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2009

Annual Report



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Notice of Ninth Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Ninth (9th) Annual General Meeting of the Company will be held at Ballroom 2, LG Level, Eastin Hotel, 13, Jalan 16/11, Pusat Dagang Seksyen 16, 46350 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Tuesday, July 21, 2009 at 10.00 a.m., to transact the following business:-

AGENDA

As Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended January 31, 2009 together with the Directors' and Auditors' Reports thereon. **Ordinary Resolution 1**
2. To declare a final tax-exempt dividend of 8.0% for the financial year ended January 31, 2009. **Ordinary Resolution 2**
3. To re-elect the following Directors, who are retiring pursuant to Article 83 of the Company's Articles of Association who being eligible offer themselves for re-election:-

Under Article 83
 - i) Chen Yat Lee **Ordinary Resolution 3**
 - ii) Chen Wai Ling **Ordinary Resolution 4**
4. To re-appoint Messrs Deloitte KassimChan as Auditors of the Company and to authorise the Directors to fix their remuneration. **Ordinary Resolution 5**

As Special Business

5. To consider and if thought fit, pass the following resolution pursuant to Section 129(6) of the Companies Act, 1965:-

"THAT Tan Sri Abu Talib Bin Othman who is over the age of seventy years and retiring in accordance with Section 129(2) of the Companies Act, 1965 be and are hereby re-appointed as a Director of the Company and to hold office until the next Annual General Meeting of the Company."

To consider and if thought fit, to pass the following resolution, with or without modifications, as Ordinary Resolution of the Company:-
 6. **Authority to Issue Shares**

"THAT subject always to the Companies Act, 1965 and approvals of the relevant governmental/regulatory bodies, the Directors be and are hereby empowered, pursuant to Section 132D of the Companies Act, 1965 to issue shares in the Company from time to time at such price, upon such terms and to such person/persons or party/parties whomsoever the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the issued share capital of the Company for the time being, and that such authority shall continue in force until the conclusion of the next Annual General Meeting."

Ordinary Resolution 7

Notice of Ninth Annual General Meeting (cont'd)

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS HEREBY GIVEN THAT a final tax exempt dividend of 8.0% for the financial year ended January 31, 2009, if approved, will be paid on 28 August 2009. The entitlement date for the dividend payment is 14 August 2009.

A Depositor shall qualify for entitlement to the dividend only in respect of:-

- a. shares transferred into the depositor's securities account before 4.00 p.m. on 14 August 2009 in respect of transfer; and
- b. shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.

By Order of the Board

KUAN HUI FANG (MIA 16876)
THAM WAI YING (MAICSA 7016123)
Secretaries

Date: June 29, 2009
Kuala Lumpur

NOTES :-

- i) *A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy or attorney or other duly authorised representative to attend and vote in his stead. A proxy may but need not be a member of the Company. A member may appoint any person to be his proxy and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company. A member may appoint up to two (2) proxies and vote at the same meetings and that the appointment shall specify the proportions of his shareholdings to be represented by each proxy.*
- ii) *The instrument appointing a proxy shall be in writing and in the case of an individual shall be signed by the appointor or by his attorney, and in the case of a corporation shall be either under its common seal or signed by its attorney or an officer on behalf of the corporation.*
- iii) *The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority shall be deposited at the registered office of the Company at Level 18, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof. A member shall not be precluded from attending and voting in person at any general meeting after lodging the instrument of proxy but however such attendance shall automatically revoke the proxy's authority.*

Explanatory notes on special business:-

- iv) **Ordinary Resolution 6**
The re-appointment of Tan Sri Abu Talib Bin Othman, a person over the age of 70 years as Director of the Company to hold office until the conclusion of the next Annual General Meeting of the Company shall take effect if the proposed Resolution 6 is passed by a majority of not less than three-fourth ($\frac{3}{4}$) of such members as being entitled to vote in person or, where proxies are allowed, by proxy, at a general meeting of which not less than 21 days' notice specifying the intention to propose the resolution has been duly given.
- v) **Ordinary Resolution 7**
The proposed resolution 7, if passed, will renew the powers given to the Directors at the last Annual General Meeting authority to issue up to ten percentum (10%) of the issued share capital of the Company for the time being for such purposes as the Directors consider would be in the best interests of the Company. The authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company.

Statement Accompanying Notice of Annual General Meeting

Pursuant to Paragraph 8.28(2) of the Listing Requirements of Bursa Malaysia Securities Berhad

The Name of Directors who are standing for re-election/re-appointment:-

Pursuant to Article 83 of the Company's Articles of Association:-

- i. Chen Yat Lee
- ii. Chen Wai Ling

Pursuant to Section 129 of the Companies Act 1965:-

- i. Tan Sri Abu Talib Bin Othman

(The details of the abovementioned Directors seeking for re-election/re-appointment are set out in their respective profiles which appear on page 6 of the Annual Report)

Corporate Information

BOARD OF DIRECTORS

Tan Sri Abu Talib Bin Othman
(Non-Executive Director/Chairman)

Chen Yat Lee
(Managing Director)

Lau Kim Lian
(Executive Director)

Chen Wai Ling
(Executive Director)

Seow Nyoke Yoong
(Independent Non-Executive Director)

Abd Malik Bin A Rahman
(Independent Non-Executive Director)

AUDIT COMMITTEE

Abd Malik Bin A Rahman
(Independent Non-Executive Director/Chairman)

Tan Sri Abu Talib Bin Othman
(Non-Executive Director/Member)

Seow Nyoke Yoong
(Independent Non-Executive Director/Member)

NOMINATION COMMITTEE

Tan Sri Abu Talib Bin Othman (Chairman)
Abd Malik Bin A Rahman
Seow Nyoke Yoong

REMUNERATION COMMITTEE

Tan Sri Abu Talib Bin Othman (Chairman)
Lau Kim Lian
Abd Malik Bin A Rahman

AUDITORS

Deloitte KassimChan (AF 0080)
Chartered Accountants
Level 19, Uptown 1
1, Jalan SS21/58
Damansara Uptown
47400 Petaling Jaya
Selangor Darul Ehsan

Tel. No.: 603-7723 6500
Fax. No.: 603-7726 3986

COMPANY SECRETARIES

Kuan Hui Fang (MIA 16876)
Tham Wai Ying (MAICSA 7016123)

REGISTERED OFFICE

Level 18, The Gardens North Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur
Tel. No.: 603-2264 8888
Fax. No.: 603-2282 2733/
603-2264 8997/8
Email: enquiry@my.tricorglobal.com

CORPORATE BUSINESS 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

REGISTRAR

PFA Registration Services Sdn Bhd (19234-W)
Level 17, The Gardens North Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur
Tel. No.: 603-2264 3883
Fax. No.: 603-2282 1886

PRINCIPAL BANKERS

CIMB Bank Berhad
AmBank (M) Berhad
United Overseas Bank (Malaysia) Bhd
RHB Bank Berhad

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad
Second Board
Sector : Industrial
Stock Name : CYL
Stock Code : 7157

Profile of the Board of Directors

Tan Sri Abu Talib Bin Othman

Non-Executive Director/Chairman

Tan Sri Abu Talib Bin Othman, aged 70, Malaysian, was appointed as Non-Executive Director/Chairman of CYL Corporation Berhad, ("CYL") on 16 September 2002. He is also the Chairman of the Nomination Committee and Remuneration Committee and the member of Audit Committee.

He is a Barrister at Law from Lincoln's Inn, United Kingdom. He has served in various capacities in the Judicial and Legal Service of the Government of Malaysia. He was the Attorney-General of Malaysia from 1980 to his retirement in 1993. Upon his retirement, he joined the public sector and was appointed Non-Executive Director in various public and private companies. He is presently the Chairman of Alliance Unit Trust Management Berhad, Alliance Capital Asset Management Sdn Bhd, IGB Corporation Berhad, British American Tobacco (Malaysia) Berhad, MUI Continental Insurance Berhad. In 2002, he was also appointed as Chairman of Suruhanjaya Hak Asasi Manusia.

Chen Yat Lee

Managing Director

Chen Yat Lee, aged 68, Malaysian, was appointed as Managing Director of CYL on 6 June 2000. He has more than 41 years of experience in the field of technological support and innovative product development in the plastic related industries. He was one of the first Malaysians to be awarded the German Scholarship to study plastic technology in Suddeutschen Kunststoff-Zentrum, Wurzburg in Germany in 1965.

As the founder and Managing Director of Perusahaan Jaya Plastik (M) Sdn. Bhd., ("PJP"), his responsibilities include developing and planning the overall strategic business direction for the CYL Group. His entrepreneurial skills and vast technical experience have paved the way for the significant growth of PJP from a small rented factory with a workforce of 30 persons to its present size of over 240,000 sq. ft. of built-up factory and warehousing facilities fully owned by PJP in Shah Alam with a total workforce of 500 employees (including contract workers).

Lau Kim Lian

Executive Director

Lau Kim Lian, aged 57, Malaysian, was appointed as Executive Director of CYL on 6 June 2000. She is a member of Remuneration Committee. She has about 16 years of working experience in the manufacturing of plastic products, in particular injection moulding. Currently, she is principally responsible for the financial aspects of the CYL Group.

Her roles in CYL and the subsidiary company, PJP include overseeing the day-to-day operations of PJP's injection moulding factory. She is also responsible for the inventory control, procurement and sourcing of raw material.

Chen Wai Ling

Executive Director

Chen Wai Ling, aged 36, Malaysian, was appointed as Executive Director of CYL on 16 September 2002. She graduated in 1997 with a Bachelor of Commerce degree from the University of Newcastle in Australia. She joined PJP as Production Executive in 1998 and was promoted to Purchase Manager in January 2000. She is currently heading the Purchasing and Office Administration Department of the CYL Group.

Seow Nyoke Yoong

Independent Non-Executive Director

Seow Nyoke Yoong, aged 47, Malaysian, was appointed as Independent Non-Executive Director of CYL on 16 September 2002. She is a member of Audit Committee and Remuneration Committee. She graduated with a Bachelor of Commerce degree from University of New South Wales, Australia in 1984 and went on to complete a Bachelor of Law degree from University of Melbourne, Australia in 1985. She is currently a senior partner of Messrs. Soo Thien Ming & Nashrah.

Abd Malik Bin A Rahman

Independent Non-Executive Director

Abd Malik Bin A Rahman, aged 60, Malaysian, was appointed as Independent Non-Executive Director of CYL on 16 September 2002. He is a member of Audit Committee, Nomination Committee and Remuneration Committee. He is a Chartered Accountant member of the Malaysian Institute of Accountants (MIA), a Fellow of the Association of Chartered Certified Accountants (UK) and a member of the Malaysian Institute of Certified Public Accountants. In addition, Encik Malik is a member of both the Malaysian Institute of Management and Chartered Management Institute (U.K.), and a Certified Financial Planner (USA).

Encik Malik held senior management positions and has extensive working experience in areas of Finance and Corporate Services from his previous employment with Peat Marwick Mitchell (KPMG), Esso Group of Companies, Colgate Palmolive (M) Sdn Bhd, Amway (Malaysia) Sdn Bhd, Fima Metal Box Berhad and Guinness Anchor Bhd. Before his retirement, Encik Malik was the General Manager, Corporate Services of Kelang Multi Terminal Sdn Bhd (now known as Westports). Presently he is the Director/Regional Consultant of Grid International Sdn Bhd since October 2004.

Encik Malik sits on the Board of Boustead Heavy Industries Corporation Berhad, Lee Swee Kiat Group Berhad, Innity Corporation Berhad and several private limited companies.

ADDITIONAL INFORMATION ON THE BOARD OF DIRECTORS

Details of Interests in Securities

The details of the interests of Directors are set out on page 56 of this Annual Report.

Family Relationship

Madam Lau Kim Lian is the spouse of Mr Chen Yat Lee whilst Ms Chen Wai Ling is their daughter.

