

**QUARTERLY REPORT FOR THE FOURTH FINANCIAL QUARTER ENDED 31 JANUARY 2022**  
**(THESE FIGURES ARE UNAUDITED)**

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

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.01.2022 RM'000	Preceding Year Corresponding Quarter 31.01.2021 RM'000	Current Year To Date 31.01.2022 RM'000	Preceding Year Corresponding Period 31.01.2021 RM'000
<b>Revenue</b>	13,402	11,042	49,312	42,290
Other income	(139)	(618)	242	397
Interest income from short-term deposits	23	30	99	150
Changes in loss allowance	209	(187)	209	(187)
Changes in inventories of finished goods	(733)	1	(787)	334
Raw materials and consumables used	(6,673)	(5,595)	(27,749)	(20,882)
Remuneration of key management personnel	(150)	(404)	(2,084)	(1,612)
Employee benefits expense	(724)	(1,335)	(4,946)	(5,491)
Depreciation of property, plant and equipment	(760)	(783)	(3,080)	(3,357)
Other operating expenses	(3,878)	(2,462)	(9,998)	(10,141)
<b>Profit/(Loss) from operations</b>	368	(311)	1,218	1,501
Finance costs	-	-	-	-
<b>Profit/(Loss) before tax</b>	368	(311)	1,218	1,501
Tax (expense) / income	(444)	406	134	105
<b>Net (loss)/profit for the period</b>	(76)	95	1,352	1,606
<b>Other comprehensive income/(loss)</b>				
Deferred tax on revaluation surplus	37	37	37	37
Other comprehensive income for the year	37	37	37	37
<b>Total comprehensive (loss)/income for the year</b>	(39)	132	1,389	1,643
Net earnings per share				
- Basic	(0.08)	0.10	1.35	1.61

**The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 January 2021 and the accompanying explanatory notes to the quarterly financial statements.**

**QUARTERLY REPORT FOR THE FOURTH FINANCIAL QUARTER ENDED 31 JANUARY 2022**  
**(THESE FIGURES ARE UNAUDITED)**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>31.01.2022</b> <b>RM'000</b>	<b>31.01.2021</b> <b>RM'000</b> (Restated)
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	52,486	52,996
Transferable golf club membership	85	85
<b>Total Non-Current Assets</b>	<b>52,571</b>	<b>53,081</b>
<b>Current Assets</b>		
Inventories	4,253	5,660
Trade receivables	10,256	8,485
Right to returned goods assets	77	45
Other receivables, deposits and prepaid expenses	500	882
Current tax asset	723	376
Short-term deposit with a licensed investment bank	6,181	6,084
Cash and bank balances	846	1,301
<b>Total Current Assets</b>	<b>22,836</b>	<b>22,833</b>
<b>TOTAL ASSETS</b>	<b>75,407</b>	<b>75,914</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and Reserve</b>		
Issued capital	51,504	51,504
Reserves	10,656	10,012
Profit/(Loss) for the year	1,352	1,606
<b>Shareholders' Equity</b>	<b>63,512</b>	<b>63,122</b>
<b>Non-Current Liabilities</b>		
Provision for gratuity payment	338	327
Deferred tax liabilities	5,506	5,042
<b>Total Non-Current Liabilities</b>	<b>5,844</b>	<b>5,369</b>
<b>Current Liabilities</b>		
Trade payables	4,445	4,869
Other payables and accrued expenses	1,381	2,420
Refund liability	96	56
Amount owing to director	23	18
Provision for gratuity payment	106	60
Dividend payable	-	-
<b>Total Current Liabilities</b>	<b>6,051</b>	<b>7,423</b>
<b>Total Liabilities</b>	<b>11,895</b>	<b>12,792</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>75,407</b>	<b>75,914</b>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 January 2021 and the accompanying explanatory notes to the quarterly financial statements.

