



Annual Report

**2024**



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# NOTICE OF THE TWENTY-FOURTH ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Twenty-Fourth Annual General Meeting (“24<sup>th</sup> AGM”) of CYL Corporation Berhad (“the Company” or “CYL”) will be conducted virtually through live streaming via the online meeting platform at TIIH Online, provided by Tricor Investor & Issuing House Services Sdn Bhd in Malaysia via its website, <https://tiih.online> on Thursday, 18 July 2024 at 10.00 a.m. to transact the following businesses:

## AGENDA

### As Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 31 January 2024 together with the Directors’ and Auditors’ Reports thereon. *(Please refer to Explanatory Note to the Agenda)*
2. To re-elect the following Directors who retire by rotation pursuant to Clause 76(3) of the Company’s Constitution:-
  - (a) Mr. Chen Yat Lee *Resolution 1*
  - (b) Ms. Gan Kok Ling *Resolution 2*
3. To re-elect Mr. Wan Kai Chee who retires pursuant to Clause 78 of the Company’s Constitution. *Resolution 3*
4. To approve the payment of Directors’ fees to the Non-Executive Directors of RM360,000.00 for the period commencing on the date immediately after the 24<sup>th</sup> AGM up to the date of the next AGM to be held in 2025. *Resolution 4*
5. To approve the payment of Directors’ benefits to the Non-Executive Directors of RM15,000.00 for the period commencing on the date immediately after the 24<sup>th</sup> AGM up to the date of the next AGM to be held in 2025. *Resolution 5*
6. To re-appoint Mazars PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. *Resolution 6*

### As Special Business

To consider and, if thought fit, to pass with or without modifications, the following Ordinary Resolution:

7. **Ordinary Resolution**  
**Authority for Directors to issue and allot shares of the Company pursuant to Sections 75 and 76 of the Companies Act, 2016 (‘the Act’) and Waiver of Pre-emptive Rights under Section 85 of the Act** *Resolution 7*

“**THAT** pursuant to Sections 75 and 76 of the Act and subject to the approval of the relevant governmental/regulatory authorities (if any), the Directors of the Company be and are hereby authorised to issue and allot shares in the Company from time to time, at such price, upon such terms and conditions, for such purposes and to such persons whomsoever as the Directors may in their absolute direction deem fit provided that the aggregate number of shares issued during the preceding 12 months does not exceed ten per centum (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being **AND THAT** the Directors be and are also empowered to obtain approval for the listing of and quotation for the additional shares so issued from Bursa Malaysia Securities Berhad **AND THAT** such authority shall continue to be in force until the conclusion of the next Annual General Meeting (“AGM”) of the Company after the approval was given or at the expiry of the period within which the next AGM is required to be held after the approval was given, whichever is earlier, unless revoked or varied by an ordinary resolution of the Company at a general meeting.

**THAT** pursuant to Section 85 of the Act, read together with Clause 12(3) of the Constitution of the Company, the shareholders of the Company do hereby waive the pre-emptive rights to be offered new shares ranking equally to the existing issued shares of the Company arising from the exercise of the authority granted pursuant to Sections 75 and 76 of the Act.”

8. To transact any other business for which due notice is given in accordance with the Companies Act, 2016 and the Company’s Constitution.

By Order of the Board

**TAI YIT CHAN (MAICSA 7009143)**  
**SSM PC NO. 202008001023**

**CHEN BEE LING (MAICSA 7046517)**  
**SSM PC No. 202008001623**

Company Secretaries

Selangor Darul Ehsan  
27 May 2024

Notes:

1. **IMPORTANT NOTICE**

*The 24<sup>th</sup> AGM of the Company will be conducted on a fully virtual manner through live streaming in line with the Guidance Note on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia.*

*All meeting participants including the Chairman of the meeting, Board members, Senior Management, shareholders and proxies are required to participate in the meeting online.*

*Shareholders and proxies are to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote (collectively, “participate”) remotely at this AGM via the Remote Participation and Voting (“RPV”) facilities provided by Tricor Investor & Issuing House Services Sdn. Bhd. via its TIH Online website at <https://tiah.online>.*

**Please read these Notes carefully and follow the procedures in the Administrative Guide for the 24<sup>th</sup> AGM in order to participate remotely via RPV facilities.**

2. *For the purpose of determining who shall be entitled to participate in this AGM via RPV facilities, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, the **Record of Depositors as at 12 July 2024**. Only a member whose name appears on this Record of Depositors shall be entitled to participate in this AGM via RPV facilities.*
3. *A member who is entitled to participate in this AGM via RPV facilities is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate in his/her place. A proxy may but need not be a member of the Company.*
4. *A member of the Company who is entitled to participate at a general meeting of the Company may appoint not more than two (2) proxies to participate instead of the member at the AGM.*
5. *Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 (“Central Depositories Act”), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.*
6. *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“omnibus account”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.*

7. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
8. A member who has appointed a proxy or attorney or authorised representative to participate at the 24<sup>th</sup> AGM via RPV facilities **must request his/her proxy or attorney or authorised representative to register himself/herself for RPV facilities via TIIH Online** website at <https://tiih.online>. Procedures for RPV facilities can be found in the Administrative Guide for the 24<sup>th</sup> AGM.
9. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote:

(i) In hard copy form

In the case of an appointment made in hard copy form, the proxy form must be deposited with the Company's Share Registrar at Tricor Investor & Issuing House Services Sdn. Bhd. of Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

(ii) By electronic means

The proxy form can be electronically lodged with the Share Registrar of the Company via TIIH Online at <https://tiih.online>. Kindly refer to the Administrative Guide for the 24<sup>th</sup> AGM on the procedures for electronic lodgement of proxy form via TIIH Online.

10. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Company's Share Registrar at Tricor Investor & Issuing House Services Sdn. Bhd. of Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned AGM at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
11. Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
12. Last date and time for lodging the proxy form is **Tuesday, 16 July 2024 at 10.00 a.m.**
13. For a corporate member who has appointed an authorised representative instead of a proxy to attend this meeting, please deposit the ORIGINAL certificate of appointment of authorised representative with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd. of Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

The certificate of appointment of authorised representative should be executed in the following manner:

- (i) If the corporate member has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate member.
  - (ii) If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by:
    - (a) at least two (2) authorised officers, of whom one shall be a director; or
    - (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.
14. Shareholders are advised to check the Company's website at [www.cylcorporation.com](http://www.cylcorporation.com) and announcements from time to time for any changes to the administration of the 24<sup>th</sup> AGM.

## **Explanatory Notes on Ordinary Business**

1. Agenda item no. 1 is meant for discussion only as the provision of Section 340(1)(a) of the Act does not require a formal approval of shareholders for the Audited Financial Statements. Hence, this item on the Agenda is **not put forward for voting**.

2. Resolutions 1 to 3

Mr. Chen Yat Lee, Ms. Gan Kok Ling and Mr. Wan Kai Chee are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at the 24<sup>th</sup> AGM.

Please refer to the Statement Accompanying the Notice of AGM for further information.

3. Resolution 4

Pursuant to Section 230(1) of the Act, the fees of the directors, and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at the general meeting.

The Non-Executive Directors' fees are calculated based on the current Board size. Payment of the Non-Executive Directors' fees will be made by the Company and its subsidiary on a monthly basis and as and when incurred for the period commencing on the date immediately after the 24<sup>th</sup> AGM up to the date of the next AGM to be held in 2025. The Board is of the view that it is just and equitable for the Non-Executive Directors to be paid with the Directors' fees on a monthly basis and as and when incurred, particularly after they have discharged their responsibilities and rendered their services. In the event the proposed amount is insufficient, approval will be sought at the next AGM for the shortfall.

4. Resolution 5

The Non-Executive Directors' benefits are calculated based on the current Board size and the number of scheduled Board and Board Committee meetings for the period commencing on the date immediately after the 24<sup>th</sup> AGM up to the date of the next AGM to be held in 2025. In the event the proposed amount is insufficient, approval will be sought at the next AGM for the shortfall.

5. Resolution 6

The Board has through the Audit Committee ("AC"), considered the re-appointment of Mazars PLT as Auditors of the Company. The factors considered by the AC in making the recommendation to the Board to table their re-appointment at the 24<sup>th</sup> AGM are disclosed in the Corporate Governance Overview Statement of the Annual Report 2024.

## **Explanatory Note on Special Business**

6. Resolution 7

This proposed resolution is proposed pursuant to Sections 75 and 76 of the Act, and if passed, will give the Directors of the Company, from the date of the above AGM, authority to allot shares in the Company up to and not exceeding in total ten per cent (10%) of the total number of issued shares (excluding treasury shares) of the Company for such purposes as the Directors deem fit and in the best interest of the Company. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company or the expiration of the period within which the next AGM is required by law to be held, whichever is earlier. This proposed resolution is a new mandate. The mandate is to provide flexibility to the Company to issue new shares without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional cost and time.

The purpose of this general mandate is for possible fund-raising exercise including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital, repayment of bank borrowings, acquisitions and/or for issuance of shares as settlement of purchase consideration or such other application as the Directors may deem fit in the best interest of the Company.

By voting in favour of the proposed resolution, the shareholders of the Company will be waiving their statutory pre-emptive right under Section 85 of the Act and will allow the Directors to issue shares to any person without having to offer the new shares to all existing shareholders of the Company prior to issuance of the new shares.

# STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

## Directors standing for election

As at date of this notice, there are no individuals who are standing for election or appointment as Directors at the 24<sup>th</sup> AGM.

Directors who are seeking re-election at the 24<sup>th</sup> AGM are:

- (i) Mr. Chen Yat Lee;
- (ii) Ms. Gan Kok Ling; and
- (iii) Mr. Wan Kai Chee

(“the Retiring Directors”).

The profiles of the Retiring Directors are set out on pages 9 to 11 of the Annual Report 2024.

All Retiring Directors have been subject to performance evaluation (except for Mr. Wan Kai Chee who was appointed on 5 January 2024) and fit and proper assessment. The Board is satisfied with their performance and contribution, and they continue to perform effectively and demonstrate their commitment to the role. None of the Retiring Directors has any conflict of interest or potential conflict of interest, including interest in any business that is in competition with the Company and its subsidiaries.

The Board (save for the Retiring Directors who have abstained from deliberation on discussions relating to their own re-election at the Nomination Committee/Board meetings) supports the re-election of the Retiring Directors.

## Authority to Directors to Allot Shares and Waiver of Pre-emptive Rights

Details on the authority to allot shares pursuant to Section 75 and 76 of the Companies Act 2016 (“Act”) and waiver of pre-emptive rights under Section 85 of the Act are provided under the explanatory note on special business in the Notice of the 24<sup>th</sup> AGM.

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

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

Chen Yat Lee  
*(Managing Director)*

Chen Teck Shin  
*(Executive Director)*

Chen Wai Ling  
*(Executive Director)*

Chen Teck Sun  
*(Executive Director and also  
Alternate Director to Chen Yat Lee)*

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

Wan Kai Chee  
*(Independent Non-Executive Director)*

Gan Kok Ling  
*(Independent Non-Executive Director)*

## AUDIT COMMITTEE

Abd Malik Bin A Rahman *(Chairman)*  
Wan Kai Chee  
Gan Kok Ling

## NOMINATION COMMITTEE

Gan Kok Ling *(Chairperson)*  
Abd Malik Bin A Rahman  
Wan Kai Chee

## REMUNERATION COMMITTEE

Wan Kai Chee *(Chairman)*  
Abd Malik Bin A Rahman  
Gan Kok Ling

## AUDITORS

**Mazars PLT**  
Chartered Accountants  
Wisma Golden Eagle Realty  
11th Floor, South Block  
142-A, Jalan Ampang  
50450 Kuala Lumpur  
Tel. No. : +603-2702 5222

## COMPANY SECRETARIES

TAI YIT CHAN (MAICSA 7009143)  
SSM PC NO. 202008001023

CHEN BEE LING (MAICSA 7046517)  
SSM PC No. 202008001623

## REGISTERED OFFICE

12th Floor, Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim  
Seksyen 13  
46200 Petaling Jaya  
Selangor Darul Ehsan  
Tel. No. : +603-7890 4800  
Fax No. : +603-7890 4650  
Email : info.my@boardroomlimited.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  
Website: [www.cylcorporation.com](http://www.cylcorporation.com)  
Email : ctshin@cylcorporation.com

## SHARE REGISTRAR

**Tricor Investor & Issuing House  
Services Sdn. Bhd.**

Office:  
Unit 32-01, Level 32, Tower A  
Vertical Business Suite, Avenue 3  
Bangsar South, No. 8, Jalan Kerinchi  
59200 Kuala Lumpur  
Tel. No. : +603-2783 9299  
Fax No. : +603-2783 9222

Customer Service Centre:  
Unit G-3, Ground Floor  
Vertical Podium  
Avenue 3, Bangsar South  
No. 8, Jalan Kerinchi  
59200 Kuala Lumpur

## PRINCIPAL BANKERS

CIMB Bank Berhad  
Hong Leong Bank Berhad

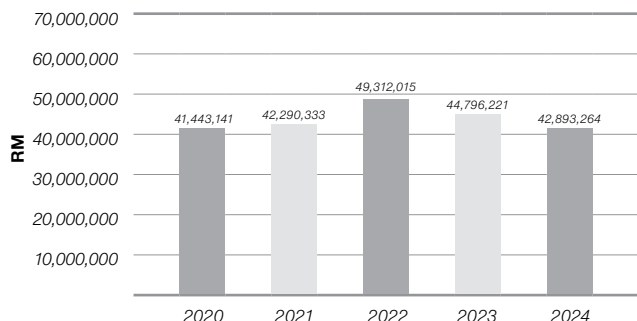
## STOCK EXCHANGE LISTING

**Bursa Malaysia Securities Berhad**  
Main Market  
Sector: Industrial  
Stock Name: CYL  
Stock Code: 7157

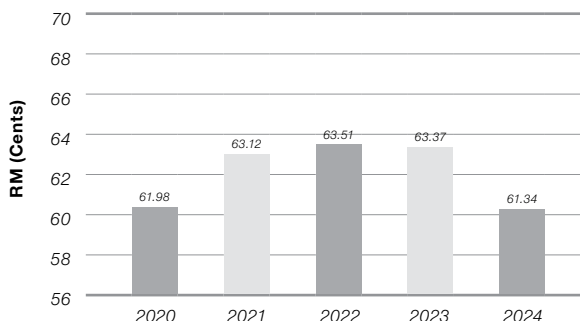


# 5-YEAR FINANCIAL HIGHLIGHTS

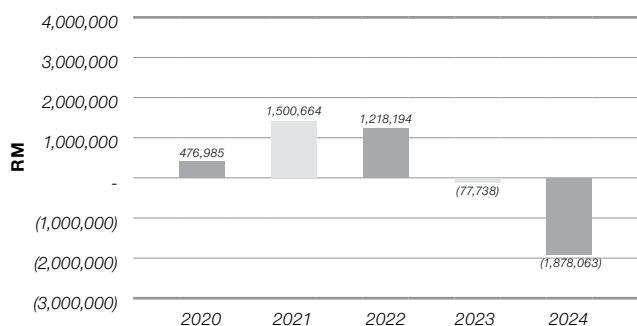
## Revenue (RM) - 5-Year Comparison



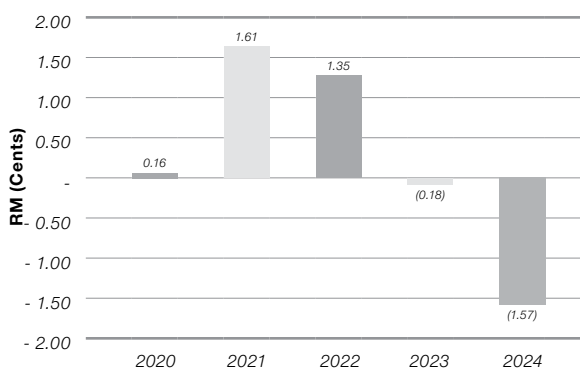
## Net Assets per Share (cents) - 5-Year Comparison



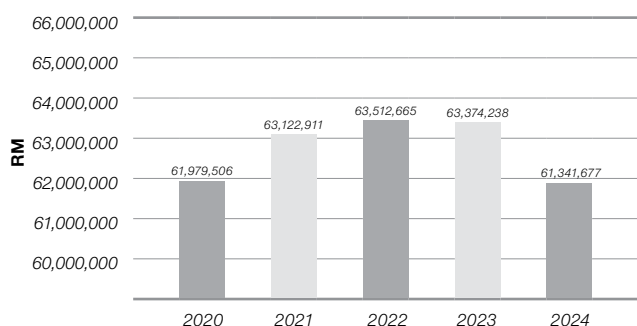
## (Loss)/Profit Before Tax (RM) - 5-Year Comparison



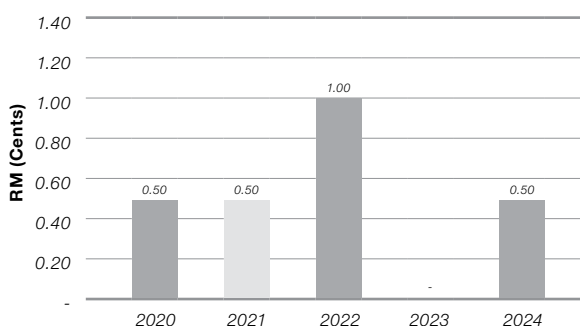
## Earnings Per Share (cents) - 5-Year Comparison



## Shareholders' Fund (RM) - 5-Year Comparison



## Dividend Declared / Paid (cents)



# PROFILE OF THE BOARD OF DIRECTORS

## **TAN SRI ABU TALIB BIN OTHMAN**

*Non-Independent Non-Executive Chairman, Malaysian, aged 85, Male*

Tan Sri Abu Talib Bin Othman was appointed as the Non-Independent Non-Executive Chairman of CYL Corporation Berhad (“CYL”) on 16 September 2002.

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 is also the Director of KAF Investment Funds Berhad. Save as disclosed, he does not hold any directorship in other public companies and listed issuers.

He is a major shareholder of CYL, details of which are set out on page 87 of the Annual Report 2024.

He has no family relationship with any Director and/or other major shareholder of the Company and has no convictions for any offence within the past five years and has not been imposed any public sanction or penalty by any regulatory bodies during the financial year. He does not have any conflict of interest with the Company.

He attended all six Board meetings held during the financial year ended 31 January 2024.

## **CHEN YAT LEE**

*Managing Director, Malaysian, aged 83, Male*

Mr Chen Yat Lee was appointed as Managing Director of CYL on 6 June 2000. He has more than 50 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 300,000 sq. ft. of built-up factory and warehousing facilities fully owned by PJP in Shah Alam with a total workforce of 158 employees.

He is a major shareholder of CYL, details of which are set out on page 87 of the Annual Report 2024.

He does not hold any directorship in other public companies and listed issuers. He is the father of Mr Chen Teck Shin, Ms Chen Wai Ling and Mr Chen Teck Sun. He has no convictions for any offence within the past five years and has not been imposed any public sanction or penalty by any regulatory bodies during the financial year. He does not have any conflict of interest with the Company.

He attended all six Board meetings held during the financial year ended 31 January 2024.

## **CHEN TECK SHIN**

*Executive Director, Malaysian, aged 45, Male*

Mr Chen Teck Shin was appointed as Executive Director of CYL on 23 May 2017. He graduated in 1999 with a Bachelor of Commerce (Economics) Degree and went on to complete a Postgraduate Diploma in Accounting and Masters in Accounting from Macquarie University, Australia in 2000. He is a Chartered Accountant Member of the Malaysian Institute of Accountants. He is also a Certified Practising Accountant (CPA Australia). He was with Deloitte Touche Tohmatsu Tax Services Sdn. Bhd. as senior associate for 3 years before joining PJP in 2004. He is currently heading the Accounts and Human Resources Department of the CYL Group.

He is a major shareholder of CYL, details of which are set out on page 87 of the Annual Report 2024.

He does not hold any directorship in other public companies and listed issuers. He is the son of Mr Chen Yat Lee and brother of Ms Chen Wai Ling and Mr Chen Teck Sun. He has no convictions for any offence within the past five years and has not been imposed any public sanction or penalty by any regulatory bodies during the financial year. He does not have any conflict of interest with the Company.

He attended all six Board meetings held during the financial year ended 31 January 2024.

### **CHEN WAI LING**

*Executive Director, Malaysian, aged 49, Female*

Ms Chen Wai Ling 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 in 1998 and is currently heading the Administration and Purchasing Department of the CYL Group.

She does not hold any directorship in other public companies and listed issuers. She is the daughter of Mr Chen Yat Lee and sister of Mr Chen Teck Shin and Mr Chen Teck Sun. She

has no convictions for any offence within the past five years and has not been imposed any public sanction or penalty by any regulatory bodies during the financial year. She does not have any conflict of interest with the Company.

She attended all six Board meetings held during the financial year ended 31 January 2024.

Details of her shareholdings is set out on page 87 of the Annual Report 2024.

### **CHEN TECK SUN**

*Executive Director and also Alternate Director to Chen Yat Lee, Malaysian, aged 48, Male*

Mr Chen Teck Sun was appointed as the Alternate Director to Mr Chen Yat Lee on 21 December 2020 and as an Executive Director of CYL on 19 September 2022.

He holds a Foundation Studies Certificate from the University of Newcastle, Australia. He assumed the position of General Manager on 23 March 2014 and is primarily responsible for the CYL Group's Manufacturing Operations, Product Development and Sales Division.

He does not hold any directorship in other public companies and listed issuers. He is the son of Mr Chen Yat Lee and brother of Mr Chen Teck Shin and Ms Chen Wai Ling. He has no convictions for any offence within the past five years and has not been imposed any public sanction or penalty by any regulatory bodies during the financial year. He does not have any conflict of interest with the Company.

He attended all six Board meetings held during the financial year ended 31 January 2024.

### **ABDUL MALIK BIN A RAHMAN**

*Independent Non-Executive Director, Malaysian, aged 75, Male*

Encik Abd Malik Bin A Rahman was appointed as Independent Non-Executive Director and as a member of the Audit Committee, Nomination Committee and Remuneration Committee on 1 February 2023. On 30 March 2023, he was redesignated as the Chairman of the Audit Committee.

Encik Abd Malik Bin A Rahman is a Chartered Accountant member of the Malaysian Institute of Accountants (MIA), a Fellow of the Association of Chartered Certified Accountants (UK) (ACCA), and a member of the Malaysian Institute of Certified Public Accountants (MICPA).

Encik Abd Malik has held senior management positions in several companies covering diverse industries during his working career including oil & gas, manufacturing, fast moving consumer goods (FMCG), multi-level marketing (MLM) and port logistics.

Encik Abd Malik was formerly the Chairman of Affin Hwang Investment Bank Berhad, and formerly an independent director of Affin Bank Berhad, Affin Hwang Asset Management Berhad, Boustead Heavy Industries Corporation Berhad, Innity Corporation Berhad and Lee Swee Kiat Group Berhad.

Encik Abd Malik is currently the Chairman of Amway (Malaysia) Holdings Berhad and an independent director of Mah Sing Group Berhad, AYS Ventures Berhad, as well as a private limited company.

He has no family relationship with any Director and/or other major shareholder of the Company and has no convictions for any offence within the past five years and has not been imposed any public sanction or penalty by any regulatory bodies during the financial year.

He attended all six Board meetings held during the financial year ended 31 January 2024.

### **WAN KAI CHEE**

*Independent Non-Executive Director, Malaysian, aged 47, Male*

Mr Wan Kai Chee was appointed as Independent Non-Executive Director of CYL on 5 January 2024. He is a member of the Audit Committee and the Nomination Committee and Chairperson of the Remuneration Committee.

He obtained his LLB (Hons) from King's College London, England and has been admitted as an advocate and solicitor of the High Court of Malaya in 1998.

He is currently a partner and co-head of the Financial Services Department of Rahmat Lim & Partners. In active legal practice since 1999, focusing on initial public offerings and capital market transactions, investment fund formation, mergers and acquisitions and advising on regulatory matters including FinTech, Labuan and insurance laws.