Saved as disclosed above, none of the Directors have any relationship with any other Director and/or other major shareholder of the Company.

Conflict of Interests

All the Directors do not have any conflict of interest with the Company.

Convictions for Offences

None of the Directors has any convictions for offences within the past 10 years other than traffic offences.

Chairman's Statement

On behalf of the Board of Directors, I am pleased to present the Annual Report and Financial Statements of the Group and the Company for the financial year ended 31 January 2009.

BUSINESS AND FINANCIAL REVIEW

For the year under review, the Group achieved a higher revenue of RM 82.5 million, an increase of 5.80 % as compared with RM 78.0 million in the financial year ended 2008 with a net profit of RM 5.8 million as compared to RM 5.0 million from the preceding year ended 31 January 2008.

DIVIDENDS

The Board of Directors has recommended a final tax exempt dividend of 4.0 sen per share (8% at par value of RM 0.50 sen per share [financial year ended 2008:6.0%]) for the financial year ended 31 January 2009.

PROSPECTS

In the current global economic slowdown, the Group is of the opinion that the business environment in the current financial year will be very challenging.

The primary task going forward would be managing costs and focus on improvements in production efficiency and productivity so as to weather through the recessionary business environment.

ACKNOWLEDGEMENT

Amidst various challenges to the industry, the Group has remained resilient. This is attributable mainly to the commitment shown by the Board of Directors, the management team and staff. I would like to thank you all for your dedication and contribution.

To our valued customers, investors and business partners, on behalf of my fellow Directors, I wish to extend my sincerest appreciation for your continued trust and confidence in us.

Last but not least, to our shareholders, we thank you for your support and for your continuous faith in us.

TAN SRI ABU TALIB BIN OTHMAN

Chairman

Statement of Corporate Governance

The Board of Directors of CYL Corporation Berhad (“the Board”) acknowledges and endorses the importance of enhancement of corporate governance requirements outlined in the Malaysian Code on Corporate Governance (“the Code”). It is the Board’s responsibility and commitment to ensure that high standards of corporate governance are being practised in the Group (Company and its subsidiary company), thereby safeguarding the assets of the Group and its shareholders’ investments. The Board will endeavour to fully comply with all the principles in Part 1 of the Code and to adopt the Best Practices as recommended in Part 2 of the Code.

A. THE BOARD OF DIRECTORS

CYL Corporation Berhad is led and controlled by an effective board.

Principal Responsibilities of the Board

The Board takes full responsibility for the overall direction and performance of the Group. To fulfil this, the Board has assumed the following responsibilities:-

- Reviewing and adopting a strategic plan for the Group;
- Overseeing the conduct of the Group’s business to evaluate whether the business is being properly managed;
- Identifying principal risks and ensure the implementation of appropriate systems to manage those risks, if any;
- Succession planning, including appointing, training, fixing the compensation of and where appropriate, replacing senior management;
- Developing and implementing a shareholder communications policy for the Company; and
- Reviewing the adequacy and the integrity of the Group’s internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

Composition and Balance

The Board consists of three (3) Executive Directors and three (3) Non-Executive Directors, two (2) of whom are independent. The Directors, with their different background and specialisation, collectively bring with them a wide range of experience and expertise to enable the Board to lead and control the Group effectively. A brief description on the background of the Directors is presented on Pages 6 and 7 of this Annual Report.

The Non-Executive Directors are persons of high calibre, credibility and have the skill and experience to bring an independent judgement on issues of strategy, performance and resources including key appointments and standards of conduct. The Independent Non-Executive Directors constitute one-third of the membership of the Board.

There is a clear division of responsibilities between the Chairman and Managing Director of the Company to ensure a balance of power and authority. The Chairman’s responsibility is to ensure the effectiveness of the Board while the Managing Director is responsible for overall operations and effective implementation of the Board’s decisions and policies.

Board Meetings and Supply of Information

The Board held five (5) meetings during the financial year to discuss the performance of the Group. The agenda of each Board meeting is circulated to all the Directors in advance for their perusal and understanding. The attendance of the Board members are as follows:-

Name of Directors	No. of Meetings Attended
Tan Sri Abu Talib Bin Othman	5/5
Chen Yat Lee	5/5
Lau Kim Lian	5/5
Chen Wai Ling	5/5
Seow Nyoke Yoong	5/5
Abd Malik Bin A Rahman	5/5

Statement of Corporate Governance (cont'd)

Every Director has also unhindered access to the advice and services of the Company Secretaries. The Board believes that the Company Secretaries are capable of carrying out their duties to ensure the effective functioning of the Board. The Directors may seek independent professional advice where deemed necessary at the Company's expense.

Appointments to the Board

The Board believes that the current composition of the Board brings the required mix of skills and core competencies required for the Board to discharge its duties effectively. The Board appoints its members through a formal and transparent selection process which is consistent with the Articles of Association of the Company. This process has been reviewed, approved and adopted by the Board.

The appointment of any additional Director is made when necessary. In the process of nominating and appointment of new Directors, due consideration is given to industry's experience and mixed expertise for an effective Board.

The Company Secretaries will ensure that all appointments are properly made, and that legal and regulatory requirements are complied with.

Re-Election of Directors

In accordance with the Company's Articles of Association, all Directors who are appointed by the Board are subject to election by shareholders at the coming Annual General Meeting after their appointment. The Articles of Association also provide that one-third of the Directors for the time being shall, retire from office and provided always that all Directors shall retire from office once at least in every three (3) years. A retiring Director shall retain office until the close of the meeting at which he retires and shall be eligible for re-election. This provides an opportunity for shareholders to renew their mandates. The election of each Director is voted on separately.

Directors' Training

All Directors have attended the following training programmes during the financial year ended 31 January 2009:-

Name of Directors	Seminars/Courses/Conference
Tan Sri Abu Talib Bin Othman	Corporate Governance, Role of Audit Committee
Chen Yat Lee	Tricor - PFA Tax Seminar
Lau Kim Lian	Tricor - PFA Tax Seminar
Chen Wai Ling	Tricor - PFA Tax Seminar
Seow Nyoke Yoong	Corporate Governance, Role of Audit Committee
Abd Malik Bin A Rahman	Market Liquidity and Implications for the World Economy

The Directors will continue to undergo relevant training programs to enhance their skills and knowledge to effectively discharge their duties and obligations.

BOARD COMMITTEES

Audit Committee

The Audit Committee reviews issues of accounting policy and presentation of external financial reporting and ensures an objective and appropriate relationship is maintained with the external auditors. The Audit Committee works closely with both the management and external auditors.

The composition and terms of reference of the Audit Committee are set out in the Audit Committee Report set out on pages 15 to 17 in the Annual Report.

Statement of Corporate Governance (cont'd)

Nomination Committee

The Board established the Nomination Committee on December 24, 2003. The Committee will assist the Board of Directors in nominating new nominees to the Board. The Committee shall also assess the Directors of the Company on an on-going basis. The Committee comprises exclusively Non-Executive Directors, a majority of whom is independent. The composition of the Nomination Committee is set out on page 5 of this report.

The Committee shall meet at least once a year. The attendance of the Committee members is as follows:-

Name of Directors	No. of Meetings Attended
Tan Sri Abu Talib Bin Othman	1/1
Seow Nyoke Yoong	1/1
Abd Malik Bin A Rahman	1/1

Remuneration Committee

The Remuneration Committee was formed on December 24, 2003. The Committee is to assist the Board of Directors in assessing the remuneration packages of the Directors of the Company. The composition of the Remuneration Committee is set out on page 5 of this report.

The Committee shall meet at least once a year. The attendance of the Committee members is as follows:-

Name of Directors	No. of Meetings Attended
Tan Sri Abu Talib Bin Othman	1/1
Lau Kim Lian	1/1
Abd Malik Bin A Rahman	1/1

B. DIRECTORS' REMUNERATION

The Malaysian Code on Corporate Governance states that remuneration for Directors should be determined so as to ensure that the Company attracts and retains the Directors to run the Company efficiently. The remuneration for Chairman, Managing Director and Executive Directors are structured so as to link reward to corporate and individual performance.

In the case of Non-Executive Independent Directors, we believe that the level of remuneration should reflect the level of experience and responsibilities undertaken by the respective directors.

The details of aggregate remuneration of the Directors for the year ended January 31, 2009 are disclosed in Note 7 to the financial statements set out on page 38 of this Annual Report.

The number of Directors of the Group whose total remuneration fall within the respective bands are analysed as follows:-

	Number of Directors	
	Executive	Non-executive
Below RM50,000	-	2
RM 50,001 – RM100,000	-	-
RM100,001 – RM150,000	1	1
RM300,001 – RM350,000	1	-
RM650,001 – RM700,000	1	-

Statement of Corporate Governance (cont'd)

C. SHAREHOLDERS

The Board acknowledges the need for the shareholders to be informed on all material business matters affecting the Group. In addition to the various announcements made, the timely release of financial results on a quarterly basis provides shareholders and the investing public with an overview of the Group's performance and operations. Shareholders are invited to access the Bursa Malaysia's website at www.bursamalaysia.com to obtain the latest information of the Group.

In addition, the Board encourages full participation by shareholders at every Annual General Meeting and Extraordinary General Meeting of the Company and opportunity is given to the shareholders to make relevant enquiries and seek clarification on the Group's business activities and financial performance.

D. ACCOUNTABILITY AND AUDIT

Financial Reporting

The Board aims to provide and present a balanced and meaningful assessment of the Group's financial performance and prospect at the end of the financial year, primarily through the annual financial statements and quarterly announcement of results to the shareholders as well as the Chairman's statement in the Annual Report. The Board is assisted by the Audit Committee to oversee the Group's financial reporting processes and the quality of its financial reporting.

In preparing the financial statements, the Directors have selected and applied consistently suitable accounting policies and made reasonable and prudent judgements and estimates. The Directors also have a general responsibility for taking such steps to safeguard the assets of the Group and to prevent and detect fraud and irregularities.

Internal Control

The Board acknowledges its overall responsibility for maintaining a system of internal controls, which provides reasonable assurance of effective and efficient operations and compliance with laws and regulations as well as with internal financial administration procedures and guidelines.

The Group's Statement of Internal Control is set out on pages 18 and 19 of this Annual Report.

Relationship with Auditors

The Company has established and maintained an appropriate and transparent relationship with the Company's external auditors, Messrs. Deloitte KassimChan, in seeking professional advice and ensuring compliance with the accounting standards in Malaysia.

The Audit Committee had met the External Auditors without the executive board members present during the financial year.

Compliance Statement

The Board strives to comply with the Best Practices of Corporate Governance set out in Part 2 of the Code. Given the current composition of the Board which reflects a strong independent element and the separation of the roles amongst the Executive Directors, the Board does not consider it necessary at this juncture to nominate a Senior Independent Non-Executive Director.

Other Compliance Information

(Pursuant to Paragraph 9.25(1) of the Listing Requirements of Bursa Malaysia Securities Berhad)

MATERIAL CONTRACTS

There were no material contracts of the Company and its subsidiary company involving Directors and/or substantial shareholders entered into since the end of the financial year.

CONTRACT RELATING TO LOANS

There were no contracts relating to loans entered into by the Company and its subsidiary company involving Directors and/or substantial shareholders in respect of the above said item since the end of the financial year.

SHARE BUYBACKS

There were no share buybacks by the Company.

OPTIONS, WARRANTS OR CONVERTIBLE SECURITIES

No options, warrants or convertible securities were issued by the Company during the financial year.

IMPOSITION OF SANCTIONS/PENALTIES

There were no public sanctions and/or penalties imposed on the Company and its subsidiary company, Directors or management during the financial year.

VARIATION IN RESULTS

There are no material variances between the results for the financial year and the unaudited results previously announced by the Company.

PROFIT GUARANTEES

There were no profit guarantees given by the Company.

