

CYPARK RESOURCES BERHAD

[Registration No. 200401004491 (642994-H)]
(Incorporated in Malaysia)

MINUTES OF THE EIGHTEENTH ANNUAL GENERAL MEETING (“18th AGM”) OF THE COMPANY HELD ON A VIRTUAL BASIS VIA REMOTE PARTICIPATION AND VOTING AT THE BROADCAST VENUE AT SECURITIES SERVICES (HOLDINGS) SDN. BHD., LEVEL 7, MENARA MILENIUM, JALAN DAMANLELA, PUSAT BANDAR DAMANSARA, DAMANSARA HEIGHTS, 50490 KUALA LUMPUR, WILAYAH PERSEKUTUAN ON THURSDAY, 26 OCTOBER 2023 AT 10:00 A.M. (“the Meeting”)

DIRECTORS PRESENT : Dato’ Hamidah Binti Moris (*Independent Non-Executive Chair*)
Dato’ Daud Bin Ahmad (*Group Chief Executive Officer and Non-Independent Executive Director*)
Datuk Megat Abdul Munir Bin Megat Abdullah Rafaie (*Independent Non-Executive Director*)
Dato’ Ir. Dr. Hasnul Bin Mohamad Salleh (*Independent Non-Executive Director*)
Puan Norsimah Binti Noordin (*Independent Non-Executive Director*)
Datuk Mohd Adzahar Bin Abdul Wahid (*Independent Non-Executive Director*)
Encik Muhammad Ashraf Bin Muhammad Amir (*Non-Independent Non-Executive Director*)

INDIVIDUAL MEMBERS, REPRESENTATIVES AND PROXIES : As per Attendance List

BY INVITATION : Puan Lindayani Binti Tajudin (*Deputy Chief Executive Officer*)
Ms. Michelle Yong (*Representative of the External Auditor, Messrs. Nexia SSY PLT*)

IN ATTENDANCE : Ms. Yeow Sze Min (*Joint Company Secretary*)
Ms. Hoo Jiar Yee, Alexis (*Assisting the Company Secretary*)

CHAIR

Dato’ Hamidah Binti Moris (“**Dato’ Chair**”), the Independent Non-Executive Chair of the Company, welcomed all participants to the Meeting and thanked all for their remote participation at the Meeting from their respective locations.

Dato’ Chair then proceeded to introduce all Directors, the Deputy Chief Executive Officer, the Company Secretary and the External Auditor who were present at the broadcast venue.

QUORUM

With the requisite quorum being present pursuant to Clause 96 of the Company’s Constitution, Dato’ Chair declared the Meeting duly convened.

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PROCEEDINGS

Dato' Chair informed that the Main Market Listing Requirements of Bursa Malaysia Securities Berhad has mandated poll voting for all resolutions set out in the notice of general meetings. Pursuant to this and Section 330 of the Companies Act 2016 ("**the Act**"), Dato' Chair exercised her right to direct the vote on all resolutions of the Meeting to be conducted by way of poll.

Dato' Chair further informed that there were shareholders who were unable to participate in the Meeting and had appointed her as the Chair of the Meeting to vote on their behalf. Accordingly, Dato' Chair would be voting in her capacity as proxy in accordance with the shareholders' instructions, where indicated in their proxy forms.

The Meeting noted that there was no legal requirement for a proposed resolution to be seconded and hence, the voting module had been made accessible to all shareholders, proxies and corporate representatives to submit their votes from the start of the Meeting until the closure of the voting session.

Dato' Chair then invited Ms. Yeow Sze Min ("**Ms. Yeow**"), the Company Secretary, to brief the Meeting on the proceedings and voting procedures.

The Meeting noted that Dato' Chair would take the Meeting through each item on the Agenda followed by a question and answer session to be conducted upon completion of deliberations on all the items of the Agenda.

Ms. Yeow informed that shareholders, proxies and corporate representatives could use the text box below the live stream player within the Securities Services e-Portal ("**SSeP**") page to submit their questions or remarks in relation to the Agenda items of the Meeting, which would be transmitted during the Meeting to the Board, and the Board would endeavour to respond to all questions relevant to the Agenda items during the Meeting.

The Meeting noted that repeated questions or overlap in the subject matter of questions, responses may be consolidated and provided once to maintain efficient use of time.