He does not hold any directorship in other public companies and listed issuers. He has no family relationship with any Director and/or major shareholder of the Company and has no convictions for any offence within the past five years and has not been imposed any public sanction or penalty by any regulatory bodies during the financial year. He does not have any conflict of interest with the Company.

There were no Board meetings held during the financial year ended 31 January 2024 after his appointment date on 5 January 2024.

### **GAN KOK LING**

*Independent Non-Executive Director, Malaysian, aged 48, Female*

Ms Gan Kok Ling was appointed as Independent Non-Executive Director of CYL on 27 January 2022. She is a member of the Audit Committee, Remuneration Committee and Chairperson of the Nomination Committee.

She obtained her LLB (Hons) from the University of Nottingham, England and has been admitted as an advocate and solicitor of the High Court of Malaya in 1999. She has more than 24 years of experience as an advocate and solicitor in Malaysia and is currently a Partner in the banking and finance department of M/s Adnan Sundra & Low, Kuala Lumpur. In the first 2 years of her practice, she was extensively involved in corporate work including mergers and acquisitions, joint ventures and corporate restructuring exercises as well as real estate matters. Since 2002, she has been primarily involved in banking and finance (including Islamic finance) and debt capital market transactions.

Ms Gan Kok Ling is also an Independent Director of ELK-Desa Resources Berhad and a director of Oriental Kopi Holdings Berhad. Save as disclosed, she does not hold any directorship in other public companies and listed issuers.

She has no family relationship with any Director and/or other major shareholder of the Company and has no convictions for any offence within the past five years and has not been imposed any public sanction or penalty by any regulatory bodies during the financial year. She does not have any conflict of interest with the Company.

She attended all six Board meetings held during the financial year ended 31 January 2024.

## **PROFILE OF KEY SENIOR MANAGEMENT**

The disclosure on the particulars of Key Senior Management of CYL Group is made in compliance with the requirements under Appendix 9C of Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Key Senior Management of CYL Corporation Berhad comprises the Managing Director, Mr Chen Yat Lee, the Executive Directors Mr Chen Teck Shin, Ms Chen Wai Ling and Mr Chen Teck Sun.

Their profiles can be found under the Profile of the Board of Directors.

# CHAIRMAN'S STATEMENT

## FINANCIAL REVIEW

For the year under review, the Group turnover amounted to RM42.89 million with a loss before tax amounting to RM1.88 million. In the corresponding financial year ended 31 January 2023 ("FYE 2023"), the Group's turnover amounted to RM44.80 million with a loss before tax of RM77.74 thousand. The FYE2024 performance was primarily influenced by decrease in sales volume, adjustments in TNB tariffs and the Ringgit Malaysia's depreciation, leading to escalated utility costs, which significantly impacted the Group's overall performance.

## DIVIDENDS

Interim tax-exempt dividend of 0.50 sen per ordinary share amounting to RM500,000 in respect of the financial year ended 31 January 2024 was paid on 7 February 2024.

## REVIEW OF OPERATIONS

The evaluation of the financial year concluding on 31 January 2024, presented formidable challenges amidst a backdrop of global economic deceleration, escalating geopolitical tensions, currency depreciation, surging energy costs, and the volatility in resin prices. Throughout this period, the Group demonstrated unwavering vigilance in cost containment and

prioritizing lean and efficient operational practices to enhance productivity. Our dedication transcends mere operational efficiency; it encompasses judicious cost management while safeguarding the quality of our products. These efforts are pivotal in sustaining our position as a leading and preferred entity within the plastics packaging industry landscape.

## FUTURE PROSPECT

In the forthcoming financial year, the competitive landscape is anticipated to remain intense, presenting significant challenges for the Group. Heightened resin prices and escalating operating costs, coupled with potential government actions to rationalize fuel and electricity tariff subsidies, are poised to exert pressure on our major cost drivers, potentially eroding margins. Despite these formidable headwinds, the Group is proactively strategizing to uphold adequate liquidity levels, ensuring prompt fulfillment of our obligations as they arise. Capital expenditure will be judiciously allocated based on necessity and closely monitored. Against this backdrop, the Board remains steadfast in its commitment to enhancing productivity and efficiency, thereby fortifying the Company's performance amidst the prevailing market dynamics.

## ACKNOWLEDGEMENT

I would like to convey our sincere thanks to Ms Tang Soon Kuen who resigned from the Board effective 6 October 2023 for her contribution during her tenure. We warmly welcome Mr Wan Kai Chee who was appointed to the Board on 5 January 2024. We look forward to benefiting from his fresh insides, knowledge and experience.

On behalf of the Board of Directors, I would like to express our gratitude to all our valued customers, investors, business associated and shareholders for their continue support all these years. I also wish to express our sincere appreciation to the management team for their leadership as well as employees for their steadfast commitment, hard work and resilience, particularly during this challenging period.

To my fellow Directors, thank you for your invaluable guidance and contributions as we navigate through another challenging journey ahead.

**Tan Sri Abu Talib Bin Othman**  
*Chairman*

**THE GROUP IS PROACTIVELY STRATEGIZING TO UPHOLD ADEQUATE LIQUIDITY LEVELS, ENSURING PROMPT FULFILLMENT OF OUR OBLIGATIONS AS THEY ARISE.**

# MANAGEMENT DISCUSSION AND ANALYSIS

## Overview of Group's Business and Operations

The Group is mainly involved in the plastics packaging industry through its wholly-owned subsidiary, Perusahaan Jaya Plastik (M) Sdn. Bhd. ("PJP"). The Group has more than 40 years of experience in the industry and is focused on the 5ml and up to the 5,000ml segment of the packaging market. PJP uses advanced moulding technology namely blow moulding, injection moulding and injection blow moulding processes catering to the consumer toiletries and detergent, automotive lubricant, pharmaceutical and food industries. Value added services such as silk screen printing, bottle labelling and shrink tunnel sleeving are also part of the expertise of the Group. Apart from these, PJP also possesses in-house mould making capabilities, making it a one-stop centre for current and potential customers looking for plastics packaging solutions.

PJP's strength lies in its capability to cater to high volume production and warehousing, coupled with a dedication to ensuring and maintaining the quality of our products. The Group stands as one of the preferred plastic packaging manufacturers in the domestic market currently.

## Financial comparison for financial year ended 31 January 2024 ("FYE 2024") and financial year ended 31 January 2023 ("FYE 2023")

The Group's revenue for FYE 2024 was RM42.89 million, a decrease of RM1.91 million compared with RM44.80 million for FYE 2023. The lower revenue was mainly attributable to the decrease in sales volume.

The prevailing sentiment for FYE 2024 was characterized by considerable challenges. Given the demand elasticity inherent in the plastics packaging industry, the overarching slowdown in consumer markets exerted a notable drag on industry performance. Across

all segments served by the Group, except for the automotive lubricant sector, a decline in sales volume was observed year-on-year.

Specifically, the consumer detergent segment experienced a substantial downturn, registering a year-on-year decrease of 14%. Similarly, the food industry, a key recipient of the Group's offerings, witnessed an 11% decline in sales volume compared to the previous year.

Conversely, amidst this landscape of contraction, the automotive lubricant sector registered growth of 11% increase in sales volume year-on-year.

Total Cost of Goods Sold per Ringgit Malaysia of revenue increased by 4% year-on-year. This is due to the fact that one of the main cost drivers of the Group ie electricity has seen a marked increase of 17% year to year due to the increase in TNB tariff.

The tax credit for the Group was RM0.31 million in FYE 2024. A tax expense of RM0.1 million was provided in FYE 2023.

Cash and cash equivalents of the Group decreased year-on-year from RM9.27 million as at 31 January 2023 to RM7.29 million as at 31 January 2024. Capital expenditure in respect of property, plant and equipment was at RM1.12 million for FYE 2023 as compared to RM3.41 million in FYE 2024. The Group does not have any debt as at 31 January 2024.

## Dividend Policy

The Group does not have any formal dividend policy. An interim tax exempt dividend of 0.50 sen per ordinary share amounting to RM500,000 in respect of the FYE 2024 was paid on 7 February 2024.

## Prospects and Outlook

Going into the financial year ending 2025 ("FYE 2025"), we anticipate a landscape teeming unpredictability.

Global economic fluctuations, propelled by geopolitical tensions, trade intricacies, and the ongoing recovery from the pandemic's reverberations, will continue to paint an uncertain tableau. Of particular concern is the enigmatic trajectory of crude oil prices, deeply intertwined with the Group's primary raw material costs. The protracted surge in oil prices has cascaded into a drastic escalation of resin prices, amplifying our cost burdens. Moreover, potential governmental measures to recalibrate fuel and electricity subsidies loom ominously, further squeezing our margins and intensifying the challenges ahead.

However, in the face of these headwinds, the Group remains resolute in its commitment to cost rationalization and operational optimization. By enhancing production efficiency, bolstering productivity, and streamlining processes, we aim to mitigate cost pressures and safeguard liquidity amidst this turbulent economic backdrop. Despite the prevailing market malaise, our steadfast focus on fortifying internal mechanisms positions us to navigate these challenges with resilience.

In sum, while the broader market may present formidable hurdles, our unwavering dedication to prudent management practices and operational excellence underscores our readiness to confront the complexities of FYE 2025.

## Forward Looking Statements

This Annual Report contains forward looking statements. Any such statements are subject to risks and uncertainties that could cause the Group's actual results to differ materially. This is especially the case in FYE 2025 due to the uncertain nature surrounding the economic sentiment in general coupled with the geopolitical tensions and trade intricacies.

# SUSTAINABILITY STATEMENT 2024

## 1.0 ABOUT THIS STATEMENT

CYL Corporation Berhad (“CYL” or “the Group”) Annual Sustainability Statement (“this Statement”) encompasses our sustainability efforts and highlights the Group’s sustainability performance for the year ended 2024 (“FYE 2024”). It describes the sustainability initiatives we have executed in our business and operations for the interest and benefit of our stakeholders and the environment. This Statement captures the progress, achievements and challenges in the Environmental, Social and Governance (“ESG”) aspects in our sustainability journey.

## 1.1 REPORTING SCOPE AND BOUNDARIES

The scope of this Statement covers the operations of CYL and its wholly-owned subsidiary company, Perusahaan Jaya Plastik (M) Sdn. Bhd. This Statement includes comparative historical data wherever applicable and/or available. Relevant targets and key performance indicators have been established, tracked and disclosed to the best of our ability within this Statement. The Board of Directors have reviewed and approved this Statement.

## 1.2 REPORTING GUIDELINES AND REFERENCE

This Statement has been prepared in accordance to the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia and its Sustainability Reporting Guide 3rd Edition. Our sustainability strategies are further aligned with the United Nations Sustainable Development Goals (“UN SDG”) targets.

## 1.3 ASSURANCE

The Group has undertaken independent auditing and assurance for financial data presented in this statement where the figures can be cross referenced to

the Financial Statements in the Annual Report 2024.

This Statement has not been subjected to an assurance process. The Group plans to undertake an assurance exercise of sustainability-related data and/or Sustainability Statement for year ending 2025.

## 1.4 REPORTING PERIOD AND FREQUENCY

The Group reports the sustainability initiatives and performances annually. This Statement covers the reporting period of 1 February 2023 to 31 January 2024.

## 1.5 FORWARD-LOOKING STATEMENTS

The Group has included forward-looking statements such as targets, future plans and reasonable assumptions that were set in regard to future performances, which are based on presently available information and current operating environment conditions. However, readers should be advised not to place undue reliance on such statements as our business is subject to risks and uncertainties that are beyond our control. Actual results may differ.

## 1.6 FEEDBACK

The Group welcomes feedback, suggestions and comments from its valued stakeholders for improvements in sustainability practices, performances and reporting.

Kindly submit your enquiries or feedback to:

CYL Corporation Berhad  
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@cylcorporation.com

## 2.0 OUR BUSINESS

CYL is a leading plastic packaging manufacturer listed on the Main Market of Bursa Malaysia Securities Berhad (“Bursa Malaysia”) since 2003. The Group’s state-of-the-art manufacturing facility, together with warehousing facilities spanning 496,492 square feet, is located in Selangor, Malaysia. Its wholly-owned subsidiary company, Perusahaan Jaya Plastik (M) Sdn. Bhd. (“PJP”) has been a leading manufacturer serving the packaging needs of its valued customers, mostly multi-national companies in catering to lubricant, food industry and others.

The foundation of the Group since it was founded in 1980 remains steadfast in providing **packaging solutions to meet the purpose of protection, convenience and safety** to its valued customers.

## 2.1 OUR APPROACH TOWARDS SUSTAINABILITY

Sound governance is key to drive CYL’s sustainability strategy. The Group’s sustainability is integrated into the overall corporate governance structure.

With the introduction of new disclosures by Bursa Malaysia, strategic planning and decision-making on sustainability and climate-related matters have become more crucial. The Group’s governance structure ensures the sustainability agenda is given sufficient oversight by the Board. This approach allows for the management of the economic, environmental and social risks and opportunities (“sustainability matters”) to be progressively integrated into strategic decision-making as sustainability concerns can now be given due consideration at the Board-level based on the ESG data.



**2.2 GOVERNANCE STRUCTURE**

Board of Directors	Board level oversight of the Group’s sustainability objectives, provide directions to ensure alignment between the business model and objectives with sustainability matters. The Board keeps abreast with latest sustainability developments through trainings.
ESG Committee	Develop and manage sustainability strategies, priorities and targets, and oversees the reporting on progress achieved as well as challenges faced so correction action can be made for sustainability matters.
ESG Working Group	Carry out implementation of the sustainability strategies and plans involving ESG data.

**2.3 SUSTAINABILITY AND BOARD**

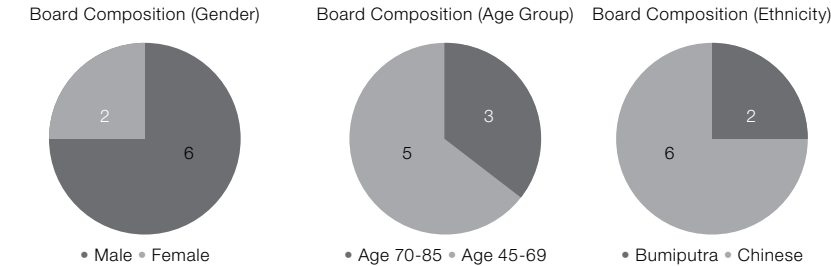
The Board is currently exploring ways to strengthen its performance evaluation by incorporating relevant criteria to significant sustainability-related areas. This concept will be under study to evaluate its impact on other policies, including the Remuneration Policy.

CYL values diversity in its Board by selecting individuals from various professional backgrounds, experiences, and competencies. This diversity of skills and talents help with perspectives and insights for better decision-making. An overriding principle is that all appointments to the Board will be based upon merit, experience, qualification, character, time commitment and integrity and contribution the candidates may bring to the Board.

CYL also supports the Malaysian Government aspirations to achieve at least 30% female directors on the Board of listed entities and currently **25% of the Board is made up of female directors**. The Board Diversity Policy can be found at the Group’s corporate website at [www.cylcorporation.com](http://www.cylcorporation.com).

**2.4 ZERO TOLERANCE TO CORRUPTION APPROACH AND WHISTLEBLOWING**

CYL has implemented the Anti-Bribery and Anti-Corruption Policy (“ABAC”) in line with the requirements of Malaysian Anti-Corruption Commission Act. The Board provides oversight on the



Policy. To encourage employees and stakeholders to report any misconduct, wrongdoings, corruption, fraud or abuse of power, CYL has also established a Whistleblowing Procedure. The ABAC Policy and Whistleblowing Policy can be found at the Group’s corporate website at [www.cylcorporation.com](http://www.cylcorporation.com).

ABAC Policy and Whistleblowing Policy are disseminated within the workplace through internal communication channels and have been effectively communicated to office employees via email. There has been no structured training carried out during the reporting period. There has been **zero confirmed incidents of corruption**.

**2.5 MEMBERSHIP IN ASSOCIATION**

The Group via PJP is a member of Malaysian Plastic Manufacturers Association, Malaysia.

**2.6 CERTIFICATION OF MANAGEMENT SYSTEM**

The Group via PJP is certified under the ISO 9001 Quality Management System by SIRIM QAS International Sdn. Bhd., Malaysia.

**2.7 OUR STAKEHOLDERS**

As in previous financial year, FYE 2024 sees the Group continue to engage with its diverse stakeholders over a wide range of communication platforms and channels.

Engaging stakeholders support the Group in determining material sustainability topics by understanding how these individuals or groups can impact the business model in terms of its capital, brand reputation and value creation. The outcomes from undertaking stakeholders’ engagement initiatives could result in stronger economies, better product range which support better living conditions, and more opportunities.

CYL deems a stakeholder to be an individual or a group that has an effect on, or is affected by the Group’s business. As the Group begins to look forward towards transitioning into a low-carbon economy, the engagement with the stakeholders provides crucial insights, fosters collaborative efforts and ensures alignment with broader ESG goals.





No	Stakeholder	Engagement Channels	Needs and Expectations	Relevant Material Topics	Outcomes / Value created
1	Investors or shareholders	<ul style="list-style-type: none"> <li>Corporate website</li> <li>Annual Reports</li> <li>Media release</li> <li>Virtual or Physical Meetings</li> </ul>	<ul style="list-style-type: none"> <li>Good reputation</li> <li>Profitability</li> <li>Products to meet changing demands</li> <li>Compliance</li> </ul>	<ul style="list-style-type: none"> <li>Customer satisfaction</li> <li>Production quality</li> <li>Financial performance</li> <li>Ethical Business Conduct</li> </ul>	Regular engagement and meetings to deliver credible information
2	Employees	<ul style="list-style-type: none"> <li>Internal communications</li> <li>Whistleblowing channel</li> <li>Virtual or Physical Meetings</li> </ul>	<ul style="list-style-type: none"> <li>Occupational Health and safety</li> <li>Fair employment practices</li> <li>Training and development</li> <li>Secure employment</li> </ul>	<ul style="list-style-type: none"> <li>Health and safety</li> <li>Fair employment practices</li> <li>Training and development</li> </ul>	<ul style="list-style-type: none"> <li>A safe and secured workplace</li> <li>Enhanced skilled employees</li> </ul>
3	Customers	<ul style="list-style-type: none"> <li>Corporate website</li> <li>Mobile and email communications</li> <li>Conformance Audits</li> <li>Satisfaction surveys</li> <li>Virtual or Physical Meetings</li> </ul>	<ul style="list-style-type: none"> <li>Compliance to product specifications</li> <li>Quality products and services</li> <li>Fair pricing</li> <li>Delivery requirements</li> </ul>	<ul style="list-style-type: none"> <li>Product Responsibility and Quality</li> <li>Health and Safety</li> </ul>	Enhanced customer satisfaction
4	Suppliers	<ul style="list-style-type: none"> <li>Mobile and email communications</li> <li>Satisfaction surveys</li> <li>Virtual or Physical Meetings</li> </ul>	<ul style="list-style-type: none"> <li>Compliance to specifications</li> <li>Honour agreements</li> <li>Fair price</li> <li>Continued business</li> </ul>	<ul style="list-style-type: none"> <li>Financial Performance</li> <li>Ethical Business Conduct</li> </ul>	Cost effective and reliable delivery of goods and services
5	Authorities	<ul style="list-style-type: none"> <li>Mobile and email communications</li> <li>Site visits and inspections</li> <li>Surveys</li> <li>Virtual or Physical Meetings</li> </ul>	<ul style="list-style-type: none"> <li>Demonstration of compliance</li> <li>Support Government policies</li> <li>Responsive communications and actions</li> </ul>	<ul style="list-style-type: none"> <li>Health and Safety</li> <li>Overall compliance</li> <li>Pollutions</li> <li>Ethical Business Conduct</li> </ul>	Demonstration of continued compliance with requirements
6	Financial institutions	<ul style="list-style-type: none"> <li>Mobile and email communications</li> <li>Virtual or Physical Meetings</li> </ul>	<ul style="list-style-type: none"> <li>Manage risks to ensure financial soundness</li> </ul>	<ul style="list-style-type: none"> <li>Financial performance</li> <li>ESG Matters</li> </ul>	Corporate credibility and financial soundness

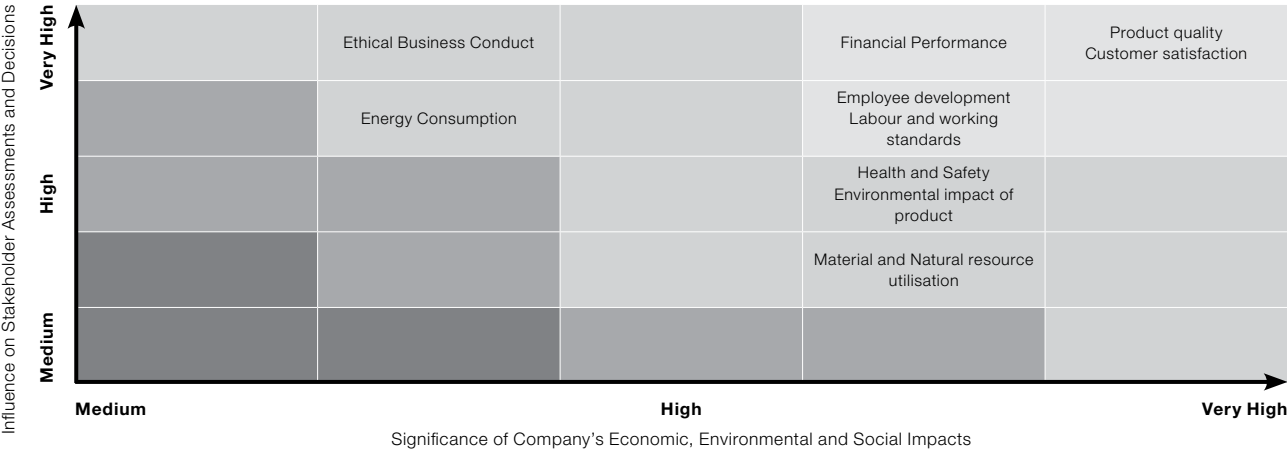
**2.8 OUR MATERIAL TOPICS**

CYL carried out a fresh materiality assessment during this reporting period with a four-step process, aided by inputs from prioritised stakeholders, industry information and global trends.

Identification of Material Matters	The Group published its Sustainability Statement since 2018 in accordance to Bursa Malaysia’s MMLR requirements. In 2022, the sustainability reporting requirements have been enhanced to elevate disclosures. First step to materiality assessment is the understanding the Group’s distinctive operating context.
List of Material Matters	A list of preliminary sustainability matters spanning Economic, Environment and Social for the Group were derived at and identified. Key stakeholders were identified to understand their needs and expectations pertaining to sustainability related impacts.
Stakeholders’ Engagement	The Group applied the materiality concept and undertook a stakeholder engagement, internal and external, in prioritisation within the resources available. Key stakeholders were engaged via an online survey for them to rank and rate the material topics from their standpoint, in relation to their deemed interest and importance to the Group.
Materiality Matrix	The results gathered from the survey were tabulated using best practices and statistical analysis involving weightage for key stakeholders. The results were plotted to a Sustainability Materiality Matrix where the results show the prioritisation of topics.

**2.9 PRIORITISED MATERIALITY TOPICS**

The prioritised sustainability matters are seen in the outermost section in the Sustainability Materiality Matrix below.



**2.9.1 Summary list of prioritised material topics**

The prioritised sustainability matters in the outermost section in the Sustainability Materiality Matrix appear in **bold** in the table below.