AMERICAN DEPOSITORY RECEIPT (ADR) OR GLOBAL DEPOSITORY RECEIPT (GDR) PROGRAMME

The Company does not sponsor any ADR or GDR programme.

REVALUATION OF LANDED PROPERTIES

The Group's revaluation policy relating to landed properties is stated in Note 3 to the Financial Statements on page 35.

EMPLOYEES' SHARE OPTION SCHEME ("ESOS")

The Company has not implemented any ESOS.

Other Compliance Information (cont'd)

NON AUDIT FEES

Non audit fee amounting to RM3,000 was paid to the External Auditors for the financial year ended 31 January 2009.

CORPORATE SOCIAL RESPONSIBILITIES

To maintain a healthy and safe workplace, the Company has put in place an Occupational Health and Safety policy whereby the welfare of its workers are placed in high priority. Meanwhile, fire safety training has also been carried out with the assistance of the representative from the local fire department during the financial year.

INTERNAL AUDIT FUNCTION

The internal audit function of the Company is outsourced and the costs incurred for the internal audit function were RM 25,000 in respect of the financial year ended 31 January 2009.

UTILISATION OF PROCEEDS

The Company did not raise funds through any corporate proposals during the financial year.

Audit Committee Report

MEMBERSHIP

The present Audit Committee (the "Committee") comprises:-

Name	Designation	Directorship
Abd Malik Bin A Rahman*	Chairman	Independent Non-Executive Director
Tan Sri Abu Talib Bin Othman	Member	Non-Executive Director/Chairman
Seow Nyoke Yoong	Member	Independent Non-Executive Director

* Member of the Malaysian Institute of Accountants (MIA)

TERMS OF REFERENCE

Objectives

The primary function of the Committee is to assist the Board of Directors in fulfilling the following objectives on the Group's activities:-

- Assess the Group's processes relating to its risk and control environment;
- Oversee financial reporting; and
- Evaluate the internal control and external audit processes.

Composition

The Board of Directors shall appoint a Committee consisting of a minimum of 3 members. All the audit committee members must be non-executive directors with a majority of them being independent directors and at least one member must be a member of Malaysian Institute of Accountants or possess such qualification and/or requirements as prescribed or approved by Bursa Malaysia Securities Berhad. No alternate director is appointed as a member of the Audit Committee.

The quorum necessary for the transaction of business shall be a majority of members who must be the independent directors.

In the event of any vacancy in the Committee resulting in the non-compliance of the above, the Company must fill the vacancy within 3 months.

The Board of Directors must review the term of office and performance of the Committee and each of its members at least once every 3 years to determine whether such Committee and members have carried out their duties in accordance with their terms of reference.

The Chairman shall be elected by the Committee from among their members who shall be an independent director.

Audit Committee Report (cont'd)

Function

The Committee shall:-

- i. review the following and report the same to the Board of Directors:-
 - (a) with the external auditor, the audit plan, his evaluation of the system of internal controls and his audit report;
 - (b) the assistance given by the employees of the Company to the external auditor;
 - (c) the adequacy of the scope, functions, competency and resources of the internal audit functions and that it has the necessary authority to carry out its work;
 - (d) the internal audit programme, processes, the results of the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;
 - (e) the quarterly results and year end financial statements, in particular changes to accounting policies and standards, significant issues and unusual events arising from the audit, compliance with accounting standards and other legal requirements, prior to the approval by the Board of Directors;
 - (f) any related party transaction and conflict of interest situation that may arise within the Company or group including any transaction, procedure or course of conduct that raises questions of management integrity;
 - (g) any letter of resignation from the external auditors;
 - (h) whether there is reason (supported by grounds) to believe that the external auditor is not suitable for re-appointment;
- ii. recommend the nomination of a person or persons as external auditors.
- iii. report promptly to the Exchange where the Committee is of the view that a matter reported by it to the Board of Directors has not been satisfactorily resolved resulting in a breach of the Listing Requirements.

Rights of the Committee

The Committee shall:-

- i. have authority to investigate any matter within its terms of reference;
- ii. have the resources which are required to perform its duties;
- iii. have full and unrestricted access to any information pertaining to the Company;
- iv. have direct communication channels with the external auditors, internal auditors and person(s) carrying out the internal audit function or activity (if any);
- v. be able to obtain independent professional or other advice;
- vi. be able to convene meetings with the external auditors, internal auditors or both, excluding the attendance of the other directors and employees of the Company, whenever deemed necessary.

Meetings

Members may meet and regulate their meetings as they deem fit so long as meetings shall at the least, be held to review the quarterly results and year end financial statements. Questions arising at meetings shall be decided by a majority of votes.

A listed issuer must ensure that other directors and employees attend any particular audit committee meeting only at the Committee's invitation, specific to the relevant meeting.

During the financial year, a total of five (5) committee meetings were held and the attendance of the members is as follows:-

Name of Directors	No. of Meetings Attended
Abd Malik Bin A Rahman	5/5
Seow Nyoke Yoong	5/5
Chen Yat Lee	5/5

The Company Secretaries shall also be responsible for keeping the minutes of meetings of the Audit Committee, and circulating them to committee members.

A quorum shall consist of a majority of members who must be the independent directors.

Internal Audit Functions

The Committee acknowledges the need to maintain a sound system of internal controls within the Group. The internal audit function is outsourced to an independent professional services firm to assist the Committee in assuming the task of internal control review and risk assessment functions of the Group.

Information on the Group's internal audit functions is presented in the Statement on Internal Control set out on pages 18 and 19 on this report.

Summary of Activities During the Financial Year

The Committee carried out its duties in accordance with its established terms of reference. The main activities undertaken by the Committee were as follows:-

- Reviewed with external auditors their scope of work and audit plan for the financial year;
- Reviewed with external auditors the results of the audit and the audit report and recommend the same for Board of Directors' approval;
- Reviewed the annual report and the audited financial statements of the Company prior to submission to the Board for their consideration and approval. The review was to ensure that the audited financial statements were drawn up in accordance with the provisions of the Companies Act 1965 and the applicable approved accounting standards in Malaysia;
- Reviewed the quarterly unaudited financial results and other pertinent announcements before recommending them for the Board's approval;
- Discussed the recommendation of declaration and payment of dividend by the management;
- Discussed and recommended the appointment of internal auditors for the Board of Directors' approval;
- Reviewed with Internal Auditors the overall scope of Internal Auditors' plan, the findings and recommendations from the audit work carried by the Internal Audit function;
- Reviewed the Group's compliance with the Listing Requirements of the Bursa Malaysia Securities Berhad, approved accounting standards of the Malaysian Accounting Standards Board and other relevant legal and regulatory requirements;
- Reviewed the related party transactions entered into by the Group; and
- Reviewed the extent of the Group's compliance with the provisions set out under the Code for the purpose of preparing the Statement of Corporate Governance to be included in the Annual Report.

Statement on Internal Control

INTRODUCTION

Pursuant to paragraph 15.27(b) of the Bursa Malaysia Listing Requirements, the Board of Directors of CYL Corporation Berhad ("the Company") is pleased to provide the following statement on the state of internal control of the Company and its subsidiary ("the Group") for the financial year ended January 31, 2009, which has been prepared in accordance with the Statement on Internal Control – Guidance for Directors of Public Listed Companies issued by the Institute of Internal Auditors Malaysia and adopted by Bursa Malaysia.

BOARD RESPONSIBILITY

The Board acknowledges the importance of good practice of corporate governance and is committed to maintaining a sound system of internal control, and for reviewing its effectiveness, adequacy and integrity.

The Board is responsible for reviewing the Group's systems of control based on an ongoing process designed to identify principal risks to the achievement of strategic goals and business objectives, and to manage those risk efficiently, effectively and economically.

Due to the limitations that are inherent in any system of internal control, these systems are designed to manage, rather than totally eliminate, the risk of failure to achieve business objectives. Accordingly, such systems can only provide reasonable but not absolute assurance against material misstatement or loss.

KEY ELEMENTS OF INTERNAL CONTROL

The principal features of the Group's internal control structures which are conducive toward achieving a sound system of internal control are summarised as follows:-

- **Organisational structure and responsibility levels**

The Group has a defined organisational structure which stipulates the reporting functions of business units and employees. Delegation of authority is established which sets out the decisions that need to be taken and the appropriate authority levels of Management including matters that require Board's approval.

- **Reporting and review**

The Group's management teams carry out monthly monitoring and review of operational and financial results for all businesses within the Group, including monitoring and reporting thereon, of performance against management's target and plans.

- **Formalised and Documented Policies and Procedures**

The Group is progressively developing and enhancing its group operating policies and procedures to address the changing environment of its business operations and practices.

The Standard Operating Procedures Manual developed by the management set out the policies, procedures and practices to identify and mitigate risks, and to ensure that their reporting and compliance objectives are met. The Manuals, once finalized, are to be adopted by all companies in the Group to ensure that all personnel receive a clear message regarding their role in the internal control system.

- **Information and Communication**

The Group's management teams communicate regularly to monitor operational and financial performance as well as formulate action plans to address any areas of concern. Scheduled and ad-hoc meetings are held at operational and management levels to identify, discuss and resolve business and operational issues.

Statement on Internal Control (cont'd)

- **Internal audit**

The internal audit review on Group and Company's operations was carried out throughout the year by an independent professional services firm. The internal audit team undertakes internal audit review based on the approved audit plan that is developed taken into consideration the concerns of management and key risk areas. The Internal Audit Plan is reviewed and approved by the Audit Committee.

The internal audit team reviews the adequacy and effectiveness of the internal control systems of the business units, and advises executive and operational management on areas for improvement and subsequently reviews the extent to which its recommendations have been implemented.

The internal audit reports are submitted to the Audit Committee and the audit issues are discussed during the Audit Committee meetings. The Audit Committee has responsibility for the development and maintenance of the internal control framework and determining that all major issues reported have been satisfactorily resolved. Finally, the committee reports to the Board of Directors its activities, significant results, findings together with ideas and recommendations to improve the internal control systems.

CONCLUSION

The Board is of the view that there are no significant weaknesses in the system of internal control of the Group for the financial year ended January 31, 2009. The Group continues to take the necessary measures to ensure that the system of internal control is in place and functions effectively.

Statement of Directors' Responsibilities

This statement is prepared as required by the Listing Requirements of Bursa Malaysia Securities Berhad.

The Directors are required by the Companies Act, 1965 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year and of the results and cash flows of the Group and of the Company for the financial year then ended.

The Directors consider that, in preparing the financial statements for the financial year ended January 31, 2009, the Group has used appropriate accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent. The Directors also consider that all applicable approved accounting standards have been followed. The Directors are responsible for ensuring that the Group and the Company keep accounting records which disclose with reasonable accuracy at any time the financial position of the Group and of the Company and which enable them to ensure that the financial statements comply with the provisions of the Companies Act, 1965 and the applicable approved accounting standards in Malaysia.

Directors' Report

The directors of **CYL CORPORATION BERHAD** have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended January 31, 2009.

PRINCIPAL ACTIVITIES

The Company is principally an investment holding company.

The subsidiary company is principally involved in the business of manufacturing and supplying of plastic packaging products.

There have been no significant changes in the nature of the principal activities of the Company and its subsidiary company during the financial year.

RESULTS OF OPERATIONS

The results of operations of the Group and of the Company for the financial year are as follows:

	The Group RM	The Company RM
Profit before tax	5,620,733	3,993,597
Income tax credit	210,920	–
Profit for the year	5,831,653	3,993,597

In the opinion of the directors, the results of operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDEND

A final tax-exempt dividend of 6.0% per ordinary share of RM0.50 each, amounting to RM3,000,000 in respect of the previous financial year and dealt with in the previous directors' report, was paid during the current financial year.

