct effect on the cost of raw material. Against this backdrop, the Board will continue to focus on improving productivity and efficiency to enable the Company to continue to improve its performance.

**B4. Variance of actual profit from financial forecast or financial guarantee**

The disclosure requirement is not applicable for the Group.

**B5. Income tax expense**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.01.2021 RM'000	Preceding Year Corresponding Quarter 31.01.2020 RM'000	Current Year To Date 31.01.2021 RM'000	Preceding Year Corresponding Period 31.01.2020 RM'000
Estimated tax (payable)/credit	259	(165)	(42)	(165)
Deferred tax	147	54	147	54
Over/(Underprovision) of deferred tax in prior year	-	(208)	-	(208)
	<u>406</u>	<u>(319)</u>	<u>105</u>	<u>(319)</u>

**QUARTERLY REPORT FOR THE FOURTH FINANCIAL QUARTER ENDED 31 JANUARY 2021  
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The Group's effective tax rate is not proportionate to the statutory tax rate mainly due to reinvestment allowance claimed by the subsidiary company.

**B6. Status of corporate proposals announced**

As of the date of issue of this interim financial report, there were no corporate proposals announced but not completed.

**B7. Group borrowings and debt securities**

The Group does not have any borrowings and debt securities as at 31 January 2021.

**B8. Material litigation**

There was no pending material litigation as at the date of this quarterly report.

**B9. Dividend**

An interim tax exempt dividend of 0.50 sen per ordinary share amounting to RM500,000 was declared and paid on 29 January 2021 to the shareholders whose names appear in the Record of Depositors on 20 January 2021.

**B10. Basic earnings per share**

Basic earnings per share is calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue during the period held by the Company.

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.01.2021 RM'000	Preceding Year Corresponding Quarter 31.01.2020 RM'000	Current Year To Date 31.01.2021 RM'000	Preceding Year Corresponding Period 31.01.2020 RM'000
Net (loss)/profit for the period	95	(477)	1,606	158
Weighted average number of ordinary share in issue	100,000	100,000	100,000	100,000
Basic earnings per share (sen)	0.09	(0.48)	1.61	0.16