<b>Economic Progress</b>	<b>Environment</b>	<b>People</b>
<b>Financial performance</b>	Energy consumption	<b>Labour and working standards</b>
<b>Product quality</b>	Environmental impact of product	<b>Employee development</b>
<b>Customer satisfaction</b>	Material and Natural Resource utilisation	Health and Safety
		Ethical business conduct



## 2.9.2 Overview of the prioritised material topics and its risks and opportunities

The results of the Materiality Assessment revealed the material issues that were most significant to stakeholders based on their impact on CYL and CYL impact on the issues. These material issues findings are information on how CYL can best carry out resource allocation, in the short term and long term. The Group recognised that the prioritised matters are intrinsically linked to its long-term value creation for the business and stakeholders.

The Group will invest in areas where our valued customers can derive enhanced satisfaction from our products and services. This investment is intricately linked to the Group's proven ability to maintain product quality and safety standards. The Group's commitment to customer satisfaction not only contributes to value creation but also enhances financial performance.

Changes in the market and industry are driving trends in packaging solutions to align with the transition towards a low-carbon economy. The Group remains committed to addressing customers' needs for sustainable solutions by continuing investments in state-of-the-art manufacturing facilities and systems to meet emerging trends and innovations.

The Group also recognises and remains dedicated to the continuous development and training of its employees, ensuring compliance with evolving labour and working standards. This commitment is integral to the Group's business operations and crucial for long term value creation.

The results of the Materiality Assessment are approved by the Board of Directors.

## 3.0 OUR FOCUS AREAS

### 3.1 ECONOMIC CONTRIBUTION

Though the business model, the Group has generated and distributed significant economic value to its stakeholders, supporting socioeconomic development through its creation of financial values.

Economic Contributions (in RM)	FYE 2024	FYE 2023	FYE 2022
Revenue	42,893,264	44,796,221	49,312,015
Salaries, wages and emoluments	8,365,953	7,744,634	7,030,303
Raw materials and consumables used	23,143,651	25,571,747	27,748,870
Current tax provision	23,058	-	-
Dividends to shareholders	500,000	-	1,000,000
Equity	61,341,677	63,374,238	63,512,665

### 3.2 SUPPORTING LOCAL SUPPLIERS

CYL supports sustainable supply chains and promotes the growth of local businesses. This approach supports CYL's business strategy as well as provides efficiency and productivity. Local suppliers, referring to those from Malaysia, shall be prioritised where ever possible. All new suppliers shall be screened using environmental and social criteria to assess their impacts.

**The local supplier spending for FYE 2024 was 47%.**

### 3.3 PRODUCT RESPONSIBILITY AND QUALITY

CYL's strives to deliver products within safety and quality standards, including certification under the ISO 9001 Quality Management System and various international standards and regulations. As part of the supply chain for its valued customers, CYL strives to meet fully with the requirements from customers who specify the standards and criteria for compliance in order which health and safety impacts are considered.

There has been **zero incidents of non-compliance with regulations** concerning health and safety impact of products.

There was also **zero incidents of recalls issued for any reasons**, including health and safety reasons.

### 3.4 PEOPLE – DIVERSITY

CYL continues to prioritize increasing diversity within its employee pool. Currently, male employees constitute two-thirds of the workforce, mainly due to their suitability for production conditions. The production workforce includes both local and foreign workers. While the overall headcount at CYL remains constant, the Group's focus has been on continuously strengthening the management team. Concurrently, the Group has strategically planned to reduce dependence on manual labour through investments in automation wherever feasible, aiming to achieve higher overall production efficiency.

**Total employees were 147 comprising 53% local and 47% foreign.**

**New hire was 54 and turnover was 54.**

Total FYE 2024	Number of Employees							
	< 30 years		30-50		> 50 years		Total	
Category / Gender	M	F	M	F	M	F	M	F
Manager	0	0	0	2	0	0	0	2
Executive	0	2	4	10	0	3	4	15
Others	34	1	54	18	7	12	95	31
<b>Total</b>	<b>34</b>	<b>3</b>	<b>58</b>	<b>30</b>	<b>7</b>	<b>15</b>	<b>99</b>	<b>48</b>

Total FYE 2024	Employees in percentage							
	< 30 years		30-50		> 50 years		Total	
Category / Gender	M	F	M	F	M	F	M	F
Manager	0%	0%	0%	1%	0%	0%	0%	1%
Executive	0%	1%	3%	7%	0%	2%	3%	10%
Others	23%	1%	37%	12%	5%	8%	65%	21%
<b>Total</b>	<b>23%</b>	<b>2%</b>	<b>39%</b>	<b>20%</b>	<b>5%</b>	<b>10%</b>	<b>67%</b>	<b>33%</b>

Total FYE 2023	Number of Employees							
	< 30 years		30-50		> 50 years		Total	
Category / Gender	M	F	M	F	M	F	M	F
Manager	0	0	0	1	0	0	0	1
Executive	0	1	5	7	0	4	5	12
Others	28	4	57	19	8	13	93	36
<b>Total</b>	<b>28</b>	<b>5</b>	<b>62</b>	<b>27</b>	<b>8</b>	<b>17</b>	<b>98</b>	<b>49</b>

Total FYE 2023	Employees in Percentage							
	< 30 years		30-50		> 50 years		Total	
Category / Gender	M	F	M	F	M	F	M	F
Manager	0%	0%	0%	1%	0%	0%	0%	1%
Executive	0%	1%	3%	5%	0%	3%	3%	9%
Others	19%	3%	39%	13%	5%	9%	63%	25%
<b>Total</b>	<b>19%</b>	<b>3%</b>	<b>42%</b>	<b>18%</b>	<b>5%</b>	<b>12%</b>	<b>67%</b>	<b>33%</b>

New hires FYE 2024	Percentage							
	< 30 years		30-50		> 50 years		Total	
Category / Gender	M	F	M	F	M	F	M	F
Manager				2%			0%	2%
Executive		2%	2%	17%			2%	19%
Others	33%	9%	30%	6%			63%	15%
<b>Total</b>	<b>33%</b>	<b>11%</b>	<b>31%</b>	<b>24%</b>	<b>0%</b>	<b>0%</b>	<b>65%</b>	<b>35%</b>

Turnover FYE 2024	Percentage							
	< 30 years		30-50		> 50 years		Total	
Category / Gender	M	F	M	F	M	F	M	F
Manager							0%	0%
Executive			4%	11%			2%	4%
Others	30%	13%	31%	7%			2%	61%
<b>Total</b>	<b>30%</b>	<b>13%</b>	<b>35%</b>	<b>19%</b>	<b>0%</b>	<b>4%</b>	<b>65%</b>	<b>35%</b>

There are 18 numbers of employees who are contractors or temporary staff.

### 3.5 PEOPLE – DEVELOPMENT

CYL continues its investment in recruitment, training, and development focusing on enhancing both technical expertise and soft skills among employees. Special emphasis is placed on health and safety measures including hazard identification and operational safety, to mitigate potential accidents and minimize production downtime.

**There was zero substantiated complaints concerning human rights violations.**

Hours of training by employee category	No of Employees trained	No of training hours
Manager	2	32
Executive	19	136
Others	126	72
<b>Total</b>	<b>147</b>	<b>240</b>

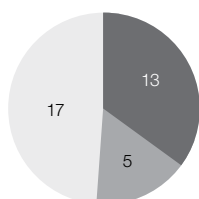
### 3.6 PEOPLE – HEALTH AND SAFETY

The Group acknowledges the paramount importance of health and safety for all its employees. We are proud to report **zero fatalities** within our workforce.

Throughout the reporting period, while maintaining rigorous safety protocols, there were **twelve minor work-related incidents and zero major work-related incidents and zero Lost Time Incident Rate**, a testament to our commitment to ensuring a safe and secure work environment for every member of our team.

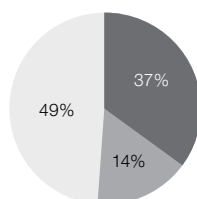
Work-related Incidence	Employee	Non-employee
Fatalities	0	0
Injuries Requiring Hospitalization (Major)	0	0
Injuries Not Requiring Hospitalization (Minor)	12	0
<b>Total</b>	<b>12</b>	

Employees Trained in Health and Safety Standards (in numbers)



• Admin • Production • General Workers

Employees Trained in Health and Safety Standards (in percentage)



• Admin • Production • General Workers

### 3.7 DATA PRIVACY AND SECURITY

During the reporting period, there has been **zero substantiated complaints concerning breaches of customer privacy.**

### 3.8 ENVIRONMENT

CYL actively manages its environmental impacts through the implementation of robust operating practices and strict adherence to applicable standards and regulations set forth by the Department of Environment, Malaysia, and other pertinent regulatory bodies. During the reporting period, CYL received **no substantiated**

**penalties or complaints related to environmental matters,** reaffirming our dedication to sustainable operations and environmental stewardship.

#### 3.8.1 Energy consumption

CYL remains steadfast in its commitment to managing its energy consumption, which predominantly relies on fossil fuels sources currently. Specifically, the Group utilizes electricity to power a diverse array of production machinery and equipment, while petrol and diesel fuel its fleet of vehicles and forklifts. Additionally, Liquefied Petroleum Gas is employed for operating forklifts and equipment.

CYL currently relies on electricity sourced from the national grid, which contributes to greenhouse gas emission. In response to this concern, CYL intends to investigate energy management strategies aimed at reducing its energy consumption intensity. These strategies may encompass transitioning to electricity derived from alternative renewable sources. Energy consumption intensity will be calculated based on revenue per unit.

#### 3.8.2 Water, Effluent and Air Emissions

CYL sources its water from municipal sources. Primarily, water is utilized within specific cooling systems throughout the production processes, where it undergoes recycling, with additional top-ups necessary only to compensate for evaporation. Water is also used for general purposes. Recognizing the finite and essential nature of water resources, CYL is committed to exploring strategies to minimize water consumption. This includes investigating the feasibility of incorporating harvested rainwater as an alternative water source.

Apart from sewage, which is treated in accordance with local regulatory standards, there is no effluent discharge, air emissions of pollutants, or particulates from the production processes.

Total Energy Consumption	Unit	FYE 2024	Energy Consumption Intensity*
Purchased Electricity from Grid	KwH	8,540,432	0.1991
Fuel consumption (petrol)	Liter	19,770	0.0005
Fuel consumption (diesel)	Liter	188,719	0.0004
Fuel consumption (gas)	Kg	10,728	0.0003
<b>Revenue</b>	<b>RM</b>	42,893,264	

Total Water Consumption	Unit	FYE 2024	Water Consumption Intensity*
Purchased water	Liter	49,697	0.0012
<b>Revenue</b>	<b>RM</b>	42,893,264	

### 3.8.3 Packaging Material

Total Packaging Consumption	Unit	FYE 2024	Source
Carton	Kg	62,338	Recycled, Renewable
Tray	Kg	12,600	Recycled, Renewable
Plastic bags	Kg	33,911	Non-renewable
Film and tape	Kg	24,896	Non-renewable

## 4.0 SUSTAINABILITY PERFORMANCE DATA

The table below contains reference from Bursa Malaysia's Sustainability Reporting Guide 3rd Edition.

	Disclosure	Ref	Section Reference
<b>1</b>	<b>Anti-corruption</b>		
	<i>% of employees who have received training on anti-corruption</i>	C1(a)	2.4
	<i>% of operations assessed for corruption related risks</i>	C1(b)	
	<i>Confirmed incidents of corruption and action taken</i>	C1(c)	
<b>2</b>	<b>Community / Society</b>	C2	No data reported
<b>3</b>	<b>Diversity</b>		
	<i>% of employees by gender and age group, by category</i>	C3(a)	3.4
	<i>% of directors by gender and age group</i>	C3(b)	2.3
<b>4</b>	<b>Energy management</b>		
	<i>Total energy consumption</i>	C4(a)	3.8.1
<b>5</b>	<b>Health and Safety</b>		
	<i>Number of work-related fatalities</i>	C5(a)	3.6
	<i>Lost time incident rate</i>	C5(b)	
	<i>Number of employees trained on health and safety standards</i>	C5(c)	
<b>6</b>	<b>Labour practices and standards</b>		
	<i>Total hours of training by employee category</i>	C6(a)	3.4
	<i>% of employees that are contractors or temporary staff</i>	C6(b)	
	<i>Total number of employee turnover by employee category</i>	C6(c)	3.5
	<i>Substantiated complaints concerning human rights violations</i>	C6(d)	
<b>7</b>	<b>Supply chain management</b>		
	<i>Proportion of spending on local suppliers</i>	C7(a)	3.2
<b>8</b>	<b>Water</b>		
	<i>Total volume of water</i>	C9(a)	3.8.2
<b>9</b>	<b>Customer Health, Safety / Product Responsibility</b>		
	<i>% of product which health and safety are assessed</i>	S3(a)	3.3
	<i>No of incidents of non-compliance with regulations</i>	S3(b)	
	<i>No of recalls issued for health and safety reasons</i>	S3(c)	
<b>10</b>	<b>Emissions – Air Quality / Pollution</b>		
	<i>Amount of air emissions and pollutants</i>	S4(a)	3.8.2
<b>11</b>	<b>Materials</b>		
	<i>Total weight materials that are used to produce and package products and services</i>	S5(a)	3.8.3

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“Board”) of CYL Corporation Berhad (“CYL” or “the Company”) and its subsidiaries (collectively referred to as the “Group” or “CYL Group”) acknowledges the importance of enhancement of corporate governance practices outlined in the Malaysian Code on Corporate Governance (“MCCG” or “the Code”). It is the Board’s responsibility and commitment to ensure that high standards of corporate governance are being practised in the Group, thereby safeguarding the assets of the Group and its shareholders’ investments. The Board believes that it has substantially applied the recommendations set out in the Code.

The Board is pleased to report an overview on the extent to which the Principles set out in the Code were applied throughout the financial year ended 31 January 2024 (“FYE 2024”) in this Corporate Governance (“CG”) Overview Statement. The application of the Practices set out in the Code throughout FYE 2024 is also disclosed to Bursa Malaysia Securities Berhad (“Bursa Securities”) in the CG Report which are available on the Company’s corporate website at [www.cylcorporation.com](http://www.cylcorporation.com).

The Board considers that the Company has applied all Practices under the MCCG with the exception of the following Practice:-

- Practice 5.2 (At least half of the board comprises independent directors);
- Practice 5.9 (The Board comprises at least 30% women Directors).

The explanation for the departures is disclosed in the CG Report.

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

### 1. Roles and Responsibilities

The Board takes full responsibility for the overall direction and performance of the Group. The role of Management is to run the general business operations and activities and manage the Group’s financial matters in accordance with established delegated authority from the Board.

Matters reserved for Board deliberation and decision are broadly categorised as below:-

- Leadership and Strategy;
- Capital and Structure;
- Financial and Risk Management;
- Human Capital;
- Stakeholders; and
- Statutory, Regulatory and Administrative matters.

The Board assumes the following duties and responsibilities:-

- together with Senior Management, promote good corporate governance culture within the Company which

reinforces ethical, prudent and professional behaviour;

- review, challenge and decide on Management’s proposals for the Company, and monitor its implementation by Management;
- ensure that the strategic plan of the Company supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability;
- supervise and assess Management’s performance to determine whether the business is being properly managed;
- ensure there is a sound framework for internal controls and risk management;
- understand the principal risks of the Company’s business and recognise that business decisions involve the taking of appropriate risks;
- set the risk appetite within which the Board expects Management to operate and ensure that there is an appropriate risk management framework to identify, analyse,

evaluate, manage and monitor significant financial and non-financial risks;

- ensure Senior Management has the necessary skills and experience, and there are measures in place to provide for the orderly succession of Board and Senior Management;
- ensure the Company has in place procedures to enable effective communication with stakeholders;
- ensure all Directors are able to understand financial statements and form a view on the information presented; and
- ensure the integrity of the Company’s financial and non-financial reporting.

To facilitate the discharge of the Board’s responsibility and oversight role, the Board is assisted by various Board Committees, namely the Audit Committee (“AC”), Nomination Committee (“NC”) and Remuneration Committee (“RC”), which have been established with Terms of Reference setting out their duties and responsibilities. The Chairman of the



respective Board Committees reports regularly to the Board on the outcome of the Board Committee meetings, updates the Board on significant issues and concerns discussed and makes the necessary recommendations to the Board.

The Board is collectively responsible for any decision taken by any Board Committee. A Board Committee may only perform the tasks delegated to it by the Board and should not exceed the authority conferred on it by the Board. Decisions which by law should be made by the Board shall not be delegated to a Board Committee.

## 2. Chairman and Managing Director

The positions of Chairman and Managing Director (“MD”) are held by different individuals. The Chairman of the Board is a Non-Independent Non-Executive Director. There is a clear division of responsibilities between the Chairman and MD 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 MD is responsible for overall operations and effective implementation of the Board’s decisions and policies.

The responsibilities of the Chairman, amongst others, are as follows:-

- leading the Board in setting its values, ethical standards and good corporate governance practices in the Group;
- developing corporate strategies;
- attaining long-term growth objectives of the Group;
- leading Board discussions, encourage active participation and allowing dissenting views to be freely expressed;
- setting the agenda for Board Meetings with assistance of the

Company Secretary and ensuring all relevant issues for the effective running of the Group’s businesses are on the agenda;

- managing the interface between Board and Management;
- ensuring proper flow of information to the Board, reviewing adequacy and timing of documentary materials in support of Management’s proposal and review of performance of the Company and/or Group;
- ensuring effective communication with shareholders and relevant stakeholders;
- ensuring compliance with all relevant regulations and legislations; and
- presiding over the Board and general meetings of the Company.

The responsibilities of the MD are as follows:-

- oversee the day-to-day operations of the Group and implement the strategies, plans, budgets and policies approved by the Board;
- develop and recommend to the Board the strategic business plans, annual operating plans and budgets that support the Group’s short-term and long-term strategies in consultation with the Chairman;
- monitor the performance of the Group against the performance and sustainability targets and reporting to the Board;
- provide strong leadership to employees of the Group;
- act as a liaison between the Board and Management;
- drive strategic management of material sustainability matters;
- assess business opportunities which are of potential benefit to the Group;
- assess the principal risks of the Group and ensuring that these risks are being monitored and managed;
- communicate effectively with shareholders, employees,

Government authorities, other stakeholders and the public;

- keep the Board fully informed of all important aspects of the Group’s operations and bring material and other relevant matters to the attention of the Board in an accurate and timely manner;
- ensure effective internal controls and legal compliance and governance measures are deployed; and
- act within specific authorities delegated by the Board and ensure the limits of authority accorded by the Board are observed.

## 3. Qualified and Competent Company Secretaries

The Board is supported by qualified Company Secretaries. The Company Secretaries ensure that the Board’s actions and policies are in compliance with the relevant regulatory requirements i.e. Main Market Listing Requirements (“MMLR”) of Bursa Securities and companies legislation related to the Group. The Company Secretaries attend meetings of the Board and shareholders and ensure that the meeting proceedings are properly convened and recorded.

The Company Secretaries also serve notices to the Directors and Principal Officers on the closed periods for trading in CYL’s shares pursuant to Chapter 14 of the MMLR of Bursa Securities.

On 31 January 2024, there were change of Company Secretaries of the Group. The Company Secretaries are qualified to act as secretaries under Section 235(2) of the Companies Act 2016. The Board is satisfied with the performance and support rendered by the Company Secretaries in assisting them to discharge their duties.



#### **4. Access to Information and Independent Advice**

All Directors have full unrestricted access to timely information pertaining to the Company. The agenda for every Board and Board Committees meeting, together with a set of Board and Board Committees papers are furnished to all Directors for their perusal prior to the Board and Board Committees meetings. This is to ensure sufficient time is given to enable the Directors to review and consider the agenda items to be deliberated at the Board and Board Committees meetings. The Board and Board Committees papers include, amongst others, quarterly financial reports, year-end financial statements of the Group and annual budget. The Board can at any time request for additional information pertaining to any agenda items to be deliberated prior to or post Board and Board Committees meeting. In most instances, the Senior Management are invited to be in attendance at Board meetings to provide insight and to furnish clarification on issues that may be raised by the Board.

The Directors, collectively or individually, have unrestricted access to the advice and services of the Company Secretaries, Senior Management and independent professional advisers including the External Auditors, at the Company's expense.

The Directors may exercise their right to obtain independent professional advice and information in accordance with the steps set out in the Board Charter.

#### **5. Board Charter**

The Board Charter provides guidance for Directors and Management regarding the responsibilities of the Board, its Board Committees and Management, the requirements of Directors in carrying out their stewardship role and

in discharging their duties towards the Company as well as boardroom activities.

The Board Charter shall be periodically reviewed and updated in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Board's duties and responsibilities. The Board Charter is available for reference in the Company's corporate website at [www.cylcorporation.com](http://www.cylcorporation.com).

#### **6. Formalised Ethical Standards through Code of Conduct, Whistleblowing Policy and Anti-Corruption and Bribery Policy**

The Board is committed to creating an environment whereby ethics and professionalism are placed in the highest priority in line with good corporate governance practices. The Board shall observe and adhere to the Code of Conduct. The Board has also adopted Whistleblowing Policy and Anti-Corruption and Bribery Policy.

The Code of Conduct, Whistleblowing Policy and Anti-Corruption and Bribery Policy are available on the Company's corporate website at [www.cylcorporation.com](http://www.cylcorporation.com).

#### **7. Composition of the Board**

The Board consists of four (4) Executive Directors, three (3) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director.

The Directors' profiles are presented on pages 9 to 11 of the Annual Report 2024.

Following the resignation of Ms Tang Sook Kuan on 6 October 2023, the Company had appointed a new Independent Director, Mr Wan Kai Chee to the Board on 5 January 2024 to fill in the vacancy.

The Board carries out an annual assessment on the Directors and Board Committees. The Board, having taken into consideration the size of the Group, is of the view that 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. The Chairman is a Non-Independent Non-Executive Director and is not involved in the daily operations of the Company. As Chairman, he ensures proper balance of power and authority on the Board by encouraging robust discussions during meetings.

The Independent Non-Executive Directors also provide an element of objectivity, independent views, evaluations, check and balance on Board deliberations and decisions. This ensures that the interests of the Group, shareholders, employees, customers, suppliers and other business associates are safeguarded.

The Independent Non-Executive Directors are persons of high calibre, credibility and have the skills 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 more than one-third of the membership of the Board.

#### **8. Tenure of an Independent Director**

The Board assesses the independence of the Independent Non-Executive Directors annually. The Independent Non-Executive Directors with their varied backgrounds bring with them an external perspective, helping to develop and strengthen the Company's policies and procedure contributing to the strategy and goals of the Company

by being objective and assessing the business direction in an unbiased perspective.

The Board has assessed the independence of the Independent Non-Executive Directors and is satisfied with the level of independence demonstrated.

In accordance with the Company's Board Charter, the tenure of an Independent Non-Executive Director should not exceed a cumulative term limit of nine (9) years. Upon completion of the nine (9) years, an Independent Non-Executive Director may continue to serve on the Board, subject to the Director's re-designation as a Non-Independent Director.

The Board must provide justification and seek annual shareholders' approval in the event it intends to retain an Independent Non-Executive Director who has served in that capacity for more than nine (9) years, through a two-tier voting process – Tier 1: only the large shareholder(s) and Tier 2: shareholders other than large shareholders, in accordance with the MCCG.

The Company does not have any Independent Non-Executive Director who has served for a term exceeding nine (9) years.

The Board has through the NC, assessed Encik Abdul Malik Bin A Rahman and Ms Gan Kok Ling (except for Mr Wan Kai Chee) and is satisfied that they are independent and free from any relationship or conflict of interest situation, which could impair their objectivity and independence and is not aware of any existing or potential conflict of interest between the Independent Non-Executive Directors and the Group. They have also fulfilled the criteria under the definition of "Independent Director" stated in Paragraph 1.01 of the MMLR of Bursa Securities.

## 9. Boardroom Diversity

The Board has adopted the Boardroom Diversity Policy. The Board's policy is to consider candidates from various backgrounds, without discrimination to gender, age and ethnicity when deciding on appointments to the Board. An overriding principle is that all appointments to the Board will be based upon merit, experience, qualification, character, time commitment and integrity and contribution the candidates may bring to the Board.