The directors have proposed a final tax-exempt dividend of 8.0% per ordinary share of RM0.50 each, amounting to RM4,000,000 for the current financial year. This dividend is payable in respect of all ordinary shares and is subject to approval by the shareholders at the forthcoming Annual General Meeting of the Company and has not been included as a liability in the Financial Statements.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the Financial Statements.

ISSUE OF SHARES AND DEBENTURES

The Company has not issued any new shares or debentures during the financial year.

Directors' Report (cont'd)

SHARE OPTIONS

No options have been granted by the Company to any parties during the financial year to take up unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of any option to take up unissued shares of the Company. As of the end of the financial year, there were no unissued shares of the Company under options.

OTHER STATUTORY INFORMATION

Before the income statements and the balance sheets of the Group and of the Company were made out, the directors took reasonable steps:

- (a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and have satisfied themselves that there are no bad debts to be written off and that no allowance for doubtful debts is necessary; and
- (b) to ensure that any current assets which were unlikely to realise their book values in the ordinary course of business have been written down to their estimated realisable values.

At the date of this report, the directors are not aware of any circumstances:

- (a) which would require the writing off of bad debts or the setting up of an allowance for doubtful debts in the financial statements of the Group and of the Company; or
- (b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
- (c) which have arisen and render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or
- (d) not otherwise dealt with in this report or financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

At the date of this report, there does not exist:

- (a) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liability of any other person; or
- (b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

No contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group and of the Company to meet its obligations as and when they fall due.

In the opinion of the directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the Group and of the Company for the succeeding financial year.

DIRECTORS

The following directors served on the Board of the Company since the date of the last report:

Tan Sri Abu Talib bin Othman
Chen Yat Lee
Lau Kim Lian
Abd Malik bin A Rahman
Seow Nyoke Yoong
Chen Wai Ling

In accordance with Article 83 of the Company's Articles of Association, Messrs. Chen Yat Lee and Chen Wai Ling retire by rotation at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

Tan Sri Abu Talib Bin Othman retires pursuant to Section 129(2) of the Companies Act 1965, and a resolution will be proposed for his re-appointment as a Director under the provision of Section 129(6) of the said Act to hold office until the next Annual General Meeting of the Company.

DIRECTORS' INTERESTS

The shareholdings in the Company of those who were directors at the end of the financial year, as recorded in the Register of Directors' Shareholdings kept by the Company under Section 134 of the Companies Act, 1965, are as follows:

	Number of ordinary shares of RM0.50 each			Balance at 31.1.2009
	Balance at 1.2.2008	Bought	Sold	
Registered in name of directors				
Tan Sri Abu Talib bin Othman	16,406,258	–	–	16,406,258
Chen Yat Lee	34,801,800	–	–	34,801,800
Lau Kim Lian	22,793,000	–	–	22,793,000

By virtue of their shareholdings in the Company, the abovementioned directors are deemed to have an interest in the shares of the subsidiary company to the extent that the Company has an interest.

None of the other directors holding office at the end of the financial year hold shares or had beneficial interest in the shares of the Company or its subsidiary company during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the directors of the Company has received or become entitled to receive any benefit (other than those disclosed as directors' remuneration in the Financial Statements) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefit which may be deemed to have arisen by virtue of the transactions between the subsidiary company and a director of the Company as disclosed in Note 17 to the Financial Statements.

During and at the end of the financial year, no arrangement subsisted to which the Company was a party whereby directors of the Company might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' Report (cont'd)

AUDITORS

The auditors, Messrs. Deloitte KassimChan, have indicated their willingness to continue in office.

Signed on behalf of the Board
in accordance with a resolution of the directors,

CHEN YAT LEE

LAU KIM LIAN

Shah Alam,
May 26, 2009

Independent Auditors' Report

TO THE MEMBERS OF CYL CORPORATION BERHAD (Incorporated in Malaysia)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of CYL CORPORATION BERHAD, which comprise the balance sheets as of January 31, 2009 of the Group and of the Company, income statements, statements of changes in equity and cash flow statements of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 27 to 51.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility towards any other person for the contents of this report.

We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with the Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of January 31, 2009 and of their financial performance and cash flows for the year then ended.

Independent Auditors' Report (cont'd)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

- (a) in our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiary company have been properly kept in accordance with the provisions of the Act;
- (b) we are satisfied that the financial statements of the subsidiary company that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations as required by us for these purposes; and
- (c) the auditors' report on the financial statements of the subsidiary company did not contain any qualification or any adverse comment made under Subsection (3) of Section 174 of the Act.

DELOITTE KASSIMCHAN
AF 0080
Chartered Accountants

LOO CHEE CHOU
Partner - 2783/09/10 (J)
Chartered Accountant

May 26, 2009

Income Statements

for the year ended January 31, 2009

	Note	The Group		The Company	
		2009 RM	2008 RM	2009 RM	2008 RM
Revenue	5	82,588,200	78,195,396	4,210,000	3,180,000
Other income	6	73,821	404,793	-	-
Changes in inventories of finished goods		(521,410)	270,925	-	-
Raw materials and consumables used		(49,346,120)	(47,941,995)	-	-
Remuneration of key management personnel - directors	7	(1,324,934)	(1,262,871)	(75,200)	(55,200)
Staff costs	6	(7,690,698)	(7,799,170)	-	-
Depreciation of property, plant and equipment	12	(7,235,665)	(6,779,509)	-	-
Finance costs	8	(430,386)	(525,614)	-	-
Other expenses	6	(10,492,075)	(9,913,094)	(141,203)	(123,761)
Profit before tax		5,620,733	4,648,861	3,993,597	3,001,039
Income tax credit	9	210,920	321,870	-	-
Profit for the year		5,831,653	4,970,731	3,993,597	3,001,039
Earnings per ordinary share of RM0.50					
Basic (sen)	10	5.83	4.97		

The accompanying Notes form an integral part of the Financial Statements.

Balance Sheets

as of January 31, 2009

	Note	The Group		The Company	
		2009 RM	2008 RM	2009 RM	2008 RM
ASSETS					
Non-Current Assets					
Property, plant and equipment	12	66,839,165	69,748,719	-	-
Investment in subsidiary company	13	-	-	47,749,184	47,749,184
Total Non-Current Assets		66,839,165	69,748,719	47,749,184	47,749,184
Current Assets					
Inventories	14	6,330,437	8,554,578	-	-
Trade receivables	15	13,211,965	18,086,455	-	-
Other receivables, deposits and prepayments	16	1,478,404	1,108,494	1,835	10,811
Amount owing by subsidiary company	17	-	-	7,787,599	6,788,417
Cash and bank balances		4,149,184	1,852,062	7,162	4,071
Total Current Assets		25,169,990	29,601,589	7,796,596	6,803,299
TOTAL ASSETS		92,009,155	99,350,308	55,545,780	54,552,483
EQUITY AND LIABILITIES					
Capital and Reserve					
Issued capital	18	50,000,000	50,000,000	50,000,000	50,000,000
Reserves	19	23,271,536	20,435,955	5,512,380	4,518,783
Shareholders' Equity		73,271,536	70,435,955	55,512,380	54,518,783

(Forward)

Balance Sheets (cont'd)

	Note	The Group		The Company	
		2009 RM	2008 RM	2009 RM	2008 RM
Non-Current Liabilities					
Long-term loans - non-current portion	20	2,227,565	2,736,574	-	-
Hire-purchase obligations - non-current portion	21	-	594,488	-	-
Deferred tax liabilities	22	6,331,469	7,122,317	-	-
Total Non-Current Liabilities		8,559,034	10,453,379	-	-
Current Liabilities					
Trade payables	23	6,355,373	12,121,163	-	-
Other payables and accrued expenses	24	1,283,488	1,048,967	33,400	33,700
Bank borrowings	25	1,762,347	4,262,347	-	-
Hire-purchase obligations - current portion	21	594,489	931,897	-	-
Tax liabilities		182,888	96,600	-	-
Total Current Liabilities		10,178,585	18,460,974	33,400	33,700
Total Liabilities		18,737,619	28,914,353	33,400	33,700
TOTAL EQUITY AND LIABILITIES		92,009,155	99,350,308	55,545,780	54,552,483

The accompanying Notes form an integral part of the Financial Statements.

Statements of Changes in Equity

for the year ended January 31, 2009

The Group	Note	Issued Capital RM	Non-distributable Reserves		Distributable Reserve Retained Earnings RM	Total RM
			Share Premium RM	Revaluation Surplus RM		
Balance as of February 1, 2007		50,000,000	1,504,405	1,959,742	14,510,170	67,974,317
Dividend paid	11	-	-	-	(3,000,000)	(3,000,000)
Total recognised income and expense - Profit for the year		-	-	-	4,970,731	4,970,731
Deferred tax on revaluation surplus no longer required	22	-	-	379,152	-	379,152
Effect of change in tax rate applicable to deferred tax	22	-	-	111,755	-	111,755
Transfer to retained earnings		-	-	(302,378)	302,378	-
Balance as of January 31, 2008/ February 1, 2008		50,000,000	1,504,405	2,148,271	16,783,279	70,435,955
Dividend paid	11	-	-	-	(3,000,000)	(3,000,000)
Total recognised income and expense - Profit for the year		-	-	-	5,831,653	5,831,653
Deferred tax on revaluation surplus no longer required	22	-	-	3,928	-	3,928
Transfer to retained earnings		-	-	(113,348)	113,348	-
Balance as of January 31, 2009		50,000,000	1,504,405	2,038,851	19,728,280	73,271,536

The Company	Note	Issued Capital RM	Non-distributable Reserve		Distributable Reserve Retained Earnings RM	Total RM
			Share Premium RM			
Balance as of February 1, 2007		50,000,000	1,504,405		3,013,339	54,517,744
Dividend paid	11	-	-	-	(3,000,000)	(3,000,000)
Total recognised income and expense - Profit for the year		-	-	-	3,001,039	3,001,039
Balance as of January 31, 2008/ February 1, 2008		50,000,000	1,504,405		3,014,378	54,518,783
Dividend paid	11	-	-	-	(3,000,000)	(3,000,000)
Total recognised income and expense - Profit for the year		-	-	-	3,993,597	3,993,597
Balance as of January 31, 2009		50,000,000	1,504,405		4,007,975	55,512,380

The accompanying Notes form an integral part of the Financial Statements.