**QUARTERLY REPORT FOR THE FOURTH FINANCIAL QUARTER ENDED 31 JANUARY 2022**  
**(THESE FIGURES ARE UNAUDITED)**

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

	<b>31.01.2022</b>	<b>31.01.2021</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM / (USED IN) OPERATING ACTIVITIES</b>		
Profit before tax	1,218	1,501
Adjustments for:		
Depreciation of property, plant and equipment	3,080	3,357
Unwinding of discount	(16)	(29)
Changes in allowance for doubtful debts	(209)	188
Unrealised (gain)/loss on forex	64	20
Gain on disposal of PPE	(10)	(40)
PPE written down	-	123
Inventories written down	-	460
Interest income	(99)	(150)
Provision for gratuity payment	72	(15)
<b>Operating Profit Before Working Capital Changes</b>	<b>4,100</b>	<b>5,415</b>
(Increase)/Decrease in:		
Inventories	1,407	(2,050)
Trade receivables	(1,626)	(1,910)
Right to returned goods assets	(32)	(29)
Other receivables, deposits and prepayments	382	(305)
Increase/ (Decrease) in:		
Trade payables	(425)	2,090
Other payables and accrued expenses	(1,039)	443
Refund liability	40	29
Directors	5	-
<b>Cash Generated From Operations</b>	<b>2,812</b>	<b>3,683</b>
Tax refund	578	
Income tax paid	(288)	(141)
Gratuity paid	-	(804)
<b>Net Cash Generated From Operating Activities</b>	<b>3,102</b>	<b>2,738</b>
<b>CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES</b>		
Purchase of PPE	(2,569)	(1,889)
Proceeds for disposal of PPE	10	40
Interest received	99	150
Refundable deposits paid for PPE	-	(588)
<b>Net Cash Used In Investing Activities</b>	<b>(2,460)</b>	<b>(2,287)</b>
<b>CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES</b>		
Dividend paid	(1,000)	(500)
<b>Net Cash Used in Financing Activities</b>	<b>(1,000)</b>	<b>(500)</b>
<b>NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(358)</b>	<b>(49)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>7,385</b>	<b>7,434</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>7,027</b>	<b>7,385</b>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 January 2021 and the accompanying explanatory notes to the quarterly financial statements.

**CYL CORPORATION BERHAD**

(Incorporated in Malaysia)

Registration No.: 200001013537 (516143-V)

**QUARTERLY REPORT FOR THE FOURTH FINANCIAL QUARTER ENDED 31 JANUARY 2022****(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 2020 (as previously stated)</b>	51,504	12,275	63,779
Prior year/MFRS adjustments	-	(1,800)	(1,800)
<b>Balance as of 1 February 2020 (as restated)</b>	51,504	10,475	61,979
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	11,618	63,122
<b>Balance as of 1 February 2021</b>	51,504	11,618	63,122
Dividends	-	(1,000)	(1,000)
Profit for the year	-	1,352	1,352
Other comprehensive income for the year	-	37	37
<b>Balance as of 31 January 2022</b>	51,504	12,007	63,512

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 January 2021 and the accompanying explanatory notes to the quarterly financial statements.

**QUARTERLY REPORT FOR THE FOURTH FINANCIAL QUARTER ENDED 31 JANUARY 2022**  
**(THESE FIGURES ARE UNAUDITED)**

**A NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 JANUARY 2022.**

**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 2021. 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 2021.

**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 2021:

- Amendments to MFRS 16: Covid-19-Related Rent Concessions
- 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 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 17, <sup>2</sup>Insurance Contracts : Initial Application of MFRS 17 & MFRS 9 – Comparative Information
- Amendments to MFRS 112, <sup>2</sup>Income Taxes

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 2022**  
**(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 2022.

**A8. Dividend**

An interim tax exempt dividend of 0.50 sen per ordinary share amounting to RM500,000 was declared and paid on 8 November 2021 to the shareholders whose names appear in the Record of Depositors on 26 October 2021. A second interim dividend of RM500,000 was declared and paid on 28 January 2022 to the shareholders whose names appear in the Record of Depositors on 20 January 2022.

**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 2021.

The total additions to property, plant and equipment for the financial quarter ended 31 January 2022 amounted to RM89 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 2022**  
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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 2022 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 2022. Corporate guarantees given to banks for credit facilities granted to the subsidiary company is currently at RM6.85 million.

**A14. Capital commitments**

As at 31 January 2022, the Group has the following capital expenditure relating to purchase of machinery as follows:

	<b>RM'000</b>
Approved and contracted for	<u>-</u>

**A15. Significant Related Party Transactions**

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

**A16. Prior year adjustments**

There were prior year adjustments relating to a certain class of inventory which needs to be written off due to damage incurred to these class of inventory rendering it unuseable and prompting the Group to assess the class of inventory valuation at cost or net realizable value.

Additionally, there is a reclassification of other income to the revenue account for mould sales.

**QUARTERLY REPORT FOR THE FOURTH FINANCIAL QUARTER ENDED 31 JANUARY 2022**  
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Adjustments are made as follows:

	<u>As previously reported</u>	<u>Effect of prior year adjustments</u>	<u>As restated</u>
	RM'000	Rm'000	RM'000
<b><u>As at 1 February 2020</u></b>			
<b><u>Consolidated statement of financial position</u></b>			
Inventories	5,870	(1,800)	4,070
Retained earnings	12,275	(1,800)	10,475
<b><u>As at 31 January 2021</u></b>			
Inventories	7,460	(1,800)	5,660
Retained earnings	13,418	(1,800)	11,618
Revenue	41,341	949	42,290
Other income	1,346	(949)	397



**QUARTERLY REPORT FOR THE FOURTH FINANCIAL QUARTER ENDED 31 JANUARY 2022  
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**B ADDITIONAL NOTES PURSUANT TO MFRS 134**