Although the Company has not set any specific target for female Directors on the Board, 25% of the Board is made up of female Directors as at 31 January 2024. The Company has not set any specific target for age and ethnic diversity in the boardroom but will continue to review the composition of the Board with a view of having a well-balanced age diversity and multi-ethnicity representation on the Board.

The Boardroom Diversity Policy can be found at the Company's corporate website at [www.cylcorporation.com](http://www.cylcorporation.com).

## 10. Sourcing of Directors and Chairmanship of the NC

The NC is tasked by the Board to make independent recommendations for appointments to the Board. Appointment of Directors shall be based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

In making these recommendations, the NC shall assess the suitability of candidates, taking into account the character, integrity, competence, professionalism, time commitment and other qualities of the candidates, before recommending their appointments to the Board for approval.

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

On 5 January 2024, the Board appointed a new Independent Non-Executive Director, Mr Wan Kai Chee.

Prior to his appointment on 5 January 2024, the NC had reviewed the results of the fit and propriety assessment on him as well as conducted an assessment on his independence. The NC found him to be independent in character and judgement. His familiarity with the Group's business structure was an added advantage.

Based on the recommendation of the NC, the Board agreed to the appointment of Mr Wan Kai Chee as an Independent Non-Executive Director and a member of the AC and NC of the Company and the Chairman of the RC of the Company.

Ms Gan Kok Ling, who is an Independent Non-Executive Director, is the current Chairperson of the NC.

The Terms of Reference of NC is available for reference in the Company's corporate website at [www.cylcorporation.com](http://www.cylcorporation.com).

## 11. NC

The NC comprises three (3) members, all of whom are Independent Non-Executive Directors.

The composition of the NC is set out on page 7 of the Annual Report 2024.

The NC meets at least once a year. The attendance of the NC members during FYE 2024 is as follows:-

Name of NC Members	No. of meetings attended
Gan Kok Ling ( <i>Chairperson</i> ) ( <i>Redesignated from Member to Chairperson on 30 March 2023</i> )	3/3 (100%)
Abd Malik Bin A. Rahman	3/3 (100%)
Tang Sook Kuen ( <i>Resigned on 6 October 2023</i> )	2/2 (100%)
Wan Kai Chee ( <i>Appointed on 5 January 2024</i> )	-
Tan Sri Abu Talib Bin Othman ( <i>Relinquished his membership on 30 March 2023</i> )	1/1 (100%)

## 12. Board Assessment

The NC evaluates the performance of the Board members on an annual basis. The Board committees are also reviewed annually by the NC for their performance and effectiveness.

The annual exercise involves Directors completing questionnaires covering the assessment of the Board and Board Committee's performance, assessment of individual Directors (self and peer evaluation), assessment on mix of skill, experience and size of the Board and assessment on independence amongst others.

The Directors' responses are then collated by the Company Secretaries and a summary of the findings would be submitted to the NC for deliberation. The NC would review the summary, assess and make recommendations to the Board.

The Board, upon the assessment and recommendation made by the NC, is satisfied and believed that the individual Directors appointed to the Board are of high calibre, integrity and experienced and can be entrusted to discharge their duties and responsibilities effectively.

## 13. Summary of Activities undertaken by the NC

The following activities were undertaken by the NC for FYE 2024:-

- reviewed and assessed the tenure of Directors, mix of skills, experience, size and other qualities, including core competencies and effectiveness of the Board and Board Committees as a whole as well as the contribution from each of the individual Director of the Company. The evaluation process included a self and peer review assessment;
- assessed the independence of the Independent Non-Executive Directors based on the criteria set out in the MMLR of Bursa Securities;
- reviewed and recommended to the Board on the re-election of Directors based on the assessment conducted;
- reviewed and recommended to the Board, the Directors' Fit and Proper Policy; and
- considered (after having carried out the fit and proper assessment in accordance with the Directors' Fit and Proper Policy) and recommended to the Board, the appointment of Mr Wan Kai Chee as an Independent Non-Executive Director and member of AC and NC and the Chairman of RC.

## 14. Re-election of Directors

In accordance with the Constitution of the Company ("Constitution"), all Directors who are appointed by the Board shall retire from office and are subject to re-election by shareholders at the Company's next Annual General Meeting ("AGM") after their appointment.

The Constitution also provides that one-third (1/3rd) of the Directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3rd), shall retire from office at the conclusion of the AGM in every year provided always that all Directors shall retire from office once at least in each three (3) years. A retiring Director shall retain office until the close of the meeting at which he/she retires and shall be eligible for re-election.

This provides an opportunity for shareholders to renew their mandates. The re-election of each Director is voted on separately.

The NC had carried out the fit and proper assessment of the following Directors who are retiring pursuant to Clause 76(3) of the Constitution and subject to re-election at the Twenty-Fourth AGM, and the Board was satisfied with the evaluation of their performance and contributions including their fitness and propriety:-

- Mr Chen Yat Lee; and
- Ms Gan Kok Ling.

Mr Wan Kai Chee, who was appointed as the Independent Non-Executive Director of the Company on 5 January 2024, will be subject to retirement pursuant to Clause 78 of the Constitution. The NC had also carried out the fit and proper assessment of Mr Wan Kai Chee before recommending the Board to table the resolution on his re-election at the Twenty-Fourth AGM.

### 15. Time Commitment of the Directors

The Company expects the Directors to give their time commitment in carrying out their duties and responsibilities as a Director. This includes at least 50% attendance at the Board meetings held in each financial year. Directors are also required to attend regular meetings of any Board Committees of which they are a member of. In addition, they would be expected to devote appropriate preparation time ahead of each meeting.

The Board held six (6) 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. Before the beginning of each calendar year, an annual meeting calendar is prepared and circulated to Directors for their forward planning. The attendance of the Board members during FYE 2024 is as follows:-

To fulfil their roles and responsibilities, each Director holds no more than five (5) directorships in listed corporations in accordance with Paragraph 15.06 of the MMLR of Bursa Securities. All Directors of the Company currently adhere to this requirement. The Directors are also required to notify the Board's Chairman when accepting new directorships in other companies. Such notification is expected to include an indication of time that will be spent on the new appointment.

### 16. Continuing Education and Training of Directors

The Board constantly reminds and encourages its Directors to attend training programmes, seminar, courses and conferences to enhance their skills and knowledge to enable them to discharge their fiduciary duties to the Company. All Directors have completed the Mandatory Accreditation Programme ("MAP") required by Bursa Securities.

Name of Directors	No. of Board meetings attended during the financial year
Tan Sri Abu Talib Bin Othman (Chairman)	6/6 (100%)
Chen Yat Lee	6/6 (100%)
Chen Teck Shin	6/6 (100%)
Chen Wai Ling	6/6 (100%)
Chen Teck Sun (Also the Alternate Director to Chen Yat Lee)	6/6 (100%)
Abd Malik Bin A Rahman	6/6 (100%)
Gan Kok Ling	6/6 (100%)
Wan Kai Chee (Appointed on 5 January 2024)	-
Tang Sook Kuen (Resigned on 6 October 2023)	4/4 (100%)

The training programmes/ seminars/ courses/ conferences attended by the Directors during FYE 2024 are as below:-

<b>Directors</b>	<b>List of Training Programmes/ Seminars/ Courses/ Conferences Attended</b>	<b>Date(s) of Attendance</b>
Tan Sri Abu Talib Bin Othman	<ul style="list-style-type: none"> <li>Bursa Malaysia Mandatory Accreditation Programme (MAP II: Leading for Impact)</li> </ul>	4-5 December 2023
Chen Yat Lee	<ul style="list-style-type: none"> <li>Management of Cyber Risk</li> </ul>	3 October 2023
Chen Teck Shin	<ul style="list-style-type: none"> <li>Mergers and Acquisitions for Growth &amp; Consideration</li> <li>How to Prepare the Standard Operating Procedures for Property Development &amp; Construction</li> <li>Winning the Sales Game with AI: The Future of Sales and Customer Relationships</li> <li>Transformational Strategy – Product Focused as Differentiator</li> <li>Management of Cyber Risk</li> </ul>	3 March 2023 7-8 June 2023 7 July 2023 4 August 2023 3 October 2023
Chen Wai Ling	<ul style="list-style-type: none"> <li>The Employment Act 1955 (Amendment 2022)</li> <li>The Leaders Circle – Insights that Matter for A Fast Changing World</li> <li>BOSS.NET EA &amp; BIK Virtual Training</li> </ul>	19-20 June 2023 5 July 2023 8 January 2024
Chen Teck Sun	<ul style="list-style-type: none"> <li>Understanding the Cybersecurity Landscape</li> <li>What Amounts to a Conflict of Interest by the Directors</li> <li>Board Oversight of Climate Risks and Opportunities</li> </ul>	19 June 2023 6 October 2023 10 October 2023
Abd Malik Bin A Rahman	<ul style="list-style-type: none"> <li>Corporate Governance Monitor 2022, Bursa Malaysia Guidebook 4 and Guidebook 5</li> <li>2023 Budget Webinar</li> <li>Positioning for megatrends in Malaysia</li> <li>Green Finance: Have you got the knowledge every accountant need</li> <li>Powering up your risk and compliance management with data and analytics</li> <li>Unlock the Power of Conversational AI with ChatGPT</li> <li>Financial &amp; Debt Management Initiatives for SME's &amp; Individuals</li> <li>Understanding the Impact of Digital Transformation in the Financial Industry: What Board Members need to know</li> <li>Hybrid Masterclass: Exploring ChatGPT &amp; Its Implication</li> <li>2023 Board &amp; Audit Committee Priorities</li> <li>Leadership Without a Title</li> <li>2H2023 -Economic &amp; Market Outlook</li> <li>The arrival of ISSB Standards and the continued relevance of Integrated Reporting</li> <li>Unveiling ESG Insights in the Financial Statements</li> <li>ESG Application on Retail Physical Stores &amp; e-Commerce</li> <li>MAP Part II : Leading For Impact (LIP)</li> <li>Management of Cyber Risk</li> <li>Integrating Sustainability into Financial Planning &amp; Decision-Making</li> <li>e-Invoicing</li> <li>FTSE4Good Bursa Malaysia Index &amp; Centralised Sustainability Intelligence (CSI) Platform</li> </ul>	18 February 2023  9 March 2023 11 April 2023 18 April 2023 10 May 2023  31 May 2023 9 June 2023 13 June 2023  17 June 2023 6 July 2023 6 July 2023 29 July 2023 4 September 2023  5 September 2023 6 September 2023 13-14 September 2023 3 October 2023 11 October 2023 12 October 2023 16 October 2023

Directors	List of Training Programmes/ Seminars/ Courses/ Conferences Attended	Date(s) of Attendance
Abd Malik Bin A Rahman (con't)	<ul style="list-style-type: none"> <li>• Navigating AI Governance &amp; ESG Reporting for the future</li> <li>• GHG Accounting Essentials-Measuring Your Carbon Footprint</li> <li>• Generative AI – Making Us Smarter, Faster or Redundant?</li> <li>• Leveraging technology to fight fraud</li> <li>• MFRS Updates 2023</li> <li>• Developing a robust Whistleblowing program</li> <li>• Navigating Capital Gains Tax</li> <li>• Double Materiality Assessment for Sustainability Reporting: Challenges of Regulatory Evolutions</li> </ul>	17 October 2023 17 October 2023 26 October 2023 7 November 2023 7 December 2023 7 December 2023 29 January 2024 31 January 2024
Gan Kok Ling	<ul style="list-style-type: none"> <li>• Advocacy Sessions for Directors and CEOs of Main Market Listed Issuers (repeat session)</li> <li>• Audit Oversight Board Conversation with Audit Committees</li> </ul>	18 September 2023  27 November 2023

Mr Wan Kai Chee has attended his MAP training in March 2024, which is outside the FYE 2024.

The Directors are also briefed by the Company Secretaries, Internal Auditors and External Auditors on updates or changes to the relevant guidelines on the regulatory and statutory requirements at Board meetings and AC meetings.

#### 17. Remuneration Policy and Remuneration of Directors and Senior Management

The Company has established the RC on 24 December 2003. The RC was set up to assist the Board in assessing the remuneration packages of the Executive Directors and Non-Executive Directors of the Company.

The RC comprises three (3) members, all of whom are Independent Non-Executive Directors.

The composition of the RC is set out on page 7 of the Annual Report 2024.

The RC meets at least once a year. The attendance of the RC members during FYE 2024 is as follows:-

Name of RC Members	No. of meetings attended
Wan Kai Chee (Chairman) (Appointed on 5 January 2024)	-
Abd Malik Bin A. Rahman	3/3 (100%)
Gan Kok Ling	3/3 (100%)
Tang Sook Kuen (Resigned on 6 October 2023)	3/3 (100%)
Tan Sri Abu Talib Bin Othman (Relinquished his membership on 30 March 2023)	1/1 (100%)

The MCGG states that remuneration for Directors and Senior Management should be determined so as to ensure that the Company attracts, retains and motivates the right talent in the Board and Senior Management to run the Company efficiently. The remuneration for MD and Executive Directors are structured so as to link reward to corporate and individual performance.

In the case of Non-Executive Directors, the Board believes that the level of remuneration should reflect the level of experience and responsibilities undertaken by the respective Directors.

The Board has formally established and adopted the Remuneration Policy for Directors and Senior Management. The Remuneration Policy can be accessed on the Company's corporate website at [www.cylcorporation.com](http://www.cylcorporation.com).

(in RM)						
	Fees	Salary and allowances	Bonus	EPF	Benefits-in-kind	Total
<b>Company</b>						
Chen Yat Lee	-	-	-	-	-	-
Chen Teck Shin	-	-	-	-	-	-
Chen Wai Ling	-	-	-	-	-	-
Chen Teck Sun <i>(also the Alternate Director to Chen Yat Lee)</i>	-	-	-	-	-	-
Tan Sri Abu Talib Bin Othman	-	3,500	-	-	-	3,500
Abd Malik Bin A Rahman	48,000	3,500	-	-	-	51,500
Gan Kok Ling	48,000	3,500	-	-	-	51,500
Wan Kai Chee <i>(Appointed on 5 January 2024)</i>	3,484	-	-	-	-	3,484
Tang Sook Kuen <i>(Resigned on 6 October 2023)</i>	32,000	2,500	-	-	-	34,500
<b>Total</b>	131,484	13,000	-	-	-	144,484
<b>Group</b>						
Chen Yat Lee	-	543,721	-	27,190	15,500	586,411
Chen Teck Shin	-	336,000	-	40,320	13,326	389,646
Chen Wai Ling	-	288,000	-	34,560	9,900	332,460
Chen Teck Sun <i>(also the Alternate Director to Chen Yat Lee)</i>	-	384,000	-	46,080	15,500	445,580
Tan Sri Abu Talib Bin Othman	168,000	3,500	-	-	-	171,500
Abd Malik Bin A Rahman	48,000	3,500	-	-	-	51,500
Gan Kok Ling	48,000	3,500	-	-	-	51,500
Wan Kai Chee <i>(Appointed on 5 January 2024)</i>	3,484	-	-	-	-	3,484
Tang Sook Kuen <i>(Resigned on 6 October 2023)</i>	32,000	2,500	-	-	-	34,500
<b>Total</b>	299,484	1,564,721	-	148,150	54,226	2,066,581

The Key Senior Management of CYL Corporation Berhad comprises the Managing Director, Mr Chen Yat Lee, the Executive Directors, Mr Chen Teck Shin, Ms Chen Wai Ling and Mr Chen Teck Sun, who is also the alternate Director to Mr Chen Yat Lee. The details of their remuneration can be found in the

details of the remuneration of Directors.

#### **18. Summary of activities undertaken by the RC**

The following activities were undertaken by the RC for FYE 2024:-

(a) reviewed and recommended to the Board, the remuneration packages for the MD and Executive Director; and  
(b) reviewed and recommended to the Board, the fees and benefits for the Non-Executive Directors of the Group.



## PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

### 1. AC

The Chairman of the AC is an Independent Director and he is not the Chairman of the Board.

All members of the AC are Independent Non-Executive Directors.

The AC Report is set out on pages 35 to 37 of the Annual Report 2024.

### 2. Oversight of External Auditors by the AC

The Company has established and maintained an appropriate and transparent relationship with the Company's External Auditors, Mazars PLT, in seeking professional advice and ensuring compliance with the accounting standards in Malaysia. The AC met the External Auditors twice during the financial year without the presence of the Executive Directors and executive team. The practice of periodically rotating the audit engagement partner, engagement quality control review partner and key audit partners ensures an independent relationship between the Company and the External Auditors. Apart from that, during the audit planning stage, independence is further enhanced with the External Auditors providing a summary of their internal policy and important safeguards and procedures to address threats to the independence and objectivity of the audit.

The AC assesses the level of service provided by the External Auditors, taking into account the following criteria, amongst others:

- quality and rigour of their audit;
- quality of service provided;
- internal quality control procedures;

- effectiveness and timeliness of their communication and report to the Board and/or the AC;
- independence (both in fact and appearance) and objectivity; and
- appropriateness of the proposed fees to support a quality audit.

Mazars PLT has declared to the AC that they are independent from the Group and in compliance with the independence requirements set out in the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants and Code of Conduct for Objectivity and Independence of Mazars PLT.

On 26 March 2024, the AC conducted an annual assessment on the External Auditors. The AC, having assessed the independence of Mazars PLT as well as reviewed the level of non-audit services rendered by them for FYE 2024, was satisfied with their suitability, objectivity and independence. The Board, based on the AC's recommendation, will be tabling their re-appointment for shareholders' approval at the Twenty-Fourth AGM.

### 3. Financial literacy of the AC

The Board relies upon the AC to, amongst others, provide advice in the areas of financial reporting, external audit, internal control environment and provide oversight on the risk management framework of the Group.

Directors including the AC members continue to undergo training periodically during the financial year, based on individual learning requirements as well as financial and corporate developments.

### 4. Risk Management and Internal Control Framework

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 on Risk Management and Internal Control is set out on pages 38 to 39 of the Annual Report 2024.

The Board acknowledges the need to maintain a sound system of internal controls within the Group in order to safeguard shareholders' interest of the Group's assets. The internal audit activities of the Group are carried out according to an annual internal audit plan approved by the AC.

The internal audit function is outsourced to an independent professional services firm namely Kloo Point Risk Management Services Sdn. Bhd. to assist the AC in assuming the task of internal control review and risk assessment functions of the Group. Areas for improvement were highlighted and the implementation of recommendations was monitored. The Internal Auditors report directly to the AC.



# PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

## 1. Communication with Stakeholders

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. The Board has adopted the Corporate Disclosure Policy which is made available for reference on the Company's corporate website at [www.cylcorporation.com](http://www.cylcorporation.com).

## 2. Leverage on Information Technology for Effective Dissemination of Information

Shareholders are invited to access the Company's corporate website at [www.cylcorporation.com](http://www.cylcorporation.com) as well as Bursa Securities' corporate website at [www.bursamalaysia.com](http://www.bursamalaysia.com) to obtain the latest information of the Group. The relevant announcements such as quarterly financial results of the Company and dividend declared by the Company can be accessed via the Newsroom section of the corporate website.

## 3. Conduct of General Meetings

The Board encourages participation of shareholders at every 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.

The Notice of the Twenty-Third AGM was issued more than one (1) month in advanced of the meeting. This would give shareholders more time to go through the Annual Report.

The Twenty-Third AGM held on 20 July 2023 was conducted on a fully virtual basis through live streaming via the online meeting platform at TIIH Online. All Directors were present online to engage directly with shareholders and be accountable for their stewardship of the Company. The Chairman invited the members, corporate representatives and proxies who were present to raise questions pertaining to the Company's Audited Financial Statements and proposed resolutions as set out in the Notice of the Twenty-Third AGM, before putting the resolutions to vote. The Senior Management and External Auditors were also present online to respond to queries from shareholders.

## 4. Encourage Poll Voting

Pursuant to Paragraph 8.29A of the MMLR of Bursa Securities, any resolution set out in the notice of any general meeting, or in any notice of resolution which may properly be moved and is intended to be moved at any general meeting, must be voted by poll. At least one (1) independent scrutineer must be appointed to validate the votes cast at the general meeting.

At the Twenty-Third AGM held on 20 July 2023, all resolutions set out in the Notice were voted by way of poll. Shareholders attended and voted physically at the Twenty-Third AGM of the Company.

The Company would be conducting the voting by poll on all resolutions tabled at the Twenty-Fourth AGM which will be held on 18 July 2024. An independent scrutineer will be appointed to validate the votes cast at the AGM.

## 5. Effective Communication and Proactive Management

In maintaining the commitment to effective communication with shareholders, the Group adopts the practice of comprehensive, timely and continuing disclosures of information to its shareholders as well as to the general investing public. The practice of disclosure of information is not just established to comply with the requirements of the MMLR of Bursa Securities pertaining to continuing disclosures, it also adopts the best practices as recommended in the MCCG with regard to strengthening engagement and communication with shareholders. Where possible and applicable, the Group also provides additional disclosure of information on a voluntary basis.

The Annual Report is the main channel of communication between the Company and its shareholders. The Annual Report communicates comprehensive information of the financial results and activities undertaken by the Group. As a listed issuer, the contents and disclosure requirements of the Annual Report are also governed by the MMLR of Bursa Securities.

Another key avenue of communication with its shareholders is the Company's AGM, which provides a useful forum for

shareholders to engage directly with the Directors.

**6. Compliance and Applicable Financial Reporting Standards**

The Board aims to provide and present a true and fair view of the Group's financial performance and prospects at the end of the financial year, primarily through the annual financial statements and quarterly announcements of results to the shareholders as well as the Chairman's statement in the Annual Report. The Board is assisted by the AC 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 financial statements are prepared in compliance with Malaysian Financial Reporting Standards and disclosure requirements of the MMLR of Bursa Securities. 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. The Board deliberated on the quarterly financial results through the analysis of income and expenditures against budget, previous quarter and previous year's corresponding quarter.

*THE GROUP ADOPTS THE PRACTICE OF COMPREHENSIVE, TIMELY AND CONTINUING DISCLOSURES OF INFORMATION TO ITS SHAREHOLDERS AS WELL AS TO THE GENERAL INVESTING PUBLIC.*



# OTHER COMPLIANCE INFORMATION

(PURSUANT TO PARAGRAPH 9.25(1) OF THE MAIN MARKET LISTING  
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

## MATERIAL CONTRACTS

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

## UTILISATION OF PROCEEDS

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

## RECURRENT RELATED PARTY TRANSACTIONS (“RRPT”) OF A REVENUE OR TRADING NATURE

The Company did not seek any shareholders’ mandate in respect of RRPT of a revenue or trading nature.

## AUDIT AND NON-AUDIT FEE

The audit and non-audit fees paid or payable by the Company and the Group to the External Auditors and their affiliated companies for the financial year ended 31 January 2024 are set out as below:-

Fee	Company (in RM)	Group (in RM)
Audit	37,000	100,000
Non-audit	5,000	5,000

# AUDIT COMMITTEE REPORT

## COMPOSITION

Throughout the financial year ended 31 January 2024 (“FYE 2024”), the Audit Committee (“AC”) comprised:-

Name	Membership	Designation
Abd Malik Bin A Rahman* <i>(Appointed on 1 February 2023 &amp; Redesignated from Member to Chairman on 30 March 2023)</i>	Chairperson	Independent Non-Executive Director
Gan Kok Ling	Member	Independent Non-Executive Director
Wan Kai Chee <i>(Appointed on 5 January 2024)</i>	Member	Independent Non-Executive Director
Tan Sri Abu Talib Bin Othman <i>(Relinquished his membership on 30 March 2023)</i>	Member	Non-Independent Non-Executive Director
Tang Sook Kuen* <i>(Resigned on 6 October 2023)</i>	Member	Independent Non-Executive Director

\*Member of the Malaysian Institute of Accountants

The performance of the AC and its members is assessed by the Board of Directors of the Company (“Board”) through the Nomination Committee on an annual basis. The Board is satisfied that the AC members have discharged their functions, duties and responsibilities in a commendable manner as well as in accordance with the Terms of Reference of the AC, thereby supporting the Board in ensuring appropriate Corporate Governance standards within the Group.