Cash Flow Statements

for the year ended January 31, 2009

	The Group		The Company	
	2009 RM	2008 RM	2009 RM	2008 RM
CASH FLOWS FROM/(USED IN)				
OPERATING ACTIVITIES				
Profit for the year	5,831,653	4,970,731	3,993,597	3,001,039
Adjustments for:				
Income tax credit recognised in income statements	(210,920)	(321,870)	-	-
Depreciation of property, plant and equipment	7,235,665	6,779,509	-	-
Finance costs	430,386	525,614	-	-
Gain on disposal of property, plant and equipment	(68,638)	(33,461)	-	-
Unrealised loss/(gain) on foreign exchange	67,519	(30,679)	-	-
Dividend income from subsidiary company	-	-	(4,210,000)	(3,180,000)
<hr/>				
Cash Flows From/(Used In)				
Operating Activities Before Working Capital Changes	13,285,665	11,889,844	(216,403)	(178,961)
(Increase)/Decrease in:				
Inventories	2,224,141	(1,604,208)	-	-
Trade receivables	4,874,490	18,759	-	-
Other receivables, deposits and prepayments	(369,910)	542,477	8,976	(10,771)
Amount owing by subsidiary company	-	-	(999,182)	(13,307)
Increase/(Decrease) in:				
Trade payables	(5,833,309)	1,187,333	-	-
Other payables and accrued expenses	234,521	(32,012)	(300)	12,400
<hr/>				
Cash Generated From/(Used In) Operations	14,415,598	12,002,193	(1,206,909)	(190,639)
Income tax paid	(489,712)	(655,544)	-	-
Dividend received	-	-	4,210,000	3,180,000
<hr/>				
Net Cash From Operating Activities	13,925,886	11,346,649	3,003,091	2,989,361
<hr/>				
CASH FLOWS FROM/(USED IN)				
INVESTING ACTIVITIES				
Proceeds from disposals of property, plant and equipment	68,640	33,465	-	-
Purchase of property, plant and equipment	(4,326,113)	(6,505,404)	-	-
<hr/>				
Net Cash Used In Investing Activities	(4,257,473)	(6,471,939)	-	-

(Forward)

Cash Flow Statements (cont'd)

	The Group		The Company	
	2009 RM	2008 RM	2009 RM	2008 RM
CASH FLOWS FROM/(USED IN)				
FINANCING ACTIVITIES				
Dividend paid	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)
Repayment of hire-purchase obligations	(931,896)	(881,695)	-	-
Repayment of term loans	(509,009)	(470,688)	-	-
Interest paid	(430,386)	(525,614)	-	-
(Decrease)/Increase in bankers acceptances	(2,500,000)	500,000	-	-
Net Cash Used In Financing Activities	(7,371,291)	(4,377,997)	(3,000,000)	(3,000,000)
NET INCREASE/(DECREASE)				
IN CASH AND CASH EQUIVALENTS				
	2,297,122	496,713	3,091	(10,639)
CASH AND CASH EQUIVALENTS				
AT BEGINNING OF YEAR				
	1,852,062	1,355,349	4,071	14,710
CASH AND CASH EQUIVALENTS				
AT END OF YEAR (REPRESENTING CASH AND BANK BALANCES)				
	4,149,184	1,852,062	7,162	4,071

Note: The Group acquired property, plant and equipment with an aggregate cost of RM4,326,113 (2008: RM7,973,183) of which RM Nil (2008: RM1,467,779) was acquired under hire-purchase arrangements. Cash payment for the acquisition of property, plant and equipment amounted to RM4,326,113 (2008: RM6,505,404).

Notes to the Financial Statements

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Second Board of Bursa Malaysia Securities Berhad.

The Company is principally an investment holding company.

The subsidiary company is principally involved in the business of manufacturing and supplying of plastic packaging products.

There have been no significant changes in the nature of the principal activities of the Company and its subsidiary company during the financial year.

The registered office of the Company is located at Level 18, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200, Kuala Lumpur, Malaysia.

The principal place of business of the Company is located at No. 12, Jalan Teluk Gadung 27/93, Section 27, 40000 Shah Alam, Selangor Darul Ehsan, Malaysia.

The financial statements of the Group and of the Company have been approved by the Board of Directors and were authorised for issuance on May 26, 2009.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Group and of the Company have been prepared in accordance with the provisions of the Companies Act, 1965 and Financial Reporting Standards in Malaysia.

Adoption of Revised Financial Reporting Standards

On February 1, 2008, the Group and the Company adopted all the revised Financial Reporting Standards ("FRSs") issued by Malaysian Accounting Standards Board ("MASB") that are relevant to their operations as follows:

FRS 107	Cash Flow Statements (effective on July 1, 2007)
FRS 112	Income Taxes (effective on July 1, 2007)
FRS 118	Revenue (effective on July 1, 2007)
FRS 137	Provisions, Contingent Liabilities and Contingent Assets (effective on July 1, 2007)

The adoption of these revised FRSs did not result in significant changes in the accounting policies of the Group and the Company and have no significant financial effect on the financial statements of the Group and the Company for the current and prior financial years.

Accounting Standards and IC Interpretations Issued But Not Yet Effective

At the date of authorisation of issue of the financial statements, FRSs and IC Interpretations which have been issued but not yet effective until future periods are as follows:

FRS 4	Insurance Contracts
FRS 7	Financial Instruments: Disclosures
FRS 8	Operating Segments
FRS 123	Borrowing Costs
FRS 139	Financial Instruments: Recognition and Measurement
Amendments to FRS 1	First-time Adoption of Financial Reporting Standards
Amendments to FRS 2	Share-based Payment: Vesting Conditions and Cancellations
Amendments to FRS 127	Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 11 FRS 2	Group and Treasury Share Transactions
IC Interpretation 13	Customer Loyalty Programmes
IC Interpretation 14 FRS 119	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

Notes to the Financial Statements (cont'd)

Except for FRS 8 which is effective for annual financial statements for period beginning on or after July 1, 2009, these new FRS and IC Interpretations are effective for accounting periods beginning on or after January 1, 2010.

The directors anticipate that the adoption of these FRSs and IC Interpretations will have no material impact on the financial statements of the Group and the Company in the period of initial application, except for the adoption of FRS 7 and FRS 139.

FRS 7: Financial Instruments: Disclosures

The adoption of FRS 7 and the consequential amendment to FRS 101 Presentation of Financial Statements introduce new disclosure requirements in relation to the Group's and the Company's financial instruments and the objectives, policies and processes for managing capital.

FRS 139: Financial Instruments: Recognition and Measurement

This new standard establishes principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. By virtue of the exemption in paragraph 103AB of FRS 139, the impact of applying FRS 139 on the financial statements upon first adoption of this standard as required by paragraph 30(b) of FRS 108, Accounting Policies, Changes in Accounting Estimates and Errors is not disclosed.

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Group and of the Company have been prepared under the historical cost convention modified by the revaluation of certain property, plant and equipment.

Basis of Consolidation

A subsidiary company is an enterprise controlled by the Company. Control exists when the Company has the power to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities.

The consolidated financial statements incorporate the financial statements of the Company and its subsidiary company as mentioned in Note 13 made up to January 31, 2009.

The subsidiary company is consolidated using the acquisition method of accounting whereby the assets, liabilities and contingent liabilities recognised, if any, of the subsidiary company are measured at their fair values at the date of acquisition.

The results of the subsidiary company acquired or disposed of during the year are included in the consolidated financial statements from the effective date of acquisition or up to the effective date of disposal.

All significant intercompany transactions and balances are eliminated on consolidation.

Revenue

Revenue of the Group represents gross invoiced value of goods sold less discounts, returns and sales tax. Revenue of the Company represents gross dividend received from the subsidiary company.

Revenue is recognised on the following basis:

Sales of goods - upon delivery of products when the risks and rewards of ownership have passed to the customers.

Dividend income - when the shareholder's right to receive payment is established.

Foreign Currency

(i) Functional and Presentation Currency

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in Ringgit Malaysia ("RM"), which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

(ii) Foreign Currency Transactions

In preparing the financial statements of the Group, transactions in currencies other than Group's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in the profit or loss for the period.

Income Tax

Income tax for the year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is provided for, using the "liability" method, on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary difference arises from goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is recognised in the income statements, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred taxes relate to the same taxation authority.

The tax effects of the unutilised reinvestment allowance are recognised only upon actual realisation.

Property, Plant and Equipment

Property, plant and equipment, except for freehold land which is not depreciated, are stated at cost or valuation less accumulated depreciation and impairment losses.

Land and buildings stated at valuation are revalued at regular intervals of at least once in every five years by the directors based on the valuation reports of independent professional valuers with additional valuation in the intervening years where market conditions indicate that the carrying values of the revalued assets differ materially from the market value.

An increase in the carrying amount arising from revaluation of property, plant and equipment is credited to the revaluation reserve account as revaluation surplus. Any deficit arising from revaluation is charged against the revaluation reserve account to the extent of a previous surplus held in the revaluation reserve account for the same asset. In all other cases, a decrease in carrying amount is charged to income statements. An increase in revaluation directly related to a previous decrease in carrying amount for that same asset that was recognised as an expense, is credited to income statements to the extent that it offsets the previously recorded decrease. The amount of revaluation reserve representing the difference in depreciation based on the revalued carrying amount and the original cost of the revalued asset is transferred from revaluation reserve account to retained earnings.

Notes to the Financial Statements (cont'd)

Depreciation and amortisation of other property, plant and equipment are computed on the straight-line method at rates based on their estimated useful lives. The principal annual rates used are as follows:

Freehold buildings	Over 38-50 years
Freehold apartments	Over 45 years
Plant and machinery	10%
Office equipment	10%
Furniture and fittings	10%
Motor vehicles	20%
Electrical installation	10%
Containers	20%

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimates accounted for prospectively.

Gain or loss arising from the disposal of an asset is determined as the difference between the estimated net disposal proceeds and the carrying amount of the asset, and is recognised in the income statements.

Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The impairment loss is charged to the income statements unless it reverses a previous revaluation in which case it is treated as a revaluation decrease.

Recoverable amount is the higher of fair value less costs to sell and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

An impairment loss is only reversed to the extent that the assets' carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Property, Plant and Equipment Acquired under Hire-Purchase

Property, plant and equipment acquired under hire-purchase arrangements are capitalised as property, plant and equipment and the corresponding obligations are treated as liabilities in the financial statements. Finance charges are allocated to the income statements to give a constant periodic rate of interest on the remaining hire-purchase obligations.

Property, plant and equipment under hire-purchase arrangements are depreciated on their expected useful lives on the same basis as owned assets.

Investment in Subsidiary Company

Investment in unquoted shares of subsidiary company, which is eliminated on consolidation, is stated at cost, less impairment losses.

Inventories

Inventories are stated at the lower of cost (determined on the 'first-in, first-out' method) and net realisable value.

The cost of raw materials and packing materials comprises the original cost of purchase plus the cost incurred in bringing the inventories to their present location. The cost of finished goods includes the cost of raw materials, direct labour and an appropriate proportion of the manufacturing overheads.

Net realisable value represents the estimated selling price in the ordinary course of business less selling and distribution costs and all other estimated costs to completion.

Receivables

Trade and other receivables are stated at nominal value as reduced by the appropriate allowances for estimated irrecoverable amounts. Allowance for doubtful debts is made based on estimates of possible losses which may arise from non-collection of certain receivable accounts.

Borrowing Costs

Borrowing costs directly attributable to construction of assets which require a substantial period of time to get them ready for their intended use are capitalised and included as part of the related assets. Capitalisation of borrowing costs will cease when the assets are ready for their intended use.

All other borrowing costs are recognised as an expense in the year in which they are incurred.

Provisions

Provisions are made when the Group and the Company have a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount can be made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed to the income statements.

Retirement Benefits

The Group is required by law to make monthly contributions to Employees' Provident Fund (EPF), a statutory defined contribution plan for all its eligible employees based on certain prescribed rates of the employees' salaries. The Group's contributions to EPF are disclosed separately while the employees' contributions to EPF are included in salaries and wages. Once the contributions have been paid, the Group has no further payment obligation.

Cash Flow Statements

The Group and the Company adopt the indirect method in the preparation of the cash flow statement.

Cash equivalents are short-term, highly liquid investments with maturities of three months or less from the date of acquisition and are readily convertible to cash with insignificant risk of changes in value.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(i) Critical judgements made in applying accounting policies

In the process of applying the Group's and the Company's accounting policies, which are described in Note 3, management is of the opinion that there are no instances of application of judgement which are expected to have a significant effect on the amounts recognised in the financial statements.

(ii) Key sources of estimation uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

Notes to the Financial Statements (cont'd)

5. REVENUE

	The Group		The Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Sales of goods	82,588,200	78,195,396	–	–
Dividend income (tax-exempt) from subsidiary company	–	–	4,210,000	3,180,000
	82,588,200	78,195,396	4,210,000	3,180,000

6. OTHER INCOME/(EXPENSES)

Included in other income/(expenses) are the following:

	The Group		The Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Gain on disposal of property, plant and equipment	68,638	33,461	–	–
(Loss)/Gain on foreign exchange:				
Unrealised	(67,519)	30,679	–	–
Realised	(8,039)	328,858	–	–
Auditors' remuneration:				
Statutory audit	(48,000)	(48,000)	(11,500)	(11,500)
Other	(3,000)	(3,000)	(3,000)	(3,000)
Rental of staff apartments and houses payable to:				
A director (Note 17)	(21,600)	(21,600)	–	–
Third party	(3,300)	(3,900)	–	–

Included in staff costs of the Group are the Group's contributions to Employees' Provident Fund of RM443,463 (2008: RM470,830) made by the subsidiary company for the financial year.