**B1. Review of performance  
INDIVIDUAL QUARTER**

	<b>3 months ended 31.01.2022 RM'000</b>	<b>3 months ended 31.01.2021 RM'000</b>	<b>Variance</b>	
			<b>%</b>	<b>RM'000</b>
Revenue	<u>13,402</u>	<u>11,042</u>	21.37	2,360
Consolidated (loss)/profit before tax	368	(311)	218.33	679
Income tax (expense)/credit	<u>(444)</u>	<u>406</u>	(209.36)	(850)
Consolidated (loss)/profit after tax	<u>(76)</u>	<u>95</u>	(180.00)	(171)

**CUMULATIVE QUARTER**

	<b>12 months ended 31.01.2022 RM'000</b>	<b>12 months ended 31.01.2021 RM'000</b>	<b>Variance</b>	
			<b>%</b>	<b>RM'000</b>
Revenue	<u>49,312</u>	<u>42,290</u>	16.60	7,022
Consolidated profit before tax	1,218	1,501	(18.85)	(283)
Income tax (expense)/credit	<u>134</u>	<u>105</u>	27.62	29
Consolidated profit after tax	<u>1,352</u>	<u>1,606</u>	(15.81)	(254)

(i) Current Quarter Review

The Group revenue for the current financial quarter ended 31 January 2022 increased by RM2.36 million when compared to corresponding quarter ended 31 January 2021.

The Group reported a revenue of RM13.40 million. Consolidated profit before tax increased by 218.33%. The increased performance is mainly due to the increased activity in the current quarter. There was also a charge for mould expenses incurred and an uptrend in resin prices during the corresponding quarter in review.

(ii) 12-month review

For the 12-month review, the Group revenue was higher by 16.60% as compared to corresponding period ended 31 January 2021. However, the profit shows a decrease of 18.85% due to the increase in raw material prices of close to 20% over the course of the year.

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**B2. Material change in the quarterly results compared to preceding quarter's results**

	3 months ended 31.01.2022 RM'000	3 months ended 31.10.2021 RM'000	Variance	
			%	RM'000
Revenue	13,402	12,056	11.16	1,346
Consolidated (loss)/profit before tax	368	1,871	(80.33)	(1,503)
Income tax (expense)/credit	(444)	578	(176.82)	(1,022)
Consolidated (loss)/profit after tax	(76)	2,449	(103.10)	(2,525)

As compared to the preceding quarter ended 31 October 2021, the Group recorded a higher revenue figure of RM1.35 million. However, the consolidated profit before tax is lower as compared to preceding quarter due to the reversal of write off of certain category of stocks in the quarter ended 31 October 2021 which had to be accounted for in prior accounting periods. Tax expense for the current quarter is due to the provision for deferred tax and reversal of overprovision of corporate tax payable in prior year.

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

The next financial year will remain competitive and extremely challenging for the Group. The conflict between Russia and Ukraine has caused major disruptions to the market for crude oil, spiking its prices to levels not seen since 2008. A month into the conflict with prolonged escalation expected, the Group has seen it's main cost driver, resin, drastically increase in price tracking the increase in the price of crude oil. Additionally, there was a recent announcement by the government to increase the minimum wage order from RM1,200 to RM1,500. This two cost push factors, effecting the major cost drivers, will be a precursor to margin erosion for the Group. The Group will be taking steps to maintain sufficient liquidity to enable it to meet its liabilities as and when they fall due. 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 31.01.2022 RM'000	Preceding Year Corresponding Quarter 31.01.2021 RM'000	Current Year To Date 31.01.2022 RM'000	Preceding Year Corresponding Period 31.01.2021 RM'000
Estimated tax (payable)/credit		259	-	(42)
Deferred tax	(502)	147	(502)	147
Over/(Underprovision) of corporate tax in prior year	58	-	636	-
	(444)	406	134	105

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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 2022.

**B8. Material litigation**

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

**B9. Dividend**

A second interim dividend of RM500,000 was declared and paid on 28 January 2022 to the shareholders whose names appear in the Record of Depositors on 20 January 2022.

No further dividend has been declared in the current financial quarter ended 31 January 2022.

**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.

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>Current Year Quarter</b>	<b>Preceding Year Corresponding Quarter</b>	<b>Current Year To Date</b>	<b>Preceding Year Corresponding Period</b>
	<b>31.01.2022</b>	<b>31.01.2021</b>	<b>31.01.2022</b>	<b>31.01.2021</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Net (loss)/profit for the period	(76)	95	1,352	1,606
Weighted average number of ordinary share in issue	100,000	100,000	100,000	100,000
Basic earnings per share (sen)	<u>(0.08)</u>	<u>0.10</u>	<u>1.35</u>	<u>1.61</u>