Name of AC Members	No. of Meetings Attended
Abd Malik Bin A. Rahman <i>(Chairman)</i>	6/6 (100%)
Gan Kok Ling	6/6 (100%)
Wan Kai Chee <i>(Appointed on 5 January 2024)</i>	-
Tan Sri Abu Talib Bin Othman <i>(Relinquished his membership on 30 March 2023)</i>	1/1 (100%)
Tang Sook Kuen <i>(Resigned on 6 October 2023)</i>	4/4 (100%)

The Terms of Reference of the AC is available on the Company’s corporate website at [www.cylcorporation.com](http://www.cylcorporation.com).

## SUMMARY OF THE WORK OF THE AC DURING THE FINANCIAL YEAR

During the financial year, a total of six (6) AC meetings were held and the attendance of the members is as follows:-

The works undertaken by the AC for the financial year were as follows:-

### (a) Financial Reporting

The AC reviewed the Group’s quarterly unaudited financial results, Annual Report and Annual Audited Financial Statements during its meetings held on 30 March 2023, 15 May 2023, 26 June 2023, 26 September 2023 and 19 December 2023 before recommending them to the Board for approval. The review was to ensure that the quarterly unaudited financial results and Audited Financial Statements were prepared in accordance with:-

- MMLR of Bursa Securities;
- Applicable approved accounting standards; and
- Other relevant legal and regulatory requirements.

### (b) External Audit

On 19 December 2023, the AC evaluated the Audit Strategy Memorandum for FYE 2024 presented by the External Auditors. Having given due consideration to the scope of work and independence of the External Auditors, the AC approved the said Audit Strategy Memorandum.

On 26 March 2024, the AC went through the Audit Status Memorandum for FYE 2024 with the External Auditors.

The AC evaluated Mazars PLT's performance, suitability, objectivity, and independence before recommending the Board to table their re-appointment to the shareholders for approval at the Twenty-Fourth Annual General Meeting. The AC was satisfied that there were no issues on independence.

On 15 May 2024, the AC went through the draft Audited Financial Statements with the External Auditors. The External Auditors presented their Final Report to Those Charged with Governance in respect of the audit for FYE 2024.

The AC received assurance from the External Auditors that they were independent from the Group and in compliance with the independence requirements set out in the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code").

After having deliberated on the draft Audited Financial Statements, the AC reviewed and recommended the same to the Board for approval.

During FYE 2024, the AC conducted two (2) meetings with the External Auditors without the presence of the Executive Management team of the Group on 30 March 2023 and 15 May 2023.

The non-audit fees charged for services rendered to the Company by the External Auditors and its affiliates in Malaysia for FYE 2024 amounted to RM5,000.

#### (c) Internal Audit

The AC had on 30 March 2023, reviewed and approved the Internal Audit Plan for FYE 2024. The Internal Audit Plan was developed by the Internal Auditors based on the Internal Auditors' understanding of the Company's business environment and significant business processes that have an impact on the Group's performance.

The Internal Auditors had on 30 March 2023 and 26 September 2023 presented the Internal Audit Reports and Internal Audit Progress Reports to the AC. At the conclusion of the internal audit reviews, the weaknesses, recommended corrective actions to be taken and Management's response were highlighted and reported to the AC. Subsequently, follow-up reviews were conducted to ensure that corrective actions were implemented accordingly by Management.

The AC conducted two (2) meetings with the Internal Auditors without the presence of the Executive Directors and executive team of the Group on 30 March 2023 and 26 September 2023.

The AC also discussed on the Internal Audit fees and recommended for the management to negotiate and decide on this.

#### (d) Other activities

(i) Reviewed and approved the minutes of the AC meetings;

(ii) Reviewed the recurrent related party transactions entered into by the Group;

(iii) Reviewed the extent of the Group's compliance with the provisions set out under the Malaysian Code on Corporate Governance for the purpose of preparing the Corporate Governance Overview Statement to be included in the Annual Report;

(iv) Reviewed the budget for the financial year ending 31 January 2025;

### INTERNAL AUDIT FUNCTION

The internal audit function, which is outsourced to a professional services firm, Kloo Point Risk Management Services Sdn. Bhd., assists the AC in ensuring the adequacy and effectiveness of the internal control systems. The Internal Auditors report directly to the AC.

The activities of the internal audit function during FYE 2024 were as follows:

(a) regular reviews of business processes with Management in accordance with the Internal Audit Plan approved by AC;

(b) reported the results of internal audit reviews and provided recommendations for improvement to AC on a periodic basis; and

(c) followed up on the implementation of audit recommendations and action plans agreed upon by Management.

During the year, the Internal Auditors carried out reviews on the following areas:

Asset Management	<ul style="list-style-type: none"> <li>• Approval of assets acquisition</li> <li>• Completeness of assets recording</li> <li>• Safeguarding of assets</li> <li>• Approval for disposal and write-off of assets</li> </ul>
Quality Control (Factory 1, 2 & 3)	<ul style="list-style-type: none"> <li>• Quality assurance inspection procedures</li> <li>• Documentation of testing procedures for reliability &amp; quality assurance</li> <li>• Quality compliance with customer’s requirements</li> </ul>
Production Planning	<ul style="list-style-type: none"> <li>• Recording and monitoring of raw material usage</li> <li>• Monitoring of production and output control</li> <li>• Production output variances and reporting</li> </ul>
Shipping & Delivery (Main Factory)	<ul style="list-style-type: none"> <li>• Packing and managing order</li> <li>• Stock Picking and labelling process</li> <li>• Delivery procedures</li> </ul>

There were no weaknesses in the system of internal control that has resulted in any material losses, contingencies, or uncertainties, which would require disclosure in the Company’s Annual Report.

The costs incurred in respect of the internal audit reviews performed by the professional services firm was RM30,000 for FYE 2024.



# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## INTRODUCTION

This Statement on Risk Management and Internal Control has been prepared in accordance with the “Statement on Risk Management and Internal Control - Guidance for Directors of Listed Issuers”, Paragraph 15.26(b) and Practice Note 9 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, Practices 10.1 and 10.2 of the Malaysian Code on Corporate Governance and in accordance with the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers.

## BOARD RESPONSIBILITIES

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 recognises that for the Group to achieve its business objectives and sustain success, it is vital that the risk management and internal control processes of the Group are effective.

Management is accountable to the Board for the implementation of the processes in identifying, evaluating, monitoring and reporting of risks and internal control as prescribed above.

Due to the limitations that are inherent in any internal control system, the Group’s system of internal control can only manage rather than eliminate the risk of failure to achieve business objectives and therefore can only provide reasonable and not absolute assurance against material misstatement, loss or fraud. Notwithstanding this, the Board requires that the procedures and

controls in place are subject to regular review as part of an ongoing process for identifying, evaluating and managing the significant risks faced by the Group.

The Board has received assurance from the Managing Director and the two (2) Executive Directors that the Group’s risk management and internal control system is operating adequately and effectively, in all material aspects, based on the risk management and internal control system of the Group. Appropriate mitigating activities & control procedures are put in place to identify any identified weaknesses.

## RISK MANAGEMENT FRAMEWORK

The Board is responsible for reviewing the Group’s system 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 risks efficiently, effectively and economically.

The Group has in place Standard Operating Policies and Procedures for its main business cycles highlighting the control objectives, policies, procedures, authority and responsibility of each business cycle.

The Board engages the services of an outsourced Internal Audit firm to review a wide scope of areas i.e. finance functions, human resource, production and operations to occupational health and safety so as to identify any weaknesses in internal controls. The Management is pro-active in identifying new areas for the Internal Auditors to conduct their testing one of which is the secondary process operations and control.

The Audit Committee (“AC”) reviews internal control issues identified by the Internal Auditors and Management. In the process, it evaluates the adequacy and effectiveness of the Group’s risk management and internal control system.

## INTERNAL CONTROL SYSTEM

The Board is satisfied that the system of internal control is adequate.

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 annual audit plan that is developed taken into consideration the concerns of management and key risk areas. The Internal Audit Plan is reviewed and approved each year by the AC.

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 AC and the audit issues are discussed during the AC meetings. The AC is responsible for the development and maintenance of the internal control framework and determining that all major issues reported have been satisfactorily resolved. Finally, the AC reports to the Board on its activities, significant results, findings together with ideas and recommendations to improve the internal control systems.

During the year, the areas of review were asset management, quality control, production planning and shipping and delivery. There were no significant findings from the reviews conducted by the Internal Auditors.

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 business units within the Group, including monitoring and reporting thereon, of performance against management's target and plans.

**Information and communication**

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

The Standard Operating Procedures Manuals 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 are to be adopted by the Group to ensure that all personnel receive a clear message regarding their role in the internal control system.

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

**CONCLUSION**

The External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that the Statement is inconsistent with their understanding of the processes adopted by the Board in reviewing the adequacy and integrity of the Group's risk management and internal control system.

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 31 January 2024. The Group continues to take the necessary measures to strengthen its internal controls.

This Statement on Risk Management and Internal Control, which was approved by the Board on 15 May 2024, has also been reviewed by the External Auditors.





# STATEMENT OF DIRECTORS' RESPONSIBILITIES

This statement is prepared as required under the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

Pursuant to the Companies Act 2016 ("Act"), the Directors are required to prepare the 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 31 January 2024, the Group has adopted appropriate accounting

policies and applied them consistently, made judgements and estimates that are reasonable and prudent, and prepared the financial statements on a going concern basis. 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 Act and the applicable approved accounting standards in Malaysia.

# DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JANUARY 2024

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 January 2024.

## PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding.

The principal activities of the subsidiary are disclosed in Note 6 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year.

## RESULTS

	Group RM	Company RM
(Loss)/Profit for the year attributable to the owners of the Company	(1,569,862)	534,213

## DIVIDENDS

Since the end of previous financial year, the Company paid an interim tax exempt dividend of 0.50 sen per ordinary share amounting to RM500,000 in respect of the financial year ended 31 January 2024 on 7 February 2024.

The directors do not recommend any further dividend in respect of the current financial year.

## ISSUE OF SHARES AND DEBENTURES

There were no issuance of shares or debentures during the financial year.

## SHARE OPTIONS

No option was granted to any person to take up unissued shares of the Company during the financial year.

## RESERVES AND PROVISIONS

All material transfers to or from reserves and provisions during the financial year are disclosed in the financial statements.

## DIRECTORS

The directors in office during the financial year and to the date of this report are:

Tan Sri Abu Talib bin Othman\*

Chen Yat Lee\*

Chen Wai Ling

Chen Teck Shin\*

Gan Kok Ling

Chen Teck Sun\* (also alternate director to Chen Yat Lee)

Abd Malik Bin A Rahman

Wan Kai Chee

(Appointed on 5 January 2024)

Tang Sook Kuen

(Resigned on 6 October 2023)

\* Also the directors of the subsidiaries.

## DIRECTORS' INTERESTS IN SHARES

The following directors, who held office at the end of financial year, had interests in shares as follows:

<i>The Company</i>	Number of ordinary shares			At 31.1.2024
	At 1.2.2023	Acquisition	Disposal	
Tan Sri Abu Talib bin Othman - direct interest	10,007,058	-	-	10,007,058
Chen Yat Lee - direct interest	34,461,800	132,900	(621,900)	33,972,800
Chen Wai Ling - direct interest	3,000,000	-	-	3,000,000
Chen Teck Shin - direct interest	19,674,300	-	-	19,674,300

Other than as disclosed above, none of the other directors in office at the end of financial year held any interest in shares in the Company or its related corporations during the financial year.

## DIRECTORS' BENEFITS

Neither during nor at the end of the financial year was the Company or its subsidiary a party to any arrangements whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Since the end of the previous financial year, no director or past director of the Company has received or become entitled to receive any benefit 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 he has a substantial financial interest, other than fee, remuneration and other benefits received or due and receivable by the directors or past directors of the Company from the Company or its subsidiary during the financial year as presented below:

	Group RM	Company RM
Fees	299,484	131,484
Salaries and allowances	1,564,721	13,000
Contributions for EPF	148,150	-
Provision for gratuity	75,484	-
Benefits in kind	54,226	-
	2,142,065	144,484

## INDEMNITY AND INSURANCE COST

During the financial year, the total amount of indemnity coverage and insurance premium paid for the directors and officers of the Group are RM3,000,000 and RM5,500 respectively.

## OTHER INFORMATION

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

- (i) to ascertain the appropriate action had been taken in relation to the writing off of debts and the making of allowance for doubtful debts and satisfied themselves that there were no known bad debts to be written off and that adequate allowance had been made for doubtful debts; and
- (ii) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the values of current assets as shown in the accounting records had been written down to an amount which they might be expected so to realise.

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

- (i) which would render it necessary to write off any bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- (ii) which would render the values attributed to the current assets in the financial statements misleading; or
- (iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or
- (iv) not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

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

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

No contingent or other liability of the Group and of the Company 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 affect the ability of the Group or of the Company to meet their obligations as and when they fall due.

In the opinion of the directors:

- (i) the results of the operations of the Group and of the Company for the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (ii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

## AUDITORS

To the extent permitted by laws, the Company has agreed to indemnify its auditors, as part of the terms of its audit engagement, against claims arising from the audit. No payment has been made to indemnify the auditors for the current financial year.

The total amount paid to or receivable by the auditors of the Group and of the Company as remuneration for their services as auditors for the current financial year are as follows:

	Group RM	Company RM
Statutory audit	100,000	37,000
Other assurance engagement	5,000	5,000
	105,000	42,000

The auditors, Mazars PLT, Chartered Accountants, have expressed their willingness to accept re-appointment.

## APPROVAL OF THE DIRECTORS' REPORT

This report is approved by the board of directors, and signed on behalf of the board of directors in accordance with a directors' resolution.

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**CHEN TECK SHIN**

Director

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**CHEN YAT LEE**

Director

Kuala Lumpur

15 May 2024

# INDEPENDENT AUDITORS' REPORT

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

## Report on the Audit of the Financial Statements

### *Opinion*

We have audited the financial statements of CYL Corporation Berhad, which comprise the statements of financial position as at 31 January 2024 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 49 to 81.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 January 2024, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards ("MFRS"), IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia.

### *Basis for Opinion*

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing ("ISA"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Independence and Other Ethical Responsibilities*

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants* ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

### *Key Audit Matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

(a) Revenue recognition

Refer to “Material Accounting Policies” and “Revenue” in Notes 3(i) and 21 to the financial statements.

<i>The risk</i>	<i>Our response</i>
<p>The Group is principally involved in the business of manufacturing and supplying of plastic packaging products. During the financial year, the Group recognised revenue from sale of goods and moulds amounting to RM42,893,264.</p> <p>Due to the significant volume of sales transactions, revenue could be recognised in the incorrect accounting period for transactions occurring near or at the year end.</p> <p>We have identified revenue recognition as a key audit matter, particularly in respect of the appropriateness of the timing, occurrence and amount of revenue recognised in the financial year.</p>	<p>In addressing the risk, we performed, amongst others, the following procedures:</p> <ul style="list-style-type: none"><li>• Reviewed the compliance on the revenue recognition criteria in accordance with the Group’s accounting policy.</li><li>• Evaluated the design and implementation and tested operating effectiveness of key controls pertaining to revenue account.</li><li>• Performed substantive analytical procedures in respect of revenue recognised during the year.</li><li>• On sampling, performed cut-off procedures at year end to ascertain whether revenue is recognised in the appropriate accounting period.</li></ul>

(b) Impairment of plant and equipment

Refer to “Material Accounting Policies”, “Significant Accounting Judgements and Estimates” and “Property, Plant and Equipment” in Notes 3(d), 4(i), (ii) and 5 to the financial statements.

<i>The risk</i>	<i>Our response</i>
<p>As at 31 January 2024, the carrying amounts of the Group’s plant and equipment were RM11,629,352. The carrying values of these assets are reviewed annually by management for potential indicators of impairment. Management prepared its impairment model taking into account the useful lives of plant and equipment, historical performance and other available date.</p> <p>For impairment assessment, recoverable amount of plant and equipment are determined using the value-in-use calculation. The assessment requires use of significant degree of estimations by management, in particular relating to estimated cash flow projection and discount rate.</p> <p>As plant and equipment are critical to the operations of the Group and significant estimations and assumptions are involved in the determination of recoverable amount, therefore we considered impairment of plant and equipment as a key audit matter.</p>	<p>In addressing the risk, we performed, amongst others, the following procedures:</p> <ul style="list-style-type: none"><li>• Reviewed of cash flow projection and key assumptions prepared by management.</li><li>• Obtained understanding and challenged on key assumptions used by management in the preparation of the Group’s impairment model.</li><li>• Reviewed the discount rate used and compared the key inputs with other data for reasonableness.</li><li>• On sampling, performed physical sighting for significant asset item.</li></ul>



We do not have key audit matters in connection with the audit of the separate financial statements of the Company to be communicated in this report.

#### *Information Other than the Financial Statements and Auditors' Report Thereon*

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### *Responsibilities of the Directors for the Financial Statements*

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRS, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

#### *Auditors' Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and ISA, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **Other Matter**

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

**MAZARS PLT**  
**201706000496 (LLP0010622-LCA)**  
**AF 001954**  
**Chartered Accountants**

**RAJVINDERJIT SINGH A/L SAVINDER SINGH**  
**03400/11/2024 J**  
**Chartered Accountant**

Kuala Lumpur  
15 May 2024

# STATEMENTS OF FINANCIAL POSITION

AS AT 31 JANUARY 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
<b>NON-CURRENT ASSETS</b>					
Property, plant and equipment	5	51,352,901	50,779,647	-	-
Investments in subsidiaries	6	-	-	51,317,185	51,317,184
Other Investments	7	85,100	85,100	-	-
		51,438,001	50,864,747	51,317,185	51,317,184
<b>CURRENT ASSETS</b>					
Inventories	8	4,326,008	5,226,188	-	-
Trade receivables	9	7,785,488	7,082,072	-	-
Right to returned goods asset	10	47,260	43,770	-	-
Other receivables, deposits and prepayments	11	1,004,525	193,067	40	40
Amounts owing by subsidiaries	6	-	-	224,206	380,000
Current tax asset		285,783	825,143	-	-
Short-term deposits with licensed banks	12	6,029,461	6,789,345	-	-
Cash and bank balances		1,264,502	2,483,076	548,302	10,210
		20,743,027	22,642,661	772,548	390,250
<b>TOTAL ASSETS</b>		<b>72,181,028</b>	<b>73,507,408</b>	<b>52,089,733</b>	<b>51,707,434</b>
<b>EQUITY</b>					
Share capital	13	51,504,405	51,504,405	51,504,405	51,504,405
Retained earnings		9,837,272	11,869,833	37,339	3,126
		61,341,677	63,374,238	51,541,744	51,507,531
<b>NON-CURRENT LIABILITIES</b>					
Deferred tax liabilities	14	5,183,229	5,555,988	-	-
Provision for gratuity payment	15	435,187	363,618	-	-
		5,618,416	5,919,606	-	-
<b>CURRENT LIABILITIES</b>					
Trade payables	16	2,351,037	2,183,913	-	-
Other payables and accruals	17	2,426,266	1,809,907	547,989	76,000
Contract liabilities	18	177,690	-	-	-
Refund liability	19	55,600	54,712	-	-
Amount owing to a subsidiary	6	-	-	-	123,903
Amount owing to a director	20	14,000	14,000	-	-
Provision for gratuity payment	15	196,342	151,032	-	-
		5,220,935	4,213,564	547,989	199,903
<b>TOTAL LIABILITIES</b>		<b>10,839,351</b>	<b>10,133,170</b>	<b>547,989</b>	<b>199,903</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>72,181,028</b>	<b>73,507,408</b>	<b>52,089,733</b>	<b>51,707,434</b>

The accompanying notes form an integral part of the financial statements.

# STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 JANUARY 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Revenue	21	42,893,264	44,796,221	950,000	380,000
Other income and gains		227,712	252,621	172	289
Interest income from short-term deposits		242,122	107,947	-	-
Changes in inventories of finished goods		(133,685)	729,863	-	-
Raw materials and consumable used		(23,143,651)	(25,571,747)	-	-
Employee benefits expenses	22	(6,278,114)	(5,615,957)	-	-
Remuneration of key management personnel	23	(2,087,839)	(2,128,677)	(144,484)	(150,500)
Depreciation of property, plant and equipment	5	(2,840,891)	(2,822,555)	-	-
Changes in loss allowance		5,634	(9,914)	-	-
Other expenses		(10,721,220)	(9,816,812)	(271,475)	(227,678)
Unwinding of discount	15	(41,395)	1,272	-	-
(Loss)/Profit before tax	24	(1,878,063)	(77,738)	534,213	2,111
Tax income/(expense)	25	308,201	(97,990)	-	-
(Loss)/Profit for the year, attributable to owners of the Company		(1,569,862)	(175,728)	534,213	2,111
Other comprehensive income, net of tax					
<i>Items that will not be reclassified subsequently to profit or loss:</i>					
Reversal of deferred tax liability pertaining to gain on revaluation of properties		37,301	37,301	-	-
Total comprehensive (loss)/income for the year		(1,532,561)	(138,427)	534,213	2,111
<b>Loss per ordinary share</b>					
- Basic and diluted (sen)	26	(1.57)	(0.18)		

The accompanying notes form an integral part of the financial statements.

# STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 JANUARY 2024

	Note	Share Capital RM	Retained Earnings RM	Total Equity RM
<b>Group</b>				
At 31 January 2022		51,504,405	12,008,260	63,512,665
Total comprehensive loss for the year		-	(138,427)	(138,427)
At 31 January 2023		51,504,405	11,869,833	63,374,238
Total comprehensive loss for the year		-	(1,532,561)	(1,532,561)
Dividend	27	-	(500,000)	(500,000)
At 31 January 2024		51,504,405	9,837,272	61,341,677
<b>Company</b>				
At 31 January 2022		51,504,405	1,015	51,505,420
Total comprehensive income for the year		-	2,111	2,111
At 31 January 2023		51,504,405	3,126	51,507,531
Total comprehensive income for the year		-	534,213	534,213
Dividend	27	-	(500,000)	(500,000)
At 31 January 2024		51,504,405	37,339	51,541,744

The accompanying notes form an integral part of the financial statements.

# STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 JANUARY 2024

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
(Loss)/Profit before tax	(1,878,063)	(77,738)	534,213	2,111
Adjustments for:				
Depreciation of property, plant and equipment	2,840,891	2,822,555	-	-
Reversal of inventories written down	(7,025)	(11,597)	-	-
Provision for gratuity payment	75,484	72,240	-	-
Changes in loss allowance	(5,634)	9,914	-	-
Gain on disposal of property, plant and equipment	(39,138)	(49,994)	-	-
Unrealised loss/(gain) on foreign exchange	32,341	(19,303)	-	-
Interest income	(242,122)	(107,947)	-	-
Unwinding of discount	41,395	(1,272)	-	-
Dividend income	-	-	(950,000)	(380,000)
Operating profit/(loss) before working capital changes	818,129	2,636,858	(415,787)	(377,889)
Changes in inventories	907,205	(961,469)	-	-
Changes in receivables	(1,497,692)	3,464,586	-	-
Changes in right to returned goods asset	(3,490)	33,217	-	-
Changes in payables	239,594	(1,814,617)	(28,011)	10,483
Changes in contract liabilities	177,690	-	-	-
Changes in refund liability	888	(41,522)	-	-
Cash generated from/(used in) operations	642,324	3,317,053	(443,798)	(367,406)
Net income tax refunded/(paid)	512,103	(113,327)	-	-
Interest received	242,122	107,947	-	-
Dividend received	-	-	1,330,000	-
Net cash generated from/(used in) operating activities	1,396,549	3,311,673	886,202	(367,406)

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
(Advances to)/Repayment from subsidiaries	-	-	(224,206)	268,258
Acquisition of share in a subsidiary	-	-	(1)	-
Purchase of property, plant and equipment	(3,414,147)	(1,116,257)	-	-
Proceeds from disposals of property, plant and equipment	39,140	50,000	-	-
Net cash (used in)/generated from investing activities	(3,375,007)	(1,066,257)	(224,207)	268,258
<b>CASH FLOWS FROM FINANCING ACTIVITY</b>				
(Repayment to)/Advances received from a subsidiary, representing net cash (used in)/generated from financing activity	-	-	(123,903)	73,742
<b>NET CHANGES IN CASH AND CASH EQUIVALENTS</b>	(1,978,458)	2,245,416	538,092	(25,406)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	9,272,421	7,027,005	10,210	35,616
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	7,293,963	9,272,421	548,302	10,210
<b>Represented by:</b>				
Short-term deposits with licensed banks	6,029,461	6,789,345	-	-
Cash and bank balances	1,264,502	2,483,076	548,302	10,210
	7,293,963	9,272,421	548,302	10,210

The accompanying notes form an integral part of the financial statements.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2024

## 1. GENERAL INFORMATION

**CYL Corporation Berhad** (the “Company”) is a public company limited by way of shares incorporated and domiciled in Malaysia. The Company is listed on the Main Market of Bursa Malaysia Securities Berhad. The addresses of the principal place of business and registered office of the Company are disclosed on page 7.