7. REMUNERATION OF KEY MANAGEMENT PERSONNEL - DIRECTORS

	The Group		The Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Executive directors:				
Other emoluments	988,962	1,038,975	–	–
Employees' Provident Fund Contributions	110,772	48,696	–	–
Non-executive directors:				
Fees	218,000	168,000	68,000	48,000
Other emoluments	7,200	7,200	7,200	7,200
	1,324,934	1,262,871	75,200	55,200

8. FINANCE COSTS

	The Group	
	2009 RM	2008 RM
Interest on:		
Term loans	253,338	291,661
Bankers acceptances	115,896	139,184
Hire-purchase	60,647	91,867
Bank overdrafts	505	2,902
	430,386	525,614

9. INCOME TAX CREDIT

	The Group		The Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Estimated tax payable:				
Current year	576,000	468,300	-	-
Underprovision in prior years	-	30,377	-	-
	576,000	498,677	-	-
Deferred tax (Note 22):				
Current year	(352,697)	(269,311)	-	-
Overprovision in prior year	(434,223)	(37,014)	-	-
Effect of change in tax rate	-	(514,222)	-	-
	(786,920)	(820,547)	-	-
Income tax credit	(210,920)	(321,870)	-	-

Notes to the Financial Statements (cont'd)

A reconciliation of income tax credit applicable to profit before tax at the applicable statutory income tax rate to income tax expense at the effective income tax rate is as follows:

	The Group		The Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Profit before tax	5,620,733	4,648,861	3,993,597	3,001,039
Tax at the applicable tax rate of 25% (2008: 20% and 26%)	1,405,183	1,178,719	998,399	780,270
Tax effects of:				
Expenses not deductible in determining taxable profit	174,882	236,972	54,101	46,530
Income not taxable in determining taxable profit	(12,303)	–	(1,052,500)	(826,800)
Utilisation of reinvestment allowances not recognised previously	(1,344,459)	(1,216,702)	–	–
Tax at effective tax rate	223,303	198,989	–	–
Underprovision of estimated tax payable in prior years	–	30,377	–	–
Overprovision of deferred tax liabilities in prior years	(434,223)	(37,014)	–	–
Effect of change in tax rate applicable to deferred tax	–	(514,222)	–	–
Tax credited to income statements	(210,920)	(321,870)	–	–

The subsidiary company is entitled to claim reinvestment allowances under Schedule 7A of the Income Tax Act, 1967. As of January 31, 2009, the cumulative reinvestment allowances claimed by the subsidiary company totalled RM52,287,972 (2008: RM50,114,305), subject to agreement by the Inland Revenue Board, of which an amount of RM43,082,664 (2008: RM37,704,828) has been utilised to offset against the business income in the current and prior years. The balance of unutilised reinvestment allowances amounting to RM9,205,307 (2008: RM12,409,477) is available for offset against future business income. The amount of reinvestment allowances utilised will enable the subsidiary company to pay tax-exempt dividends to its shareholder.

As of January 31, 2009, the Company has tax-exempt income amounting to RM5,110,000 (2008: RM3,900,000) arising from tax-exempt dividend income received from its subsidiary company, which is available for the distribution of tax exempt dividends to its shareholders.

As of January 31, 2009, the subsidiary company has tax-exempt income arising from the chargeable income on which income tax has been waived in 1999 in accordance with the Income Tax (Amendment) Act, 1999 amounting to RM2,385,714 (2008: RM2,385,714). As of January 31, 2009, the balance of the subsidiary company's tax-exempt income account arising from the reinvestment allowances utilised and the tax waiver year amounted to RM27,418,005 (2008: RM26,250,168) which, subject to the approval of the Inland Revenue Board, will enable the subsidiary company to pay tax-exempt dividends to the Company.

10. EARNINGS PER ORDINARY SHARE

Basic earnings per ordinary share has been computed based on the Group's profit for the year of RM5,831,653 (2008: RM4,970,731) divided by the weighted average number of ordinary shares in issue of 100,000,000 (2008: 100,000,000) during the financial year.

11. DIVIDEND

	The Company	
	2009 RM	2008 RM
Final tax-exempt dividend paid – 6.0% for financial year ended January 31, 2008; 6.0% for financial year ended January 31, 2007	3,000,000	3,000,000

The directors have proposed a final tax-exempt dividend of 8.0% per ordinary share of RM0.50 each, amounting to RM4,000,000 in respect of the current financial year. This dividend is payable in respect of all ordinary shares in issue and is subject to approval by the shareholders at the forthcoming Annual General Meeting of the Company and has not been included as a liability in the Financial Statements.

12. PROPERTY, PLANT AND EQUIPMENT**The Group**

2009	At beginning of year RM	Additions RM	Disposal RM	At end of year RM
Cost (unless otherwise stated)				
Freehold land				
- at 2006 valuation	17,671,600	–	–	17,671,600
Freehold buildings				
- at 2006 valuation	22,448,682	15,900	–	22,464,582
- at cost	1,207,510	233,697	–	1,441,207
Freehold apartments				
- at 2006 valuation	1,101,000	–	–	1,101,000
Plant and machinery				
- at cost	58,546,689	3,639,217	–	62,185,906
Plant and machinery under hire purchase	6,162,189	–	–	6,162,189
Office equipment	1,534,653	94,709	–	1,629,362
Furniture and fittings	478,115	7,490	–	485,605
Motor vehicles	3,929,739	335,100	(423,378)	3,841,461
Electrical installation	1,267,685	–	–	1,267,685
Containers	2,700	–	–	2,700
Total	114,350,562	4,326,113	(423,378)	118,253,297

Notes to the Financial Statements (cont'd)

The Group

2009	At beginning of year RM	Charge for the year RM	Disposal RM	At end of year RM	Net book value RM
Accumulated Depreciation					
Freehold land					
- at 2006 valuation	-	-	-	-	17,671,600
Freehold buildings					
- at 2006 valuation	4,513,300	585,137	-	5,098,437	17,366,145
- at cost	40,971	34,476	-	75,447	1,365,760
Freehold apartments					
- at 2006 valuation	277,709	30,907	-	308,616	792,384
Plant and machinery					
- at cost	33,476,327	5,320,973	-	38,797,300	23,388,606
Plant and machinery under hire-purchase	1,300,306	616,219	-	1,916,525	4,245,664
Office equipment	1,037,300	118,321	-	1,155,621	473,741
Furniture and fittings	371,114	22,050	-	393,164	92,441
Motor vehicles	2,786,501	411,177	(423,376)	2,774,302	1,067,159
Electrical installation	797,438	96,135	-	893,573	374,112
Containers	877	270	-	1,147	1,553
	44,601,843	7,235,665	(423,376)	51,414,132	66,839,165

The Group

2008	At beginning of year RM	Additions RM	Disposal RM	At end of year RM
Cost (unless otherwise stated)				
Freehold land				
- at 2006 valuation	17,671,600	-	-	17,671,600
Freehold buildings				
- at 2006 valuation	22,448,682	-	-	22,448,682
- at cost	1,063,436	144,074	-	1,207,510
Freehold apartments				
- at 2006 valuation	1,101,000	-	-	1,101,000
Plant and machinery				
- at cost	53,427,320	5,119,369	-	58,546,689
Plant and machinery under hire purchase	4,281,051	1,881,138	-	6,162,189
Office equipment	1,469,141	65,512	-	1,534,653
Furniture and fittings	465,510	12,605	-	478,115
Motor vehicles	3,428,965	750,485	(249,711)	3,929,739
Electrical installation	1,267,685	-	-	1,267,685
Containers	2,700	-	-	2,700
Total	106,627,090	7,973,183	(249,711)	114,350,562

Notes to the Financial Statements (cont'd)

The Group

2008	At beginning of year RM	Charge for the year RM	Disposal RM	At end of year RM	Net book value RM
Accumulated Depreciation					
Freehold land					
- at 2006 valuation	-	-	-	-	17,671,600
Freehold buildings					
- at 2006 valuation	3,939,197	574,103	-	4,513,300	17,935,382
- at cost	15,035	25,936	-	40,971	1,166,539
Freehold apartments					
- at 2006 valuation	247,646	30,063	-	277,709	823,291
Plant and machinery					
- at cost	28,388,735	5,087,592	-	33,476,327	25,070,362
Plant and machinery under hire-purchase	812,188	488,118	-	1,300,306	4,861,883
Office equipment	920,631	116,669	-	1,037,300	497,353
Furniture and fittings	349,911	21,203	-	371,114	107,001
Motor vehicles	2,696,788	339,420	(249,707)	2,786,501	1,143,238
Electrical installation	701,303	96,135	-	797,438	470,247
Containers	607	270	-	877	1,823
	38,072,041	6,779,509	(249,707)	44,601,843	69,748,719

In 1989, a parcel of the subsidiary company's freehold land and certain plant and machinery were revalued by the directors based upon valuation carried out by an independent firm of professional valuers using open market value basis. The surplus of RM991,880 arising from the revaluation had been credited to capital reserve of the said subsidiary company, of which an amount of RM500,000 was utilised for a bonus issue of ordinary shares in prior years. A deferred tax liability of RM211,709 has been provided on the revaluation surplus.

In accordance with the Group's policy, all the land and buildings of the subsidiary company were revalued by the directors on June 15, 2005 based on a valuation carried out by Messrs. Rahim & Co., an independent firm of professional valuers, using the "Comparison Method" basis. The net revaluation surplus amounting to RM1,483,542 (net of deferred tax of RM699,841), has been credited to the revaluation reserve account of the said subsidiary company.

Had these assets been carried at historical cost less accumulated depreciation, the net carrying values of the revalued land and buildings of the said subsidiary company as of January 31, 2009 would have been as follows:

	Historical Cost RM	Net Carrying Values RM
Freehold land	10,988,171	10,988,171
Freehold buildings	16,813,724	13,713,460
Freehold apartments	703,973	557,283
	28,505,868	25,258,914

Certain property, plant and equipment of the Group with a net book value of RM36,000,058 (2008: RM36,383,710) as of January 31, 2009 are charged to certain local banks to secure credit facilities and long-term loans as mentioned in Note 20.

Notes to the Financial Statements (cont'd)

Included in property, plant and equipment of the Group are fully depreciated plant and machinery which are still in use, with costs totalling RM8,252,340 (2008: RM8,675,718) as of January 31, 2009.

The carrying amount of plant and machinery of the Group that are temporarily not in active use amounted to approximately RM111,570 (2008: RM133,884) as of January 31, 2009.

13. INVESTMENT IN SUBSIDIARY COMPANY

	The Company	
	2009 RM	2008 RM
Unquoted shares - at cost	47,749,184	47,749,184

The details of the subsidiary company, which is incorporated in Malaysia, are as follows:

Name of Company	Effective Equity Interest		Principal Activities
	2009	2008	
Perusahaan Jaya Plastik (M) Sdn. Bhd.	100%	100%	Manufacturing and supplying of plastic packaging products

14. INVENTORIES

Inventories consist of the following:

	The Group	
	2009 RM	2008 RM
At cost:		
Finished goods	2,860,725	3,382,135
Raw materials	2,085,540	3,881,214
Packing materials	1,384,172	1,291,229
	6,330,437	8,554,578

15. TRADE RECEIVABLES

Trade receivables of the Group comprise amounts receivable from sales of goods. The credit period granted to the customers of the Group ranges from 60 to 120 days (2008: 60 to 120 days).

The Group's historical experience in collection of trade receivables falls within the recorded credit period and management believes that no additional credit risk for collection losses is inherent in the Group's trade receivables.

16. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group		The Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Deposits	1,208,865	844,463	-	-
Other receivables	170,986	148,767	1,835	10,811
Prepayments	52,453	69,164	-	-
Investments - at cost	85,100	85,100	-	-
Allowance for impairment in value	(39,000)	(39,000)	-	-
	46,100	46,100	-	-
	1,478,404	1,108,494	1,835	10,811

Included in deposits as of January 31, 2009 are deposits paid in respect of the acquisition of property, plant and equipment totalling RM 1,159,814 (2008 : RM 721,021).

Other receivables of the Group represent mainly levy paid on behalf of foreign workers.

Investments of the Group represent transferable golf club membership paid for certain directors of the Company.

17. RELATED PARTY TRANSACTIONS AND BALANCES

Amount owing by subsidiary company, which arose mainly from advances and payments made on behalf by the Company, is unsecured, interest-free and has no fixed terms of repayment.

Save as disclosed elsewhere in the financial statements, the related party and the relationship with the Company is as follows:

Name of related party	Relationship
Mr. Chen Yat Lee	Director of the Company

The financial statements of the Group includes the following significant related party transaction during the financial year, which is determined on a basis as negotiated between the said parties:

	The Group	
	2009 RM	2008 RM
Mr. Chen Yat Lee		
Rental of staff apartments and houses	21,600	21,600

Notes to the Financial Statements (cont'd)

18. SHARE CAPITAL

Share capital is represented by:

	The Company	
	2009 RM	2008 RM
Authorised:		
200,000,000 ordinary shares of RM0.50 each	100,000,000	100,000,000
Issued and fully paid:		
100,000,000 ordinary shares of RM0.50 each	50,000,000	50,000,000

19. RESERVES

	The Group		The Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Non-distributable:				
Share premium	1,504,405	1,504,405	1,504,405	1,504,405
Revaluation surplus	2,038,851	2,148,271	-	-
Distributable:				
Retained earnings	19,728,280	16,783,279	4,007,975	3,014,378
	23,271,536	20,435,955	5,512,380	4,518,783

Share premium

Share premium arose mainly from the issuance of 92,141,996 and 7,858,000 new ordinary shares of RM0.50 each in the Company at an issue price of approximately RM0.52 and RM0.65 per ordinary share pursuant to the acquisition of the subsidiary company and public issue in prior years. Listing expenses of RM1,352,481 (2008: RM1,352,481) which have been incurred by the Company were written off against the share premium account.

Revaluation surplus

Revaluation surplus arose from the revaluation of land and buildings as disclosed in Note 12.

Retained earnings

Distributable reserves are those available for distribution by way of dividends.

In accordance with the Finance Act 2007, the single tier income tax system became effective from the year of assessment 2008. Under this system, tax on a company's profit is a final tax, and dividends paid are exempted from tax in the hands of the shareholders. Unlike the previous imputation system, the recipient of the dividend would no longer be able to claim any tax credit.

Companies without Section 108 tax credit balance will automatically move to the single tier tax system on January 1, 2008. However, companies with such tax credits are given an irrevocable option to elect for the single tier tax system and disregard the tax credit or to continue to use the tax credits under Section 108 account to frank the payment of cash dividends on ordinary shares for a period of 6 years ending December 31, 2013 or until the tax credits are fully utilised, whichever comes first. During the transitional period, any tax paid will not be added to the Section 108 account and any tax credits utilised will reduce the tax credit balance. All companies will be in the new system on January 1, 2014.

Taking into consideration the tax-exempt income as mentioned in Note 9, the estimated tax credit available and the prevailing tax rate applicable to dividends, the entire retained earnings of the Company as of January 31, 2009 is available for distribution by way of cash dividends without additional tax liability being incurred.

20. LONG-TERM LOANS

The long-term loans of the Group are as follows:

	The Group	
	2009 RM	2008 RM
Outstanding loan principal	2,989,912	3,498,921
Less: Portion due within one year, included under bank borrowings (Note 25)	(762,347)	(762,347)
Non-current portion	2,227,565	2,736,574

The long-term loans of the Group are secured by collateral as disclosed in Note 25.

The long-term loans which bear interest at rates ranging from 3.90% to 7.40% (2008: 6.40% to 7.75%) per annum are repayable over an average repayment period of 9.4 years (2008: 9.4 years) at an average monthly installment of RM42,417 (2008: RM39,674).

The non-current portion of the long-term loans is repayable as follows:

	The Group	
	2009 RM	2008 RM
Financial years ending January 31:		
2010	–	509,910
2011	762,347	594,053
2012 and above	1,465,218	1,632,611
	2,227,565	2,736,574

21. HIRE-PURCHASE OBLIGATIONS

Hire-purchase obligations are as follows:

	The Group	
	2009 RM	2008 RM
Total installments outstanding	632,715	1,625,258
Less: Interest-in-suspense	(38,226)	(98,873)
Principal amount outstanding	594,489	1,526,385
Less: Portion due within one year, included under current liabilities	(594,489)	(931,897)
Non-current portion	–	594,488

Notes to the Financial Statements (cont'd)

The non-current portion is repayable as follows:

	The Group	
	2009 RM	2008 RM
Financial year ending January 31, 2010	-	594,488

The term for these hire-purchase is 1 to 3 years. For the financial year ended January 31, 2009, these obligations bear effective interest rates ranging from 3.00% to 6.06% (2008: 3.00% to 6.06%) per annum. Interest rate is fixed at the inception of the hire-purchase arrangements.

The hire-purchase obligations of the Group with the financial institutions are guaranteed by the Company and secured by a charge over the assets under hire-purchase.

22. DEFERRED TAX LIABILITIES

	The Group	
	2009 RM	2008 RM
Balance at beginning of year	7,122,317	8,433,771
Transfer to income statement (Note 9)	(786,920)	(820,547)
Adjustment against revaluation surplus:		
Deferred tax liabilities on revaluation surplus of freehold land no longer required	(3,928)	(379,152)
Effect of change in tax rate	-	(111,755)
	(3,928)	(490,907)
Balance at end of year	6,331,469	7,122,317

The net deferred tax liabilities are in respect of the following:

	The Group Deferred Tax Assets/(Liabilities)	
	2009 RM	2008 RM
Tax effects of:		
Temporary differences arising from property, plant and equipment	(5,318,116)	(6,121,453)
Revaluation surplus on land and buildings	(996,936)	(1,000,864)
Others	(16,417)	-
	(6,331,469)	(7,122,317)

23. TRADE PAYABLES

Trade payables of the Group comprise amounts outstanding for trade purchases. The average credit period granted to the Group for trade purchases ranges from 60 to 120 days (2008: 60 to 120 days).

The currency exposure profile of trade payables is as follows:

	The Group	
	2009 RM	2008 RM
Ringgit Malaysia	4,768,471	8,224,223
United States Dollar	1,586,902	3,896,940
	6,355,373	12,121,163

24. OTHER PAYABLES AND ACCRUED EXPENSES

	The Group		The Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Other payables	117,497	144,873	-	-
Accrued expenses	1,165,991	904,094	33,400	33,700
	1,283,488	1,048,967	33,400	33,700

Other payables of the Group comprise mainly outstanding amounts payable for the purchase of machinery, manufacturing moulds, utilities and staff costs.

25. BANK BORROWINGS

Bank borrowings consist of the following:

	The Group	
	2009 RM	2008 RM
Bankers acceptances	1,000,000	3,500,000
Long-term loans - current portion (Note 20)	762,347	762,347
Total	1,762,347	4,262,347

As of January 31, 2009, the Group has bank overdrafts and other credit facilities obtained from local banks totalling RM18,550,000 (2008: RM18,550,000) which bear interest at rates ranging from 3.00% to 7.40% (2008: 3.00% to 8.25%) per annum.

These credit facilities and the long-term loans of the subsidiary company, which are guaranteed by the Company, are secured by the following:

- A debenture with fixed and floating charges over the entire assets of the subsidiary company; and
- Legal charges on certain freehold land and buildings of the subsidiary company.

Notes to the Financial Statements (cont'd)

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The operations of the Group are subject to a variety of financial risks, including foreign currency risk, interest rate risk, market risk, credit risk, liquidity risk and cash flow risk. The Group has formulated a financial risk management framework whose principal objective is to minimise the Group's exposure to risks and/or costs associated with the financing, investing and operating activities of the Group.

Various risk management policies are made and approved by the Board for observation in the day-to-day operations for the controlling and management of the risks associated with financial instruments.

(i) Foreign currency risk

The Group is exposed to foreign currency risk through overseas purchases quoted in United States Dollar. The Group reviews the position of amounts outstanding from these foreign currency denominated transactions periodically so as to mitigate the negative impact arises from fluctuation in exchange rates on a timely basis.

(ii) Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. Interest rate exposure arises from the Group's bank borrowings, hire-purchase obligations and term loans, which bear interest as disclosed in Notes 25, 21 and 20 respectively. The Group's exposure to the effects of future changes in prevailing level of interest rates of hire-purchase obligations and term loans is not significant.

(iii) Market risk

The Group manages the exposure to fluctuations in the prices of key raw materials used for manufacturing and supplying of plastic packaging products and competitive risks from competitors in providing better alternatives in terms of competitive pricing through constant monitoring of market prices and trends.

(iv) Credit risk

The Group is exposed to credit risk mainly from trade receivables. The Group extends credit to its customers based upon careful evaluation of the customer's financial condition and credit history.

The Group's exposure to credit risk in relation to its trade receivables, should all its customers fail to perform their obligations as of January 31, 2009, is the carrying amount of these receivables as disclosed in the balance sheet.

(v) Liquidity risk

The Group practises prudent liquidity risk management to minimise the mismatch of financial assets and liabilities and to maintain sufficient credit facilities for contingent funding requirement of working capital.

(vi) Cash flow risk

The Group reviews its cash flow position regularly to manage its exposure to fluctuations in future cash flows associated with its monetary financial instruments.

Financial Assets

The Group's principal financial assets are trade and other receivables and, cash and bank balances. The Company's principal financial asset includes amount owing by subsidiary company. The accounting policies applicable to the major financial assets are as disclosed in Note 3.

Financial Liabilities and Equity Instruments

Debt and equity instruments are classified as either liabilities or equity in accordance with the substance of the contractual arrangement.

Significant financial liabilities include trade and other payables, bank borrowings, hire-purchase obligations and term loans.

Fair Values

As of January 31, 2009, the fair values of the financial assets and financial liabilities, reported in the balance sheet approximate the carrying amount of those assets and liabilities because of the immediate or short-term maturity of these financial instruments, except as follows:

	The Group			
	Carrying Amount 2009 RM	Fair Value 2009 RM	Carrying Amount 2008 RM	Fair Value 2008 RM
Financial Liability				
Term loans (Note 20)	2,989,912	2,652,142	3,498,921	2,937,319

The fair value of the term loans of the Group is estimated using the discounted cash flow analysis based on interest rates of the subject term loans.

27. SEGMENT REPORTING

The Group operates in a single industry in the business of manufacturing and supplying of plastic packaging products as disclosed in Note 13 and principally in Malaysia. Accordingly, the financial information by industry and geographical segments of the Group's operations are not presented.

28. CONTINGENT LIABILITIES - UNSECURED

As of January 31, 2009, the Company is contingently liable in respect of guarantees given for hire-purchase and other credit facilities granted by various local financial institutions to the subsidiary company. As of January 31, 2009, amount outstanding from these facilities amounted to RM4,584,801 (2008: RM8,525,306).

29. CAPITAL COMMITMENTS

As of January 31, 2009, the Group has the following capital commitments:

	The Group	
	2009 RM	2008 RM
Approved and contracted for:		
Purchase of plant and machinery	4,563,520	790,550

Statement by Directors

The directors of **CYL CORPORATION BERHAD** state that, in their opinion, the financial statements of the Group and of the Company, which comprise the balance sheets as of January 31, 2009 and the income statements, statements of changes in equity and cash flow statements for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 27 to 51, are drawn up in accordance with the provisions of the Companies Act, 1965 and the Financial Reporting Standards in Malaysia as so to give a true and fair view of the state of affairs of the Group and of the Company as of January 31, 2009 and of the results of their businesses and the cash flows of the Group and of the Company for the year ended on that date.