The principal activity of the Company is investment holding. The principal activities of the subsidiary are disclosed in Note 6.

There have been no significant changes in the nature of these activities during the financial year.

## 2. BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) issued by the Malaysian Accounting Standards Board (“MASB”), IFRS® Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia.

The financial statements are presented in Ringgit Malaysia (“RM”), which is also the Company’s functional currency.

The financial statements have been prepared on the historical cost basis, except for other measurement bases applied, including fair value, as stated in the significant accounting policies set out in Note 3.

### (a) Application of new or amended standards

In the current year, the Group and the Company have applied a number of amendments that become effective mandatorily for the financial periods beginning on or after 1 February 2023.

The adoption of the amendments does not have any significant impact on the disclosures or on the amounts reported in the financial statements of the Group and of the Company.

### (b) Standards issued that are not yet effective

The Group and the Company have not applied the following amendments that have been issued by the MASB relevant to their operations but are not yet effective:

		<i>Effective Date</i>
Amendments to MFRS 16	Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101	Classification of Liabilities as Current and Non-current	1 January 2024
Amendments to MFRS 101	Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 121	Lack of Exchangeability	1 January 2025

The adoption of the above amendments are not expected to have significant impact on the financial position and financial performance of the Group and of the Company when they are effective.

### 3. MATERIAL ACCOUNTING POLICIES

#### (a) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and of the entity controlled by the Company made up to the end of the financial year.

The Company controls an investee if and only if the Company:

- has power over the investee;
- is exposure, or rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

When the Company has no majority voting rights of an investee, it considers that it has power over the investee if the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. All intra-group balances, transactions, income and expenses are eliminated in full on consolidation. Consolidation of an investee shall begin from the date the Company obtains control of the investee and cease when the investor loses control of the investee.

#### (b) Business combination

The Group accounts for each business combination by applying the acquisition method. The consideration transferred in a business combination shall be measured at fair value, which shall be calculated as the sum of the acquisition date fair values of the assets transferred by the acquirer, the liabilities incurred by the acquirer to former owners of the acquiree and the equity interests issued by the acquirer. Acquisition related costs are recognised as expenses when the costs are incurred.

On the date of acquisition, goodwill is measured as the excess of (i) over (ii) below:

- (i) The aggregate of: (i) the fair value of consideration transferred; (ii) the amount of any non-controlling interests in the investee; and (iii) the fair value of the Group's previously held equity interest in the investee, if the business combination achieved in stages.
- (ii) The net fair value of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, a business combination in which the amount in (ii) above exceeds the aggregate of the amounts in (i) above, the Group recognises the resulting gain in profit or loss.

#### (c) Investments in subsidiaries (separate financial statements)

In the Company's separate financial statements, investments in subsidiaries are measured at cost less impairment losses, if any. Impairment losses are recognised in profit or loss.

On disposal, the difference between the net disposal proceeds and the carrying amount of the investment disposed is recognised in profit or loss.

#### (d) Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Depreciation is recognised to write off the depreciable amount of property, plant and equipment on a straight-line basis over their estimated useful lives. Depreciable amount is determined after deducting the residual value from the cost.

Freehold land is not depreciated. The annual depreciation rates of other items are:

Freehold buildings	2%
Freehold apartments	2%
Plant and machinery	10%
Office equipment	10%
Furniture and fittings	10%
Motor vehicles	20%
Electrical installation	10%
Containers	10%

The residual values, useful lives and depreciation method are reviewed, and adjusted if appropriate, at each reporting date.

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from their use. On disposal or retirement of an asset, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

(e) Transferable gold club membership

Transferable gold club membership with infinite useful lives, which are acquired separately, are measured at cost less accumulated impairment losses.

(f) Impairment of non-financial assets

Property, plant and equipment, transferable golf club membership and investment in a subsidiary are assessed at each reporting date to determine whether there is any indication of impairment.

If such an indication exists, the asset's recoverable amount is estimated. The recoverable amount is the higher of an asset's fair value less cost to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the assets. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit to which the asset belongs.

An impairment loss is recognised whenever the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

Any reversal of an impairment loss as a result of a subsequent increase in recoverable amount should not exceed the carrying amount that would have been determined (net of amortisation or depreciation, if applicable) had no impairment loss been previously recognised for the asset.

(g) Inventories

Inventories are stated at the lower of cost and net realisable value.

Raw materials and packing materials consist of invoiced value of good purchase and determined on the first-in-first-out basis. The costs of finished goods include materials, labour and an appropriate proportion of 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.

The amount of any write-down of inventories to net realisable value shall be recognised as an expense in the period the write-down occurs. The amount of any reversal of write-down of inventories, arising from change in circumstances affecting the net realisable value, shall be recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

(h) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of an instrument.

Financial assets (with the exception of trade receivables that do not contain a significant financing component) and financial liabilities are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities on initial recognition. A trade receivable without a significant financing component is initially measured at its transaction price.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

*Subsequent measurement*

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. Financial assets are measured subsequently in the following manners:

- at amortised cost (debt instruments); or
- at fair value through other comprehensive income ("FVTOCI"), with recycling of cumulative gains and losses (debt instruments); or
- designated at FVTOCI, without recycling of cumulative gains and losses (equity instruments); or
- at fair value through profit or loss ("FVTPL").

*Financial assets at amortised cost*

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when an asset is derecognised, modified or impaired.

*Impairment of financial assets*

Loss allowance is recognised for expected credit losses ("ECL") for all debt instruments not held at FVTPL, i.e. financial assets at amortised cost, receivables and financial guarantee contracts.

ECL is based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that are expected to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial asset.

Management measures the loss allowance of trade receivables, contract assets and lease receivables at an amount equal to their lifetime ECL (i.e. simplified approach). The ECL on these financial assets are estimated based on historical credit loss experience, and where appropriate, adjusted for forward-looking factors specific to the debtors and the economic environment.

For all other financial assets at amortised cost, where credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECL is provided for credit losses that result from default events that are possible within 12 months after the reporting date. For those credit exposures for which there has been a significant increase in the likelihood or risk of a default occurring since initial recognition (instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring), a loss allowance is required for credit losses expected over the remaining life of the financial assets.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information. In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations; or
- An actual or expected significant deterioration in the operating results of the debtor; or
- Significant increases in credit risk on other financial instruments of the same debtor; or
- An actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

The Group considers a financial instrument to have low credit risk if:

- The financial instrument has a low risk of default; or
- The debtor has a strong capacity to meet its contractual cash flow obligations in the near term;

The Group considers a financial asset to be in default when contractual payments are more than 90 days past due, unless there is reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate. The Group also considers a financial asset is in default when there is a breach of financial covenants by the debtor; or when there is indication that the debtor is unlikely to settle its indebtedness to the Group in full, without considering any collaterals held by the Group.

#### *Derecognition of financial assets*

A financial asset is derecognised only when the contractual rights to the cash flows from the financial asset expire; or when the financial asset is transferred and substantially all the risks and rewards of ownership of the financial asset are transferred to another party.

If the entity neither transfers nor retains substantially all the risks and rewards of ownership and continues to control a transferred financial asset, the entity recognises its retained interest in the financial asset and an associated liability for amounts it may have to pay. If the entity retains substantially all the risks and rewards of ownership of a transferred financial asset, the entity continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the financial asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

#### Financial liabilities and equity instruments

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### Financial liabilities

All financial liabilities are subsequently measured at FVTPL or at amortised cost.

##### *Financial liabilities at amortised cost*

These financial liabilities are subsequently measured at amortised cost using the effective interest method.

##### *Effective interest method*

The effective interest method is a method of calculating the amortised cost of a debt instrument or a financial liability by allocating interest income/expense over the relevant periods. The effective interest rate is the rate that exactly discounts estimated future cash receipts/payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of a debt instrument or a financial liability, to the amortised cost of the debt instrument or the financial liability.

##### *Financial guarantee contracts*

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued are initially measured at their fair values and, if not designated as at FVTPL and do not arise from a transfer of a financial asset, are subsequently measured at the higher of:

- the loss allowance determined in accordance with MFRS 9; and
- the amount recognised initially less, where appropriate, cumulative amount of income recognised.

##### *Derecognition of financial liabilities*

Financial liabilities are derecognised when, and only when, the obligations under the liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

When an existing financial liability is replaced by another financial liability from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability.

#### Equity instrument

Equity instruments issued are recognised at the proceeds received. Costs incurred directly attributable to the issuance of the equity instruments are accounted for as a deduction from equity.

Dividends to shareholders are recognised in equity in the period which they are declared.

(h) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, when it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, a provision represents the present value of estimated future those cash flows.

When some or all of the cash flows required to settle a provision are expected to be recovered from a third party, an asset is recognised if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(i) Revenue and other income recognition

Revenue from contracts with customers comprises sales of own-produced plastic packaging products and moulds.

Revenue is recognised when a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. A performance obligation is a promise to transfer a distinct goods or service (or a series of distinct goods or services that are substantially the same and that have the same pattern of transfer) to the customer that is explicitly stated in the contract and implied in the Group's customary business practices.

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with customer. Revenue from contracts with customers is measured at its transaction price, being the amount of consideration which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties such as sales taxes or goods and services taxes. If the amount of consideration varies due to discounts, rebates, refunds, credits, incentives, penalties or other similar items, the Group estimates the amount of consideration to which it will be entitled based on the expected value or the most likely outcome. If the contract with customer contains more than one performance obligation, the amount of consideration is allocated to each performance obligation based on the relative stand-alone selling prices of the goods or services promised in the contract.

The revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

Revenue is recognised at the point of time where control of the goods has been transferred to the customer, being when the products have been delivered to a location specified by the customer and acceptance of the goods by the customer. Following delivery, the customer has full discretion over the manner of distribution of the goods, has the primary responsibility when using the goods and bears the risks of obsolescence and loss in relation to the goods.

Revenue is measured at the fair value of the consideration for the goods received or receivable, net of returns. No element of financing is included in the selling prices as the consideration is received or receivable within credit terms ranging from 30 to 90 days.

Under the Group's standard contract terms, customers have a right of return within 30 days. At the point of sale, a refund liability and a corresponding adjustment to revenue is recognised for those products expected to be returned. At the same time, the Group has a right to recover the product when customers exercise their right of return so consequently recognises a right to returned goods asset and a corresponding adjustment to cost of sales. The Group uses its accumulated historical experience to estimate the number of returns on a portfolio level using the expected value method. It is considered highly probable that a significant reversal in the cumulative revenue recognised will not occur given the consistent level of returns over previous years.



*Contract balances arising from revenue recognition*

Contract assets are the right to consideration in exchange for goods or services transferred to customers. If goods or services are transferred to customers before the customers pay consideration or before payment is due, contract assets are recognised for the earned consideration that is conditional. Trade receivables represent the entity's right to an amount of consideration that is unconditional.

Contract liabilities are the obligation to transfer goods or services to customers for which the entity has received consideration (or an amount of consideration is due) from the customers. If the customers pay consideration before the entity transfers goods or services to the customers, contract liabilities are recognised when the payment is made or the payment is due (whichever is earlier).

*Other revenues are recognised as follows:*

- (i) Dividend income is recognised when the shareholder's right to receive payment is established.
  - (ii) Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.
- (j) Borrowing costs

Borrowing costs incurred on assets under development that take a substantial period of time for completion are capitalised into the carrying value of the assets. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred; and ceases when the asset is completed or during extended periods when active development is interrupted.

All other borrowing costs are recognised in profit or loss in the financial period in which they are incurred.

(k) Employee benefits

- (i) Short-term employee benefits

Wages, salaries, paid annual leave, paid sick leave and non-monetary benefits are recognised as an expense in the period in which the associated services are rendered by employees.

- (ii) Post-employment benefits

The Group makes monthly contributions to the Employees Provident Fund ("EPF") which is a defined contribution plan. The obligation of the Group is limited to the amount that they agree to contribute to those defined contribution plans. The contributions to those plans are recognised as an expense when the employees have rendered service entitling them to the contribution.

- (iii) Provision for gratuity payment

Provision for gratuity payment represents amount payable to the executive directors of the Company at the end of their employment tenure. The executive directors are entitled to one month last drawn basic salary for every completed year of service in the subsidiary.

(l) Income tax

The income tax expense represents the aggregate of current tax and deferred tax.

Current tax and deferred tax are recognised in profit or loss. Current tax and deferred tax are recognised in other comprehensive income or directly in equity, if the tax relates to items that are recognised in other comprehensive income or directly in equity. Where deferred tax arises from a business combination, the tax effect is included in the accounting for the business combination.

*Current tax*

Current tax is the expected income tax payable on the taxable profit for the year, estimated using the tax rates enacted or substantially enacted by the reporting date.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future payment to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable.

*Deferred tax*

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, which is accounted using the liability method.

A deferred tax liability is recognised for all taxable temporary differences. A deferred tax asset is only recognised for deductible temporary differences and unutilised tax credit to the extent that it is probable that taxable profit will be available in future against which the deductible temporary differences and unutilised tax credit can be utilised.

No deferred tax is recognised for temporary differences arising from the initial recognition of: (i) goodwill, or (ii) an asset or liability (which is not in a business combination) at the time of the transaction that affects neither accounting profit nor taxable profit.

Deferred taxes are measured based on tax consequences that would follow from the manner in which the asset or liability is expected to be recovered or settled, and based on the tax rates enacted or substantively enacted at the reporting date that are expected to apply to the financial period when the asset is realised or when the liability is settled.

(m) Foreign currencies

*Transactions and Balances in Foreign Currencies*

Transactions in currencies other than the functional currency ("foreign currencies") are recognised at the prevailing exchange rate on the date of the transaction. At the reporting date, monetary items denominated in foreign currencies are translated at the prevailing exchange rate on that date.

Non-monetary items which are measured in terms of historical costs denominated in foreign currencies are translated at the prevailing exchange rate on the date of the transaction. Non-monetary items which are measured at fair values denominated in foreign currencies are translated at the prevailing exchange rate on the date when the fair values were determined.

Exchange differences are recognised in profit or loss.

(n) Leases

*The Group as Lessee*

At inception of a contract, the Group assesses whether the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Reassessment is only required when the terms and conditions of the contract are changed. Leases, except for short-term leases and leases of low value assets, are recognised as a right-of-use asset and corresponding lease liability at the date which the underlying asset is available for use.

Lease liability is initially measured at the present value of the lease payments discounted using the implicit rate in the lease, or the Group's incremental borrowing rate, if the implicit rate cannot be readily determined. Lease liability is remeasured, with a corresponding adjustment to the right-of-use asset, if there is a modification or change in the lease terms or intentions.

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

(o) Segment reporting

Segment reporting in the financial statements is presented on the same basis as that used by management internally for evaluating operating segment performance and in deciding on the allocation of resources to each operating segment. Operating segments are distinguishable components of the Group that engage in business activities from which they may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's results are reviewed regularly by the managing director (chief operating decision maker) who decide on the allocation of resources to the segment and assess its performance, and for which discrete financial information is available.

(p) Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances and other short-term, highly liquid investments that are readily convertible to known amounts of cash which are subject to insignificant risk of changes in value.

(q) Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities, for which fair value is measured or disclosed, are categorised within the fair value hierarchy set out below based on the inputs that are significant to the fair value measurement. Fair value measurement is derived from:

Level 1: Unadjusted quoted prices in active markets (for identical assets or liabilities).

Level 2: Inputs (other than quoted prices included within Level 1) are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Valuation techniques that include unobservable inputs (not based on observable market data).

#### 4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of financial statements requires management to exercise judgement in the process of applying the accounting policies. It also requires the use of accounting estimates and assumptions that affect reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the reporting date, and the reported amounts of income and expenses.

Although these estimates are based on management's best knowledge of current events and actions, historical experiences and various other factors, including expectations for future events that are believed to be reasonable under the circumstances, actual results may ultimately differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

##### Critical judgement made in applying accounting policies

Management is of the opinion that there are no instances of application of significant judgement which are expected to have material effect on the amounts recognised in the financial statements.

##### Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources associated with estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are as follows:

(i) Depreciation and useful lives of property, plant and equipment

The Group reviews the estimated useful lives of its property, plant and equipment at the end of each reporting period. Property, plant and equipment are depreciated over their useful lives. The estimated useful lives are a matter of judgement based on experience of the Group, taking into account factors such as technological progress, changes in market demand, expected usage and physical wear and tear. Useful lives are periodically reviewed for continued appropriateness. Due to long lives of assets, changes to the estimates used can result in variation in carrying values and future depreciation charges.

(ii) Impairment of property, plant and equipment

The Group carried out a review of the recoverable amount of the property, plant and equipment where impairment indicator was identified at reporting date. The recoverable amount of the property, plant and equipment is estimated based on value-in-use calculations and fair value less costs to sell. The value-in-use is determined by discounting the future cash flows generated from the continuing use of the plant and equipment and the projected cash flows were prepared based on the financial projections covering five years period approved by the directors. The values assigned to the key assumptions used in the calculations represent management's estimate of the future income which involve significant management's estimations based on various factors at the reporting date.

(iii) Write-down of inventories

Inventories are stated at the lower of cost and net realisable value. The Group estimates the net realisable value of inventories based on an assessment of expected selling prices.

Inventories are reviewed on a regular basis and the Group will write down for excess or obsolete inventories based primarily on historical trends and management estimates of expected and future product demand and related pricing.

Demand levels, technological advances and pricing competition could change from time to time. If such factors result in an adverse effect on the Group's products, the Group might be required to reduce the carrying amount of its inventories and additional write-down for slow-moving inventories may be required.

(iv) Determining the loss allowance for trade receivables

Management assesses the ECL for trade receivables at each reporting date. Credit losses are the difference between the contractual cash flows that are due to the entity and the cash flows that it actually expects to receive. Management applies simplified approach of *MFRS 9 Financial Instruments* in assessing the impairment of trade receivables.

In determining the ECL, management uses historical credit loss experience for trade receivables to estimate the ECL. Management is not only required to consider historical information that is adjusted to reflect the effects of current conditions and information that provides objective evidence that trade receivables are impaired in relation to incurred losses, but management is also considering, when applicable, reasonable and supportable information that may include current and forecasts of future economic conditions when estimating the ECL, on collective basis. The need to consider forward-looking information means that management exercises considerable judgement as to how changes in macroeconomic factors will affect the ECL on trade receivables.

(v) Income taxes

Significant judgement is involved in determining the capital allowances and deductibility of expenses during the estimation of the provision for income tax. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business.

The Group and the Company recognise liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

## 5. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land	Freehold buildings	Freehold apartments	Plant and machinery	Office equipment	Furniture and fittings	Motor vehicles	Electrical installation	Containers	Total
2024	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
<b>Cost</b>										
At 01.02.2023	24,160,000	20,118,241	1,000,000	103,258,193	2,720,766	530,752	5,129,067	1,172,105	2,700	158,091,824
Additions	-	346,427	-	2,967,607	100,113	-	-	-	-	3,414,147
Disposals	-	-	-	-	-	-	(151,550)	-	-	(151,550)
At 31.01.2024	24,160,000	20,464,668	1,000,000	106,225,800	2,820,879	530,752	4,977,517	1,172,105	2,700	161,354,421
<b>Accumulated depreciation</b>										
At 01.02.2023	-	5,184,962	290,043	93,015,683	2,481,127	524,264	4,690,004	1,123,395	2,699	107,312,177
Charge for the year	-	403,892	22,222	2,251,185	55,650	2,346	94,082	11,514	-	2,840,891
Disposals	-	-	-	-	-	-	(151,548)	-	-	(151,548)
At 31.01.2024	-	5,588,854	312,265	95,266,868	2,536,777	526,610	4,632,538	1,134,909	2,699	110,001,520
Net carrying value										
At 31.01.2024	24,160,000	14,875,814	687,735	10,958,932	284,102	4,142	344,979	37,196	1	51,352,901

Group	Freehold land	Freehold buildings	Freehold apartments	Plant and machinery	Office equipment	Furniture and fittings	Motor vehicles	Electrical installation	Containers	Total
2023	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
<b>Cost</b>										
At 01.02.2022	24,160,000	20,118,241	1,000,000	102,661,682	2,671,432	530,752	5,326,133	1,172,105	2,700	157,643,045
Additions	-	-	-	596,511	49,334	-	470,412	-	-	1,116,257
Disposals	-	-	-	-	-	-	(667,478)	-	-	(667,478)
At 31.01.2023	24,160,000	20,118,241	1,000,000	103,258,193	2,720,766	530,752	5,129,067	1,172,105	2,700	158,091,824
<b>Accumulated depreciation</b>										
At 01.02.2022	-	4,782,597	267,822	90,740,653	2,426,985	521,500	5,304,993	1,109,845	2,699	105,157,094
Charge for the year	-	402,365	22,221	2,275,030	54,142	2,764	52,483	13,550	-	2,822,555
Disposals	-	-	-	-	-	-	(667,472)	-	-	(667,472)
At 31.01.2023	-	5,184,962	290,043	93,015,683	2,481,127	524,264	4,690,004	1,123,395	2,699	107,312,177
Net carrying value										
At 31.01.2023	24,160,000	14,933,279	709,957	10,242,510	239,639	6,488	439,063	48,710	1	50,779,647

Included in property, plant and equipment of the Group are fully depreciated assets which are still in use, with an aggregate cost of RM89,960,743 (2023: RM89,422,787).

#### *Impairment review of property, plant and equipment*

The Group assesses at each reporting date, whether there is any indicator that the property, plant and equipment may be impaired. If an indicator is identified, the recoverable amount of the asset is determined based on the higher of value-in-use ("VIU") and its fair value less costs to sell.

The approach to determine the recoverable amounts of the assets is categorised as follows:

- The recoverable amounts of freehold land, freehold buildings and freehold apartments have been determined by the directors based on fair value less costs to sell. The directors made comparison of the Group's freehold properties with similar properties that were listed for sale within the same locality or other comparable localities.
- The recoverable amounts of manufacturing plant and equipment have been determined based on the calculation of VIU derived from approved cash flow projections prepared by the directors.

## 6. INVESTMENTS IN SUBSIDIARIES

	Company	
	2024 RM	2023 RM
Unquoted shares, at cost	47,749,185	47,749,184
Capital contribution	3,568,000	3,568,000
	51,317,185	51,317,184

The capital contribution is for the subsidiary's capital expenditures and working capital purposes, which is treated as quasi-equity. The capital contribution has no fixed term of repayment and is repayable at the discretion of the subsidiary.

The details of the subsidiaries are as follows:

	Equity interest		Principal place of business and place of incorporation	Principal activities
	2024 %	2023 %		
Perusahaan Jaya Plastik (M) Sdn. Bhd.*	100	100	Malaysia	Manufacturing and supplying of plastic packaging products
CYL Land Sdn Bhd*	100	-	Malaysia	Inactive

\*Audited by Mazars PLT.

On 18 September 2023, the Company incorporated a new wholly-owned subsidiary, known as CYL Land Sdn Bhd, with RM1.



#### Amounts owing by subsidiaries

The amounts owing by subsidiaries comprise:

	Company	
	2024 RM	2023 RM
Dividend receivable	-	380,000
Non-trade amounts	224,206	-
	224,206	380,000

Amounts owing by subsidiaries under non-trade represents unsecured advances which are interest-free and repayable on demand in cash.

#### Amount owing to a subsidiary

In prior financial year, amount owing to a subsidiary represents unsecured advances and payment on behalf of expenses which are interest-free and repayable on demand in cash.

The changes in amount owing to a subsidiary are analysed as follows:

	Company	
	2024 RM	2023 RM
At 1 February	123,903	-
Cash flows:		
(Repayments to)/Advances received	(123,903)	73,742
Payment on behalf	-	50,161
At 31 January	-	123,903

## 7. OTHER INVESTMENTS

	Group	
	2024 RM	2023 RM
Transferable golf club membership	85,100	85,100

The club membership is assessed as having an indefinite useful life and tested annually for impairment.

## 8. INVENTORIES

	Group	
	2024 RM	2023 RM
Raw materials	2,212,195	2,871,521
Finished goods	2,010,727	2,144,411
Packing materials	103,086	210,256
	4,326,008	5,226,188

The cost of inventories recognised as an expense during the year was RM23,270,311 (2023: RM24,830,287).

## 9. TRADE RECEIVABLES

	Group	
	2024 RM	2023 RM
Trade receivables	7,838,103	7,140,321
Less: Loss allowance	(52,615)	(58,249)
	7,785,488	7,082,072

The credit period granted to the customers ranged between 30 to 90 (2023: 30 to 90) days.

The currency exposure profile of trade receivables is as follows:

	Group	
	2024 RM	2023 RM
RM	7,729,531	6,844,509
United States Dollar ("USD")	55,957	146,709
Singapore Dollar ("SGD")	-	90,854
	7,785,488	7,082,072

## 10. RIGHT TO RETURNED GOODS ASSET

The right to returned goods asset represents the Group's right to recover products from customers where customers exercise their right of return under the Group's return policy. Management applies historical experience to estimate the number of returns on a portfolio level using the expected value method. The average period where the returns are exercised is within 60 (2023: 60) days.

## 11. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Other receivables	2,379	15,631	40	40
Deposits	626,175	113,867	-	-
Prepayments	375,971	63,569	-	-
	1,004,525	193,067	40	40

Included in deposits of the Group as at reporting date are deposits paid in respect of the purchase of property, plant and equipment amounting to RM216,155 (2023: RMNil).

## 12. SHORT-TERM DEPOSITS WITH LICENSED BANKS

Short-term deposits with licensed banks of the Group represent placements in fixed income fund managed by licensed investment banks, whereby the amount deposited can be withdrawn after giving a notice period of 1 (2023: 1) day. The short-term deposits earn effective interest at 3.61% (2023: 2.37%) per annum.

## 13. SHARE CAPITAL

	Group and Company			
	2024		2023	
	Number of shares	Amount RM	Number of shares	Amount RM
Issued and fully paid ordinary shares: At 1 February/31 January	100,000,000	51,504,405	100,000,000	51,504,405

## 14. DEFERRED TAX LIABILITIES

	Group	
	2024 RM	2023 RM
At 1 February	5,555,988	5,506,554
Recognised in profit or loss (Note 25)	(335,458)	86,735
Recognised in other comprehensive income	(37,301)	(37,301)
At 31 January	5,183,229	5,555,988

The deferred tax liabilities comprise:

	Group	
	2024 RM	2023 RM
Temporary differences arising from:		
Difference between net carrying amount and tax written down value of property, plant and equipment	5,674,730	5,706,967
Provisions	(151,567)	(123,516)
Unabsorbed capital allowances	(317,543)	-
Others	(22,391)	(27,463)
	5,183,229	5,555,988

Included in the other comprehensive income is the related tax effects of the following:

- (a) Deferred tax liability of RM763,273 (2023: RM800,574) relating to revaluation surplus of properties arising from revaluations carried out in prior to Group's transition to MFRS. The deferred tax liability is reversed out to other comprehensive income corresponding with the depreciation charge on the underlying revalued properties; and
- (b) Deferred tax liability of RM1,385,305 (2023: RM1,385,305) representing the real property gain tax of 10% (2023: 10%) relating to the revaluation surplus of freehold land arising from revaluations carried out prior to the Group's transition to MFRS.

## 15. PROVISION FOR GRATUITY PAYMENT

	Group	
	2024 RM	2023 RM
At 1 February	514,650	443,682
Provision for the year	75,484	72,240
Unwinding of discount	41,395	(1,272)
At 31 January	631,529	514,650
Analysed as follows:		
Current	196,342	151,032
Non-current	435,187	363,618
	631,529	514,650

## 16. TRADE PAYABLES

The normal credit period granted by the suppliers ranged between 60 to 120 (2023: 60 to 120) days.

The currency exposure profile of trade payables is as follows:

	Group	
	2024 RM	2023 RM
RM	1,277,820	832,755
USD	1,073,217	1,351,158
	2,351,037	2,183,913

## 17. OTHER PAYABLES AND ACCRUALS

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Other payables	755,158	688,852	-	-
Dividend payables	500,000	-	500,000	-
Accruals	1,165,782	1,113,120	47,989	76,000
Sales and Service Tax payable	5,326	7,935	-	-
	2,426,266	1,809,907	547,989	76,000

The currency exposure profile of other payables and accruals (financial liabilities) is as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
RM	2,420,940	1,788,278	547,989	76,000
SGD	-	13,694	-	-
	2,420,940	1,801,972	547,989	76,000

## 18. CONTRACT LIABILITIES

Contract liabilities represent advances received from customers for the goods yet to be transferred as at the reporting date.

Movements in contract liabilities are as follows:

	Group	
	2024 RM	2023 RM
At 1 February	-	-
Consideration received during the year	177,690	-
At 31 January	177,690	-

## 19. REFUND LIABILITY

The refund liability relates to customers' right to return products due to manufacturing defects which are usually within 60 (2023: 60) days. At the point of sale, a refund liability and a corresponding adjustment to revenue are recognised for those products expected to be returned. Management uses historical experience to estimate the number of returns on a portfolio level using the expected value method.

## 20. AMOUNT OWING TO A DIRECTOR

Amount owing to a director represents unsecured advances which are interest-free and repayable on demand in cash.

## 21. REVENUE

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<i>Revenue from contracts with customers recognised at a point in time</i>				
- Sale of goods	42,893,264	44,658,221	-	-
- Sale of moulds	-	138,000	-	-
<i>Other revenue</i>				
- Dividend income from a subsidiary	-	-	950,000	380,000
	42,893,264	44,796,221	950,000	380,000

Disaggregation of revenue from contracts with customers has been presented in the segmental information, Note 33 to the financial statements, which has been presented based on geographical segment from which the revenue transactions originated.

Information about remaining performance obligations that have original expected durations of one year or less is not disclosed.

## 22. EMPLOYEE BENEFIT EXPENSES (EXCLUDING DIRECTORS)

	Group	
	2024 RM	2023 RM
Salaries, wages, and allowances	4,174,883	3,737,209
Contributions for EPF	348,835	296,403
Social security costs	80,246	69,508
Other staff benefits	1,674,150	1,512,837
	6,278,114	5,615,957

## 23. REMUNERATION OF KEY MANAGEMENT PERSONNEL

Key management personnel of the Group and the Company are those having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly. Directors are considered as the key management personnel of the Group and of the Company.

The remuneration of key management personnel is as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Executive directors:				
- Salaries and allowances	1,551,721	1,551,721	-	-
- Provision for gratuity	75,484	72,240	-	-
- Contributions for EPF	148,150	186,216	-	-
Non-executive directors:				
- Fees	299,484	304,000	131,484	136,000
- Other emoluments	13,000	14,500	13,000	14,500
	2,087,839	2,128,677	144,484	150,500

In addition to the remuneration, the Group also provides non-cash benefits to key management personnel. The estimated monetary value of directors' benefits in kind is RM54,226 (2023: RM54,226).

## 24. (LOSS)/PROFIT BEFORE TAX

(Loss)/Profit before tax is stated after charging/(crediting):

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Auditors' remuneration				
- Statutory audit	100,000	95,000	37,000	36,000
- Other assurance engagement	5,000	5,000	5,000	5,000
Gain on disposals of property, plant and equipment	(39,138)	(49,994)	-	-
Realised loss on foreign exchange	103,176	113,269	-	-
Rental of low value assets	3,600	3,600	-	-
Rental of short-term assets	28,375	21,600	-	-
Unrealised loss/(gain) on foreign exchange	32,241	(19,303)	-	-
Reversal of inventories written down	(7,025)	(11,597)	-	-

## 25. TAX (INCOME)/EXPENSE

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Malaysian tax				
- current	23,058	-	-	-
- deferred	(335,417)	88,321	-	-
	(312,359)	88,321	-	-
Under/(Over) estimated in prior years				
- current tax	4,199	11,255	-	-
- deferred tax	(41)	(1,586)	-	-
	4,158	9,669	-	-
Tax (income)/expense	(308,201)	97,990	-	-

The difference between tax expense and the amount of tax determined by multiplying the (loss)/profit before tax to the applicable tax rate, is analysed as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
(Loss)/Profit before tax	(1,878,063)	(77,738)	534,213	2,111
Tax at the applicable tax rate of 24% (2023: 24%)	(450,735)	(18,657)	128,211	507
Tax effects of:				
- non-deductible expenses	167,535	149,420	99,830	90,762
- non-taxable income	(29,159)	(38,711)	(228,041)	(91,269)
Tax incentive claimed	-	(3,731)	-	-
Underestimated in prior years	4,158	9,669	-	-
Tax (income)/expense	(308,201)	97,990	-	-

As at the reporting date, the Group has the following tax exempt income, subject to agreement by Inland Revenue Board:

	2024 RM	2023 RM
Tax exempt account	2,080,506	2,419,845
Tax-exempt dividend income	5,561,720	5,111,720

The tax-exempt dividend income is arising from tax-exempt dividend income from the subsidiary and is available for distribution to shareholders.



## 26. LOSS PER SHARE

Loss per share is calculated by dividing loss for the year by the weighted average number of ordinary shares issued.

	Group	
	2024	2023
Loss for the year attributable to the owners of the Company (RM)	(1,569,862)	(175,728)
Weighted average number of ordinary shares for the purposes of basic earnings per share	100,000,000	100,000,000
Basic loss per share (sen)	(1.57)	(0.18)

The basic and diluted loss per share are equal as there is no potential dilutive ordinary shares as at the end of the reporting periods.

## 27. DIVIDEND

	Company	
	2024 RM	2023 RM
<i>In respect of the financial year ended 31 January 2024:</i>		
- Interim tax exempt dividend of 0.50 sen per share	500,000	-

The directors do not recommend any further dividend in respect of the current financial year.

## 28. RELATED PARTY DISCLOSURES

- (a) In addition to the related party transactions disclosed elsewhere in the financial statements, significant related party transactions during the financial year are as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<i>Transaction with a subsidiary</i>				
Dividend received	-	-	950,000	380,000
<i>Transaction with a director of Company</i>				
Rental expenses of apartment	21,600	21,600	-	-

Outstanding balances in respect of the above transactions are disclosed in Notes 6 and 20.

- (b) Compensation of key management personnel

The key management personnel are the directors of the Group and of the Company. The remuneration paid/payable to the key management personnel is disclosed in Note 23.

## 29. CAPITAL COMMITMENTS

	Group	
	2024 RM	2023 RM
Approved and contracted for:		
Purchase of property, plant and equipment	178,958	33,272

## 30. FINANCIAL INSTRUMENTS

### (a) Classification of financial instruments

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Financial assets</b>				
<i>At amortised cost</i>				
Trade receivables	7,785,488	7,082,072	-	-
Other receivables and deposits	628,554	129,498	40	40
Amounts owing by subsidiaries	-	-	224,206	380,000
Short-term deposits with licensed banks	6,029,461	6,789,345	-	-
Cash and bank balances	1,264,502	2,483,076	548,302	10,210
	15,708,005	16,483,991	772,548	390,250
<b>Financial liabilities</b>				
<i>At amortised cost</i>				
Trade payables	2,351,037	2,183,913	-	-
Other payables and accruals	2,420,940	1,801,972	547,989	76,000
Amount owing to a subsidiary	-	-	-	123,903
Amount owing to a director	14,000	14,000	-	-
	4,785,977	3,999,885	547,989	199,903

### (b) Fair value of financial instruments

The carrying amounts of financial instruments as at the end of the financial reporting period approximate or were at their fair values due to the relatively short-term maturity of these financial instruments.

## 31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities expose it to a variety of financial risks, including credit risk, foreign currency exchange risk, interest rate risk and liquidity and cash flow risks arising in the normal course of the Group's businesses.

The directors monitor the Group's financial position closely with an objective to minimise potential adverse effects on the financial performance of the Group. The directors review and agree on policies for managing each of these risks and they are summarised below:

### (a) Credit risk

Credit risk is the risk of loss that may arise from the possibility that a counterparty may be unable to meet the terms of a contract in which the Group has a gain position.

### Trade receivables

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

As of the end of the reporting period, there was significant concentration of credit risk arising from amounts owing by 4 (2023: 3) major customers which accounted for 70% (2023: 65%) of total trade receivables. The extension of credit to and the repayments from customers are closely monitored by the management to ensure that they adhere to the agreed credit term and policies. The maximum exposure of credit risk arising from receivables is presented by the carrying amounts in the statements of financial position. The Group does not hold any collateral as security.

The risk profile of trade receivables and the provision matrix as at the reporting date which is trade in nature are as follows:

Group	Expected credit loss rate	Gross carrying amount RM	Loss allowance RM	Carrying amount RM
2024				
Not past due	0.37%	7,154,583	(26,562)	7,128,021
Past due:				
30 days and below	0.37%	589,267	(2,157)	587,110
31 to 60 days	0.37%	70,599	(242)	70,357
120 days and above	100%	23,654	(23,654)	-
		7,838,103	(52,615)	7,785,488
2023				
Not past due	0.33%	6,422,797	(21,836)	6,400,961
Past due:				
30 days and below	0.33%	603,572	(2,029)	601,543
31 to 60 days	0.33%	24,820	(83)	24,737
61 to 90 days	0.33%	39,858	(133)	39,725
91 to 120 days	43.60%	26,781	(11,675)	15,106
120 days and above	100.00%	22,493	(22,493)	-
		7,140,321	(58,249)	7,082,072

The movements in the loss allowance for trade receivables are as follows:

	Group	
	2024	2023
At 1 February	58,249	48,335
Loss allowance	-	9,914
Reversal of loss allowance	(5,634)	-
At 31 January	52,615	58,249

#### Receivables that are past due but not impaired

The Group has trade receivables amounting to RM657,000 (2023: RM681,000) that are past due at the reporting date but not impaired respectively. The Group believes that no further loss allowance is necessary in respect of these receivables. They are substantially companies with good collection track record and no recent history of default.

#### *Other receivables and other financial assets*

For other receivables and other financial assets (including cash and balances, short term deposits with licensed banks, and amounts owing by subsidiaries), the Group and the Company minimise credit risk by dealing exclusively with creditworthy counterparties. Other receivables and other financial assets are subject to insignificant credit loss as management does not expect any losses arising from non-performance by these counterparties.

At the reporting date, the Group's and the Company's maximum exposure to credit risk arising from other receivables and other financial assets is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

Generally, the Group writes off, partially or fully, the financial asset when it assesses that there is no realistic prospect of recovery of the amount as evidenced by, for example, the debtor's lack of assets or income sources that could generate sufficient cash flows to repay the amounts subjected to the write-off.

#### *Financial guarantee*

The Company is exposed to credit risk in relation to financial guarantee given to a licensed bank in respect of credit facilities granted to the subsidiary. The maximum exposure to credit risk amounted to RM6,850,000 (2023: RM6,850,000) representing the maximum amount the Company could pay if the guarantee is called on. The Company monitors on an ongoing basis of the results of the subsidiary and repayments made in respect of amounts outstanding under these credit facilities.

The management determined the fair value of the above financial guarantee to be not significant at its initial recognition.

#### (b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of foreign exchange rates.

The Group is exposed to foreign currency risk on overseas sales and purchases that are denominated in currencies other than the functional currency of the Group. The foreign currency giving rise to this risk is primarily USD.

The Group reviews the position of amounts outstanding from the foreign currency denominated balances periodically so as to mitigate the negative impact arising from fluctuations in exchange rates on a timely basis. Currently, the Group does not use any financial derivative instruments to hedge its foreign currency risk.

The currency exposures of each financial instrument are disclosed in the respective notes to the financial statements.

A sensitivity analysis has been performed based on the outstanding foreign currency denominated monetary items of the Group as at reporting date. If USD was to strengthen or weaken by 5% against RM with all other variables held constant, the Group's (loss)/profit after tax would increase or decrease by approximately RM51,000 (2023: RM60,000). There was no impact on other equity line item other than retained earnings.

The other foreign currency denominated monetary items as at reporting date are not material, hence the sensitivity analysis has not been presented.

(c) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates.

The Group's income and operating cash flows are substantially independent of changes in market interest rates. Exposure to changes in interest rate relates primarily to the Group's short-term deposits with licensed banks which is subject to floating rates. The Group does not hedge its interest rate risk.

A sensitivity analysis has been performed based on the outstanding floating rate short-term deposits with licensed banks as at reporting date. If interest rate were to increase or decrease by 50 basis points with all other variables held constant, the Group's (loss)/profit after tax would decrease or increase by RM23,000 (2023: RM26,000). There was no impact on other equity line item other than retained earnings.

(d) Liquidity and cash flow risks

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting financial obligations due to shortage of funds.

The Group seeks to ensure all business units maintain optimum levels of liquidity at all times, sufficient for their operating, investing and financing activities.

Therefore, the policy seeks to ensure that each business unit, through efficient working capital management (i.e. accounts receivable, inventories and accounts payable management), must be able to convert its current assets into cash to meet all demands for external payments as and when they fall due.

As at the reporting date, the financial liabilities of the Group and of the Company are repayable within one year.

The table below summarised issued financial guarantee contract of the Company, which represent the credit facilities utilised by the subsidiary at the reporting date, and is allocated to the earliest period in which the guarantee could be called. However, based on the subsidiary's ability to generate sufficient cash flows from its operations to repay its credit facilities at the end of the reporting period, the directors do not foresee the guarantee will be called.

<b>Company</b>	<b>Contractual undiscounted cash flows RM</b>	<b>Within 1 year RM</b>
2024 Financial guarantee contract	1,427,454	1,427,454
2023 Financial guarantee contract	1,317,104	1,317,104

## 32. CAPITAL MANAGEMENT

The Group's primary objectives when managing its capital are to safeguard the Group's ability to continue as a going concern and to provide adequate returns to shareholders whilst sustaining future development of the business.

The Group actively and regularly reviews and manages its capital structure. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares, secure new borrowing or sell assets to reduce debts.

No changes were made in the objectives, policies or processes during the year.

As at the reporting date, the Group does not have any external borrowing (2023: RMNil). Accordingly, no debt-to-equity ratio is presented.

### 33. SEGMENTAL INFORMATION

#### Business Segments

The Group operates in a single industry in the business of manufacturing and supplying of plastic packaging products and moulds and solely in Malaysia. Accordingly, no segment information about Group's revenue, profit or loss, assets and liabilities are reported separately.

#### Geographical Segments

The disaggregation of the Group's revenue from external customers attributed to Malaysia and other geographical area, from which the Group derived revenue is as follows:

	2024 RM	2023 RM
Malaysia	42,135,604	44,284,089
Others	757,660	512,132
	42,893,264	44,796,221

#### Major Customers

During the financial year, revenue contribution totaling RM30,024,868 (2023: RM29,319,229) out of the Group's revenue were contributed by 4 (2023: 3) major customers of the Group. Each customer represents revenue contribution equal or more than 10% of the Group's revenue.

### 34. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

The financial statements were authorised for issue by the board of directors on 15 May 2024.

# STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, Chen Teck Shin and Chen Yat Lee, being two of the directors of CYL Corporation Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 49 to 81 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 January 2024 and financial performance and cash flows of the Group and of the Company for the financial year then ended in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Signed on behalf of the board of directors in accordance with a directors' resolution.

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**CHEN TECK SHIN**

Director

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**CHEN YAT LEE**

Director

Kuala Lumpur

15 May 2024

# STATUTORY DECLARATION

PURSUANT TO SECTION 251(1)(B) OF THE COMPANIES ACT 2016

I, Chen Teck Shin, being the director primarily responsible for the financial management of CYL Corporation Berhad, do solemnly and sincerely declare that, to the best of my knowledge and belief, the accompanying financial statements set out on pages 49 to 81 are 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.