Signed in accordance with
a resolution of the Directors,

CHEN YAT LEE

LAU KIM LIAN

Shah Alam,
May 26, 2009

Declaration by the Director

PRIMARILY RESPONSIBLE FOR THE FINANCIAL MANAGEMENT OF THE COMPANY

I, **LAU KIM LIAN**, the Director primarily responsible for the financial management of **CYL CORPORATION BERHAD**, do solemnly and sincerely declare that the financial statements of the Group and of the Company, which comprise the balance sheets as of January 31, 2009 and the income statements, statements of changes in equity and cash flow statements for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 27 to 51 are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

LAU KIM LIAN

Subscribed and solemnly declared by the
abovenamed **LAU KIM LIAN** at **PETALING JAYA**
this 26th day of May, 2009.

Before me,

COMMISSIONER FOR OATHS

List of Properties

as at January 31, 2009

A summary of the information on the landed properties of CYL Group as at January 31, 2009 are as follows:-

Title/Location	Existing use/ Description of property	Area (sq. ft.)	Tenure	Approximate age of building (years)	Net book value as at 31 January 2009 RM	Date of Valuation
Held under Title No. H.S. (D) 184080, Lot No. PT 76, Mukim of Pekan Hicom, District of Petaling, State of Selangor <i>(after amalgamation of land title)</i>	Industrial/ A three storey office building annexed with three single storey factory/ warehouse	226,466	Freehold	11-15 years	22,706,915	June 15, 2005
8-10-12, Jalan Teluk Gadung 27/93, Section 27, 40000 Shah Alam Selangor Darul Ehsan						
Held under Title No. H.S. (D) 71252, Lot No. PT 23, Mukim of Damansara, District of Petaling, State of Selangor	Industrial/ A double storey office building annexed with single storey factory/ warehouse	43,560	Freehold	18	3,692,378	June 15, 2005
Lot 23, Jalan Jaya Setia 26/3, Section 26, Hicom Industrial Estate, 40000 Shah Alam Selangor Darul Ehsan						
Held under Title No. H.S. (D) 63661, Lot No. PT 664, Mukim of Damansara, District of Petaling, State of Selangor	Industrial/ An intermediate unit 1½ storey terraced factory	3,900	Freehold	15	401,444	June 15, 2005
36, Jalan Batu Belah 27/96, Section 27, 40000 Shah Alam Selangor Darul Ehsan						

List of Properties (cont'd)

Title/Location	Existing use/ Description of property	Area (sq. ft.)	Tenure	Approximate age of building (years)	Net book value as at 31 January 2009 RM	Date of Valuation
Held under Master Title Nos. H.S. (D) 63617 & H.S.(D) 63619, Master Lot Nos. PT 617 & PT 620 respectively, both in Mukim of Damansara, District of Petaling, State of Selangor	Residential/ Ten units of medium cost apartment	Not applicable	Freehold	13	792,384	June 15, 2005
Ten Units of Medium Cost Apartment located at Taman Bunga Negara, (Hicom Sector B), Section 26/27, 40400 Shah Alam Selangor Darul Ehsan						
Held under Title No. H.S.(D) 63660 Lot No. PT 663 Mukim of Damansara, District of Petaling, State of Selangor	A 1 ½ storey factory	3,900	Freehold	15	417,557	June 15, 2005
34, Jalan Batu Belah 27/96, Section 27, 40000 Shah Alam Selangor Darul Ehsan						
Held under Title No. H.S.(D) 63630 Lot No. PT 632 Mukim of Damansara, District of Petaling, State of Selangor	Industrial/ A double storey office building annexed with single storey factory/ warehouse	55,565	Freehold	3	6,945,211	June 15, 2005
4, Jalan Teluk Gadung 27/93, Section 27, 40000 Shah Alam Selangor Darul Ehsan						
Held under Title No. H.S.(D) 63631 Lot No. PT 633 Mukim of Damansara, District of Petaling, State of Selangor	Industrial land	55,565	Freehold	Not applicable	2,240,000	June 15, 2005
2, Jalan Teluk Gadung 27/93, Section 27, 40000 Shah Alam Selangor Darul Ehsan						

Analysis of Shareholdings

as at May 25, 2009

Authorised Share Capital	:	RM100 million
Issued and Paid Up Capital	:	RM 50 million
Class of Shares	:	Ordinary Shares of RM0.50 each
Voting Rights	:	One (1) vote per Ordinary Share

SHAREHOLDINGS DISTRIBUTION

Size of Holdings	No. of Shareholders	No. of Shares Held	% of Issued Capital
Less than 100	6	242	0
100 – 1,000	264	250,000	0.25
1,001 – 10,000	1,009	5,251,100	5.25
10,001 – 100,000	314	10,174,200	10.17
100,001 – less than 5% of issued shares	34	23,018,200	23.02
5% and above of issued shares	3	61,306,258	61.31
Total	1,630	100,000,000	100.00

LIST OF TOP 30 SHAREHOLDERS/DEPOSITORS

No.	Name	No. of Shares Held	% of Issued Capital
1.	CHEN YAT LEE	26,814,000	26.81
2.	LAU KIM LIAN	18,086,000	18.09
3.	KAF TRUSTEE BERHAD <i>KAF FUND MANAGEMENT SDN BHD FOR ABU TALIB BIN OTHMAN</i>	16,406,258	16.41
4.	CIMSEC NOMINEES (TEMPATAN) SDN BHD <i>CIMB BANK FOR CHEN YAT LEE</i>	4,987,800	4.99
5.	EB NOMINEES (TEMPATAN) SENDIRIAN BERHAD <i>PLEDGED SECURITIES ACCOUNT FOR LAU KIM LIAN</i>	4,707,000	4.71
6.	EB NOMINEES (TEMPATAN) SENDIRIAN BERHAD <i>PLEDGED SECURITIES ACCOUNT FOR CHEN YAT LEE</i>	3,000,000	3.00
7.	AMBANK (M) BERHAD <i>PLEDGED SECURITIES ACCOUNT FOR FADZLULLAH SHUHAIMI BIN SALLEH (SMART)</i>	2,639,600	2.64
8.	CHEN YIN KHEE	723,000	0.72
9.	AMSEC NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR LEE KONG BENG</i>	550,000	0.55
10.	AMBANK (M) BERHAD <i>PLEDGED SECURITIES ACCOUNT FOR HAW HOCK KOK @ LOW HOCK KOK</i>	500,000	0.50
11.	KENANGA NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR DING LIAN CHEON</i>	500,000	0.50
12.	LEE SANG YAT	500,000	0.50
13.	CHAN YIK CHEUNG @ CHAN YIT CHEONG	499,000	0.50
14.	TEOH CHIN SIANG	408,000	0.41
15.	HLG NOMINEE (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR TAN KIM SEONG</i>	400,000	0.40
16.	LEE SENG CHIT	301,100	0.30
17.	TAN SIEW HOONG	228,800	0.23
18.	CHONG YUEN KHIN	220,000	0.22
19.	SUSAN TAN PHEK CHOO	215,000	0.22
20.	HLB NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR CHEE SAI MUN</i>	211,000	0.21

Analysis of Shareholdings (cont'd)

No.	Name	No. of Shares Held	% of Issued Capital
21.	HAW HOCK KOK @ LOW HOCK KOK	208,100	0.21
22.	AFFIN NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR NG GEOK WAH</i>	200,000	0.20
23.	TA NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR CHEN YIN KHEE</i>	197,700	0.20
24.	CHUA CHENG LANG	168,000	0.17
25.	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR TAY KIM TIAN</i>	158,000	0.16
26.	MAYBAN NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR CHUNG CHIT MIN</i>	152,000	0.15
27.	MAYBAN NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR ONG KOK THYE</i>	147,000	0.15
28.	TA NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR TAY AH KAM</i>	144,600	0.14
29.	LONG NYOK HWA	131,000	0.13
30.	TAN LEOK KWEE	128,100	0.13
			83.55

DIRECTORS' SHAREHOLDINGS

No.	Name	Direct Interest	No. of Shares Held		% of Issued Capital
			% of Issued Capital	Deemed Interest	
1.	Chen Yat Lee	34,801,800	34.80	-	-
2.	Lau Kim Lian	22,793,000	22.79	-	-
3.	Tan Sri Abu Talib Bin Othman	16,406,258	16.41	-	-
4.	Chen Wai Ling	-	-	-	-
5.	Abd Malik bin A Rahman	-	-	-	-
6.	Seow Nyoke Yoong	-	-	-	-

SUBSTANTIAL SHAREHOLDERS AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS

No.	Name	Direct Interest	No. of Shares Held		% of Issued Capital
			% of Issued Capital	Deemed Interest	
1.	Chen Yat Lee	34,801,800	34.80	-	-
2.	Lau Kim Lian	22,793,000	22.79	-	-
3.	Tan Sri Abu Talib Bin Othman	16,406,258	16.41	-	-



CYL CORPORATION BERHAD

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

No of shares held

PROXY FORM

I/We (NRIC/Passport No.)
[Please fill in full name, NRIC No./Company No. and telephone number] (Please use block letters)

of (Tel No.)
[Full address]

being a member/members of **CYL COPORATION BERHAD**, hereby appoint

.....
[Please fill in full name and NRIC No.] (Please use block letters)

of
[Full address]

or failing him,

of

or failing *him / her, the *CHAIRMAN OF THE MEETING, as *my/our proxy to attend and vote for *me/us on *my/our behalf at the Annual General Meeting of the Company to be held at Ballroom 2, LG Level, Eastin Hotel, 13, Jalan 16/11, Pusat Dagang Seksyen 16, 46350 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Tuesday, 21 July 2009 at 10.00 a.m., and at any adjournment thereof.

My/our proxy is to vote as indicated below:-

No.	RESOLUTION	FOR	AGAINST
1.	Audited Financial Statements for the financial year ended 31 January 2009 and Reports.		
2.	Declaration of final tax exempt dividend.		
3.	Re-election of Chen Yat Lee as Director.		
4.	Re-election of Chen Wai Ling as Director.		
5.	Re-appointment of Messrs Deloitte KassimChan as Auditors and authorising Directors to determine their remuneration.		
6.	Re-appointment of Tan Sri Abu Talib Bin Othman as Director.		
7.	Authority to issue shares pursuant to Section 132D of the Companies Act, 1965.		

*Strike out whichever is not applicable

[Please indicate with an "X" in the spaces provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific directions, your proxy will vote or abstain as he/she thinks fit.]

Dated this _____ day of _____ 2009.

Signature or Common Seal of Member(s)

Notes:

- A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy or attorney or other duly authorised representative to attend and vote in his stead. A proxy may but need not be a member of the Company. A member may appoint any person to be his proxy and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company. A member may appoint up to two (2) proxies and vote at the same meetings and that the appointment shall specify the proportions of his shareholdings to be represented by each proxy.
- The instrument appointing a proxy shall be in writing and in the case of an individual shall be signed by the appointor or by his attorney, and in the case of a corporation shall be either under its common seal or signed by its attorney or an officer on behalf of the corporation.
- The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority shall be deposited at the registered office of the Company at Level 18, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof. A member shall not be precluded from attending and voting in person at any general meeting after lodging the instrument of proxy but however such attendance shall automatically revoke the proxy's authority.



Fold this flap for sealing

Then fold here

AFFIX
STAMP

The Company Secretaries
CYL CORPORATION BERHAD
(Company No. 516143-V)
Level 18, The Gardens North Tower
Mid Valley City, Lingkaran Syed Putra
59200 Kuala Lumpur

1st fold here