Subscribed and solemnly declared by  
the abovenamed **CHEN TECK SHIN**  
at **KUALA LUMPUR** in the Federal  
Territory  
this 15 May 2024

Before me,

**CHEN TECK SHIN**

Chartered Accountant

MIA Membership No: 37455

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**COMMISSIONER FOR OATHS**

# LIST OF PROPERTIES

AS AT 31 JANUARY 2024

A summary of the information on the landed properties of CYL Group as at 31 January 2024 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 2024 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 (after amalgamation of land title)  8-10-12, Jalan Teluk Gadung 27/93 Section 27, 40000 Shah Alam Selangor Darul Ehsan	Industrial/ A three storey office building annexed with three single storey factory/ warehouse	226,466	Freehold	27 - 30 years	23,392,649	11 November 2010
Held under Title No. H.S. (D) 71252 Lot No. PT 23 Mukim of Damansara District of Petaling State of Selangor  Lot 23, Jalan Jaya Setia 26/3 Section 26, Hicom Industrial Estate 40000 Shah Alam Selangor Darul Ehsan	Industrial/ A double storey office building annexed with single storey factory/ warehouse	43,560	Freehold	33	4,255,189	11 November 2010
Held under Title No. H.S. (D) 63661 Lot No. PT 664 Mukim of Damansara District of Petaling State of Selangor  36, Jalan Batu Belah 27/96 Section 27, 40000 Shah Alam Selangor Darul Ehsan	Industrial/ An intermediate unit 1½ storey terraced factory	3,900	Freehold	30	504,804	11 November 2010



Title/ Location	Existing use/ Description of property	Area (sq. ft.)	Tenure	Approximate age of building (years)	Net book value as at 31 January 2024 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  Ten Units of Medium Cost Apartment located at Taman Bunga Negara (Hicom Sector B) Section 26/27, 40400 Shah Alam Selangor Darul Ehsan	Residential/ Ten units of medium cost apartment	Not applicable	Freehold	28	687,735	11 November 2010
Held under Title No. H.S.(D) 63660 Lot No. PT 663 Mukim of Damansara District of Petaling State of Selangor  34, Jalan Batu Belah 27/96 Section 27, 40000 Shah Alam Selangor Darul Ehsan	A 1 ½ storey factory	3,900	Freehold	29	505,860	11 November 2010
Held under Title No. H.S.(D) 63630 Lot No. PT 632 Mukim of Damansara District of Petaling State of Selangor  4, Jalan Teluk Gadung 27/93 Section 27, 40000 Shah Alam Selangor Darul Ehsan	Industrial/ A double storey office building annexed with single storey factory/ warehouse	55,565	Freehold	16	7,077,312	11 November 2010
Held under Title No. H.S.(D) 63631 Lot No. PT 633 Mukim of Damansara District of Petaling State of Selangor  2, Jalan Teluk Gadung 27/93 Section 27, 40000 Shah Alam Selangor Darul Ehsan	Industrial land	55,565	Freehold	Not applicable	3,300,000	11 November 2010

# ANALYSIS OF SHAREHOLDINGS

AS AT 29 APRIL 2024

No. of Issued Shares : 100,000,000  
 Class of Shares : Ordinary Shares  
 Voting Rights : One (1) vote per Ordinary Share  
 No. of Shareholdings : 1,179

## SHAREHOLDINGS DISTRIBUTION

Size of Holdings	No. of Shareholders	%	No. of Shares held	%
Less than 100	18	1.53	477	0.00
100 – 1,000	240	20.36	170,530	0.17
1,001 – 10,000	564	47.84	2,995,435	3.00
10,001 – 100,000	296	25.10	10,032,900	10.03
100,001 to < 5% of issued shares	57	4.83	23,146,500	23.15
5% and above of issued shares	4	0.34	63,654,158	63.65
<b>Total</b>	<b>1,179</b>	<b>100.00</b>	<b>100,000,000</b>	<b>100.00</b>

## LIST OF TOP 30 SHAREHOLDERS/DEPOSITORS

No.	Name	No. of Shares held	%
1	CHEN YAT LEE	28,972,800	28.97
2	CHEN TECK SHIN	19,674,300	19.67
3	ABU TALIB BIN OTHMAN	10,007,058	10.01
4	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD [PLEDGED SECURITIES ACCOUNT FOR CHEN YAT LEE (MM1133)]	5,000,000	5.00
5	CHEN WAI LING	3,000,000	3.00
6	MAYBANK NOMINEES (TEMPATAN) SDN BHD [PLEDGED SECURITIES ACCOUNT FOR CHIAU HAW CHOON]	2,745,900	2.75
7	CIMSEC NOMINEES (TEMPATAN) SDN BHD [PLEDGED SECURITIES ACCOUNT FOR SVA KUMAR A/L M JEYAPALAN] (PB)	2,302,300	2.30
8	MAYBANK NOMINEES (TEMPATAN) SDN BHD [PLEDGED SECURITIES ACCOUNT FOR CHIAU BENG TEIK]	1,997,800	2.00
9	ADDEEN TRADING SDN BHD	840,400	0.84
10	LOW KIM AIK	643,900	0.64
11	HLB NOMINEES (TEMPATAN) SDN BHD [PLEDGED SECURITIES ACCOUNT FOR TAN KONG HAN]	600,000	0.60
12	LEONG KOK HOU	600,000	0.60
13	LIEW KIM CHOI	574,000	0.57
14	WONG CHEW HIN	510,000	0.51
15	ALLIANCE GROUP NOMINEES (TEMPATAN) SDN BHD [PLEDGED SECURITIES ACCOUNT FOR SOH CHEE YONG]	500,000	0.50

No.	Name	No. of Shares held	%
16	NG INN JWEE	404,000	0.40
17	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. <i>[PLEDGED SECURITIES ACCOUNT FOR SHIM TIK VOON]</i>	354,200	0.35
18	PUBLIC NOMINEES (TEMPATAN) SDN BHD <i>[PLEDGED SECURITIES ACCOUNT FOR LAU YU MOI] (E-IMO)</i>	305,100	0.31
19	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. <i>[PLEDGED SECURITIES ACCOUNT FOR KOH KIN LIP]</i>	300,000	0.30
20	LOW YEW SENG	290,000	0.29
21	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. <i>[PLEDGED SECURITIES ACCOUNT FOR NG PEI JIN] (M04)</i>	274,000	0.27
22	AMERLINK ENTERPRISE SDN BHD	270,000	0.27
23	LIM YAW JENN	264,400	0.26
24	HLIB NOMINEES (TEMPATAN) SDN BHD <i>[PLEDGED SECURITIES ACCOUNT FOR TAN KIM SEONG]</i>	260,000	0.26
25	CHEN YIN KHEE	255,700	0.26
26	HO BENG JAU	250,000	0.25
27	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. <i>[PLEDGED SECURITIES ACCOUNT FOR KHOR KEN YEON]</i>	222,100	0.22
28	ALLIANCE GROUP NOMINEES (TEMPATAN) SDN BHD <i>[PLEDGED SECURITIES ACCOUNT FOR NG CHOOI GUAN]</i>	219,100	0.22
29	MAYBANK NOMINEES (TEMPATAN) SDN BHD <i>[TUANG YUET HWA]</i>	212,000	0.21
30	AMSEC NOMINEES (TEMPATAN) SDN BHD <i>[PLEDGED SECURITIES ACCOUNT FOR TAN CHOON HWA]</i>	200,000	0.20
		82,049,058	82.03

## DIRECTORS' SHAREHOLDINGS

(As per the Register of Directors' Shareholdings)

No.	Name	No. of Shares Held			
		Direct Interest	%	Deemed Interest	%
1	Chen Yat Lee	33,972,800	33.97	–	–
2	Chen Teck Shin	19,674,300	19.67	–	–
3	Tan Sri Abu Talib Bin Othman	10,007,058	10.01	–	–
4	Chen Wai Ling	3,000,000	3.00	–	–
5	Wan Kai Chee (appointed on 5 January 2024)	–	–	–	–
6	Abd Malik Bin A Rahman	–	–	–	–
7	Gan Kok Ling	–	–	–	–
8	Chen Teck Sun (also the Alternate Director to Chen Yat Lee)	–	–	–	–

## SUBSTANTIAL SHAREHOLDERS

(As per the Register of Substantial Shareholders)

No.	Name	No. of Shares Held			
		Direct Interest	%	Deemed Interest	%
1	Chen Yat Lee	33,972,800	33.97	–	–
2	Chen Teck Shin	19,674,300	19.67	–	–
3	Tan Sri Abu Talib Bin Othman	10,007,058	10.01	–	–

# ADMINISTRATIVE GUIDE FOR THE TWENTY-FOURTH ANNUAL GENERAL MEETING (“AGM”) OF CYL CORPORATION BERHAD

**Date** : Thursday, 18 July 2024  
**Time** : 10.00 a.m.  
**Meeting Venue** : Online Meeting Platform provided by Tricor Investor & Issuing House Services Sdn. Bhd. (“Tricor”) in Malaysia  
**Meeting Platform** : TIIH Online website at <https://tiih.online>

## MODE OF MEETING

The Company continues to leverage on technology to facilitate communications with its shareholders by allowing easier and more efficient access for them to attend the Twenty-Fourth AGM which will be conducted on a fully virtual manner through live streaming and online remote voting via Remote Participation and Voting (“RPV”) facilities on the online meeting platform provided by Tricor.

The online meeting platform of the AGM is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 and the Guidance Note on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia. Shareholders/proxy(ies) will not be allowed to attend the AGM in person on the day of the AGM of the Company. With the RPV facilities, you may exercise your right as a member of the Company to participate (including the right to pose questions to the Board of Directors and/or Management of the Company) and vote at the AGM. Alternatively, you may also appoint the Chairman of the meeting as your proxy to attend and vote on your behalf at the AGM.

## RPV FACILITIES

The RPV facilities are available on Tricor’s TIIH Online website at <https://tiih.online>.

Shareholders are to attend, speak (in the form of real time submission of typed texts) and vote (collectively, “participate”) remotely at the AGM using RPV facilities from Tricor.

A shareholder who has appointed a proxy, attorney or authorised representative to participate at the Twenty-Fourth AGM via RPV facilities must request his/her proxy or attorney or authorised representative to register himself/herself for RPV facilities via TIIH Online website at <https://tiih.online>.

Kindly refer to Procedures for Remote Participation and Voting via RPV facilities as set out below for the requirements and procedures.

## PROCEDURES FOR REMOTE PARTICIPATION AND VOTING VIA RPV FACILITIES

Please read and follow the procedures below to engage in remote participation through live streaming and online remote voting at the AGM using the RPV facilities:

Procedure	Action
<b>Before the AGM Day</b>	
i. Register as a user with TIIH Online	<ul style="list-style-type: none"> <li>Using your computer, access to website at <a href="https://tiih.online">https://tiih.online</a>. Register as a user under the “e-Services”, select the “Sign Up” button and followed by <b>“Create Account by Individual Holder”</b>. Please refer to the tutorial guide posted on the homepage for assistance.</li> <li>Registration as a user will be approved within one (1) working day and you will be notified via e-mail.</li> <li>If you are already a user with TIIH Online, you are not required to register again. You will receive an e-mail to notify you that the remote participation is available for registration at TIIH Online.</li> </ul>
ii. Submit your request to attend AGM remotely	<ul style="list-style-type: none"> <li>Registration is open from <b>Monday, 27 May 2024</b> until the day of AGM on <b>Thursday, 18 July 2024</b>. Shareholder(s), proxy(ies), corporate representative(s) or attorney(s) are required to pre-register their attendance for the AGM to ascertain their eligibility to participate the AGM using the RPV facilities.</li> <li>Login with your user ID (i.e. e-mail address) and password and select the corporate event: <b>“(REGISTRATION) CYL CORPORATION BERHAD 24<sup>TH</sup> AGM”</b>.</li> <li>Read and agree to the Terms &amp; Conditions and confirm the Declaration.</li> <li>Select “Register for Remote Participation and Voting”.</li> <li>Review your registration and proceed to register.</li> <li>System will send an <b>e-mail to notify</b> that your registration for remote participation is received and will be verified.</li> <li>After verification of your registration against the Record of Depositors as at <b>12 July 2024</b>, the system will send you an <b>e-mail on or after 16 July 2024 to approve or reject</b> your registration for remote participation.</li> </ul> <p><i>(Note: Please allow sufficient time for approval of new user of TIIH Online and registration for the RPV)</i></p>

On the AGM Day		
i.	Login to TIIH Online	<ul style="list-style-type: none"> <li>Login with your user ID and password for remote participation at the AGM at any time from <b>9.00 a.m.</b> i.e. 1 hour before the commencement of meeting at <b>10.00 a.m.</b> on <b>Thursday, 18 July 2024.</b></li> </ul>
ii.	Participate through Live Streaming	<ul style="list-style-type: none"> <li>Select the corporate event: <b>“(LIVE STREAM MEETING) CYL CORPORATION BERHAD 24<sup>TH</sup> AGM”</b> to engage in the proceedings of the AGM remotely.</li> <li>If you have any questions for the Chairman/Board, you may use the query box to transmit your question. The Chairman/Board will try to respond to questions submitted by remote participants during the AGM. If there is time constraint, the responses will be e-mailed to you at the earliest possible, after the meeting.</li> </ul>
iii.	Online remote voting	<ul style="list-style-type: none"> <li>Voting session commences from <b>10.00 a.m.</b> on <b>Thursday, 18 July 2024</b> until a time when the Chairman announces the end of the session.</li> <li>Select the corporate event: <b>“(REMOTE VOTING) CYL CORPORATION BERHAD 24<sup>TH</sup> AGM”</b> or if you are on the live stream meeting page, you can select <b>“GO TO REMOTE VOTING PAGE”</b> button below the Query Box.</li> <li>Read and agree to the Terms &amp; Conditions and confirm the Declaration.</li> <li>Select the CDS account that represents your shareholdings.</li> <li>Indicate your votes for the resolutions that are tabled for voting.</li> <li>Confirm and submit your votes.</li> </ul>
iv.	End of remote participation	<ul style="list-style-type: none"> <li>Upon the announcement by the Chairman on the conclusion of the AGM, the Live Streaming will end.</li> </ul>

#### Note to users of the RPV facilities:

- Should your registration for RPV facilities be approved, we will make available to you the rights to join the live stream meeting and to vote remotely. Your login to TIIH Online on the day of meeting will indicate your presence at the virtual meeting.
- The quality of your connection to the live broadcast is dependent on the bandwidth and stability of the internet at your location and the device you use.
- In the event you encounter any issues with logging-in, connection to the live stream meeting or online voting on the meeting day, kindly call Tricor Help Line at 011-40805616 / 011-40803168 / 011-40803169 / 011-40803170 for assistance or e-mail to [tiih.online@my.tricorglobal.com](mailto:tiih.online@my.tricorglobal.com) for assistance.

#### ENTITLEMENT TO PARTICIPATE AND APPOINTMENT OF PROXY

- Only members whose names appear on the Record of Depositors as at **12 July 2024** shall be eligible to attend, speak and vote at the AGM or appoint a proxy(ies) and/or the Chairman of the Meeting to attend and vote on his/her behalf.
- In view that the AGM will be conducted on a fully virtual basis, a member can appoint the Chairman of the Meeting as his/her proxy and indicate the voting instruction in the Proxy Form.

**3. If you wish to participate in the AGM yourself, please do not submit any Proxy Form for the AGM. You will not be allowed to participate in the AGM together with a proxy appointed by you.**

- Accordingly, proxy forms and/or documents relating to the appointment of proxy/corporate representative/attorney for the AGM whether in hard copy or by electronic means must be deposited or submitted to the Share Registrar in the following manner not later than **Tuesday, 16 July 2024 at 10.00 a.m.:**

i. In hard copy form:

By hand or post to the office of the Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia;

ii. By electronic form:

All shareholders can have the option to submit proxy forms electronically via TIIH Online and the steps to submit are summarised below:

Procedure	Action
<b>1. Steps for Individual Shareholders</b>	
i.	Register as a user with TIIH Online
ii.	Proceed with submission of Proxy Form

- Using your computer, access to website at <https://tiih.online>. Register as a user under the “e-Services”, select the “Sign Up” button and followed by **“Create Account by Individual Holder”**. Please refer to the tutorial guide posted on the homepage for assistance.
  - Registration as a user will be approved within one (1) working day and you will be notified via e-mail.
  - If you are already a user with TIIH Online, you are not required to register again. You will receive an e-mail to notify you that the remote participation is available for registration at TIIH Online.
- After the release of the Notice of Meeting by the Company on Monday, 27 May 2024, login with your username (i.e. email address) and password.
  - Select the corporate event: **“CYL CORPORATION BERHAD 24<sup>TH</sup> AGM - SUBMISSION OF PROXY FORM”**.
  - Read and agree to the Terms and Conditions and confirm the Declaration.
  - Insert your CDS account number and indicate the number of shares for your proxy(s) to vote on your behalf.
  - Appoint your proxy(s) and insert the required details of your proxy(s) or appoint the Chairman as your proxy.
  - Indicate your voting instructions – FOR or AGAINST, otherwise your proxy will decide on your votes.
  - Review and confirm your proxy(s) appointment.
  - Print the Proxy Form for your record.

Procedure	Action
<b>2. Steps for corporation or institutional shareholders</b>	
i. Register as a user with TIIH Online	<ul style="list-style-type: none"> <li>• Access TIIH Online at <a href="https://tiih.online">https://tiih.online</a>.</li> <li>• Under e-Services, the authorised or nominated representative of the corporation or institutional shareholder selects the “Sign Up” button and followed by <b>“Create Account by Representative of Corporate Holder”</b>.</li> <li>• Complete the registration form and upload the required documents.</li> <li>• Registration will be verified, and you will be notified by email within one (1) to two (2) working days.</li> <li>• Proceed to activate your account with the temporary password given in the email and re-set your own password.</li> </ul> <p><i>(Note: The representative of a corporation or institutional shareholder must register as a user in accordance with the above steps before he/she can subscribe to this corporate holder electronic proxy submission. Please contact our Share Registrar if you need clarifications on the user registration.)</i></p>
ii. Proceed with submission of Proxy Form	<ul style="list-style-type: none"> <li>• Login to TIIH Online at <a href="https://tiih.online">https://tiih.online</a>.</li> <li>• Select the corporate event name: <b>“CYL CORPORATION BERHAD 24<sup>TH</sup> AGM - SUBMISSION OF PROXY FORM”</b>.</li> <li>• Agree to the Terms &amp; Conditions and Declaration.</li> <li>• Proceed to download the file format for “Submission of Proxy Form” in accordance with the Guidance Note set therein.</li> <li>• Prepare the file for the appointment of proxy(ies) by inserting the required data.</li> <li>• Submit the proxy appointment file.</li> <li>• Proceed to upload the duly completed proxy appointment file.</li> <li>• Select “Submit” to complete your submission.</li> <li>• Print the confirmation report of your submission for your record.</li> </ul>

#### POLL VOTING

1. The voting at the AGM will be conducted by poll pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”). The Company has appointed Tricor as Share Registrar to conduct the poll by way of electronic voting (e-voting).
2. Members/proxies/corporate representatives/attorneys can proceed to vote on the resolutions before the end of the voting session which will be announced by the Chairman of the Meeting and submit your votes at any time from the commencement of the AGM at 10.00 a.m on Thursday, 18 July 2024. Kindly refer to “Procedures for Remote Participation and Voting via RPV Facilities” provided above for guidance on how to vote remotely via TIIH Online.
3. Upon completion of the voting session for the AGM, the Scrutineer will verify the poll results followed by the Chairman’s declaration whether the resolutions are duly passed.

#### PRE-MEETING SUBMISSION OF QUESTIONS TO THE BOARD OF DIRECTORS

The Board recognises that the AGM is a valuable opportunity for the Board to engage with shareholders. In order to enhance the efficiency of the proceedings of the AGM, shareholders may in advance, before the AGM, submit questions to the Board via Tricor’s TIIH Online website at <https://tiih.online>, by selecting “e-Services” to login, post your questions and submit it electronically no later than **Tuesday, 16 July 2024 at 10.00 a.m**. The Board of Directors will endeavour to address the questions received at the AGM.

#### NO RECORDING OR PHOTOGRAPHY

Unauthorised recording and photography are strictly prohibited at the Twenty-Fourth AGM of the Company.

#### DOOR GIFT / E-VOUCHER

There will be no distribution of door gift or e-voucher for attending the Twenty-Fourth AGM of the Company.

#### ENQUIRY

If you have any enquiry prior to the Twenty-Fourth AGM, please contact the Share Registrar at:

<b>Tricor Investor &amp; Issuing House Services Sdn. Bhd.</b> 197101000970 (11324-H)	
Address	Unit 32-01, Level 32, Tower A Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi 59200 Kuala Lumpur, Malaysia
Telephone Number	03-2783 9299
Fax Number	03-2783 9222
Email address	is.enquiry@my.tricorglobal.com



# CYL CORPORATION BERHAD

Registration No. 200001013537 (516143-V)  
(Incorporated in Malaysia)

## FORM OF PROXY FOR THE TWENTY-FOURTH ANNUAL GENERAL MEETING

CDS Account No.	
Number of Ordinary Shares held	

I/We (Full Name in Block Letters) \_\_\_\_\_  
 NRIC No. / Passport No. / Company No. \_\_\_\_\_ of \_\_\_\_\_  
 being a (full address and email address) shareholder of **CYL CORPORATION BERHAD** hereby appoint:

Proxy 1	No. of Shares	%
Full Name of Proxy as per NRIC/Passport		
NRIC / Passport No.		
Full Address		
Email address		
Contact No. (Mobile)		
and/or failing him/her,		

Proxy 2	No. of Shares	%
Full Name of Proxy as per NRIC/Passport		
NRIC / Passport No.		
Full Address		
Email address		
Contact No. (Mobile)		
or failing him/her,		

or failing him/her, the Chairman of the Meeting as my/our proxy(ies) to attend and vote for me/us on my/our behalf at the **Twenty-Fourth Annual General Meeting ("24<sup>th</sup> AGM")** of the Company which will be conducted on a virtually manner through live streaming via the online meeting platform at TIH Online, provided by Tricor Investor & Issuing House Services Sdn Bhd in Malaysia via its website, <https://tjih.online> on Thursday, 18 July 2024 at 10.00 a.m. or at any adjournment thereof, and to vote as indicated below:

ORDINARY RESOLUTION		FOR	AGAINST
1	Re-elect Mr. Chen Yat Lee as Director		
2	Re-elect Ms. Gan Kok Ling as Director		
3	Re-elect Mr. Wan Kai Chee as Director.		
4	Approval of Non-Executive Directors' fees for the period commencing on the date immediately after the 24 <sup>th</sup> AGM up to the date of the next AGM to be held in 2025.		
5	Approval of Non-Executive Directors' benefits for the period commencing on the date immediately after the 24 <sup>th</sup> AGM up to the date of the next AGM to be held in 2025.		
6	Re-appointment of Mazars PLT as the Company's Auditors		
7	Authority for the Directors to issue shares and waiver of pre-emptive rights		

Please indicate with an [X] in the spaces provided above on how you wish your votes to be cast. If no specific direction as to voting is given, the proxy will vote or abstain from voting at his discretion.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2024

\_\_\_\_\_  
Signature/Common Seal of Shareholder(s)





Fold this flap for sealing

Notes:

**1. IMPORTANT NOTICE**

The 24<sup>th</sup> AGM of the Company will be conducted on a fully virtual manner through live streaming in line with the Guidance Note on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia.

All meeting participants including the Chairman of the meeting, Board members, Senior Management, shareholders and proxies are required to participate in the meeting online.

Shareholders and proxies are to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote (collectively, "participate") remotely at this AGM via the Remote Participation and Voting ("RPV") facilities provided by Tricor Investor & Issuing House Services Sdn. Bhd. via its **TIIH Online** website at <https://tiih.online>.

**Please read these Notes carefully and follow the procedures in the Administrative Guide for the 24<sup>th</sup> AGM in order to participate remotely via RPV facilities.**

- For the purpose of determining who shall be entitled to participate in this AGM via RPV facilities, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, the **Record of Depositors as at 12 July 2024**. Only a member whose name appears on this Record of Depositors shall be entitled to participate in this AGM via RPV facilities.
- A member who is entitled to participate in this AGM via RPV facilities is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate in his/her place. A proxy may but need not be a member of the Company.
- A member of the Company who is entitled to participate at a general meeting of the Company may appoint not more than two (2) proxies to participate instead of the member at the AGM.

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- Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
- Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
- Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
- A member who has appointed a proxy or attorney or authorised representative to participate at the 24<sup>th</sup> AGM via RPV facilities **must request his/her proxy or attorney or authorised representative to register himself/herself for RPV facilities via TIIH Online website at <https://tiih.online>**. Procedures for RPV facilities can be found in the Administrative Guide for the 24<sup>th</sup> AGM.
- The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote:
  - In hard copy form

In the case of an appointment made in hard copy form, the proxy form must be deposited with the Company's Share Registrar at Tricor Investor & Issuing House

AFFIX STAMP

The Share Registrar  
**CYL CORPORATION BERHAD**

200001013537 (516143-V)

Level 32-01, Level 32, Tower A  
Vertical Business Suite, Avenue 3, Bangsar South  
No. 8 Jalan Kerinchi, 59200 Kuala Lumpur  
Malaysia

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Services Sdn. Bhd. of Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

(ii) By electronic means

The proxy form can be electronically lodged with the Share Registrar of the Company via TIIH Online at <https://tiih.online>. Kindly refer to the Administrative Guide for the 24<sup>th</sup> AGM on the procedures for electronic lodgement of proxy form via TIIH Online.

- Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Company's Share Registrar at Tricor Investor & Issuing House Services Sdn. Bhd. of Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned AGM at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
- Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
- Last date and time for lodging the proxy form is **Tuesday, 16 July 2024 at 10.00 a.m.**

- For a corporate member who has appointed an authorised representative instead of a proxy to attend this meeting, please deposit the **ORIGINAL** certificate of appointment of authorised representative with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd. of Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

The certificate of appointment of authorised representative should be executed in the following manner:

- If the corporate member has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate member.
  - If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by:
    - at least two (2) authorised officers, of whom one shall be a director; or
    - any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.
- Shareholders are advised to check the Company's website at [www.cylcorporation.com](http://www.cylcorporation.com) and announcements from time to time for any changes to the administration of the 24<sup>th</sup> AGM.



**CYL CORPORATION BERHAD**

200001013537 (516143-V)

No. 12, Jalan Teluk Gadung 27/93,  
Section 27, 40000 Shah Alam,  
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TEL | +603 5191 3888 (Hunting Line)  
FAX | +603 5191 2888 / 5192 5051

[www.cylcorporation.com](http://www.cylcorporation.com)