The Meeting was further informed that SS E Solutions Sdn. Bhd. was the appointed Poll Administrator and Commercial Quest Sdn. Bhd. was the Independent Scrutineer to verify the results of the poll voting.

Thereafter, a step-by-step guide on the online voting module within the e-Portal was then played.

The Meeting was also informed that the Company was using 19 October 2023 as the determinant date of the General Meeting Record of Depositors.

NOTICE

Since the Notice convening the Meeting had been circulated within the prescribed period, it was taken as read.

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PRESENTATION ON THE COMPANY'S MARKET AND GROWTH OUTLOOK

Before proceeding to the Agenda, Dato' Chair invited Dato' Daud Bin Ahmad ("**Dato' Daud**"), the Group Chief Executive Officer ("**GCEO**") of the Company, for a short presentation to brief on the Company's market and growth outlook, as follows:-

a. Market Outlook

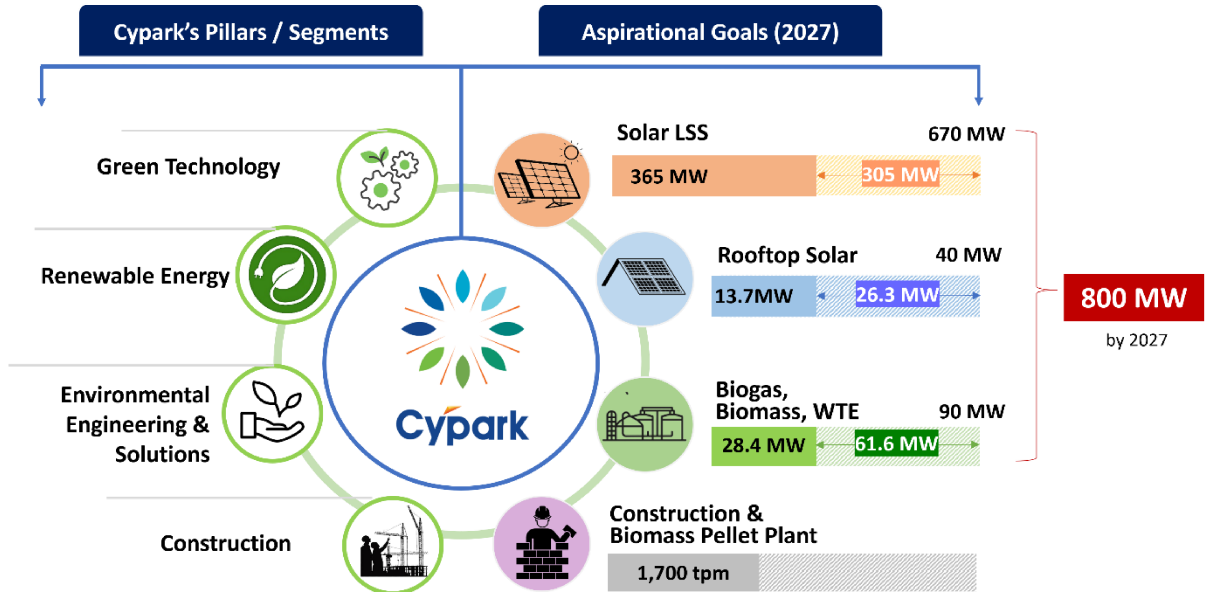
- The Malaysian Government has recently launched a new National Energy Transition Roadmap ("**NETR**").
- The new NETR included an ambitious target of achieving 70% renewable energy ("**RE**") installed capacity by 2050.
- The key initiatives of the new NETR to promote RE integration in Malaysia are as follows:-
 - (i) Promote floating solar;
 - (ii) Promote leasing concept of government and residential rooftop space;
 - (iii) Third party access to Tenaga Nasional Berhad ("**TNB**") grid; and
 - (iv) Develop RE-Exchange hub for cross border RE Trading.
- From now until year 2030, the Malaysian Government aims to establish 7GW of solar photovoltaic ("**PV**"), accounting for 31% RE of installed capacity. This would then be scaled up accordingly to achieve the installed RE capacity of 70% by year 2050.
- With the launch of the new NETR, the Company will have opportunities to capitalise on NETR to scale-up its RE integration.
- Despite the focus on energy efficiency ("**EE**") and RE, the Company believes that hydrogen, bioenergy, green mobility as well as carbon capture, utilisation and storage will become the bigger components into the energy mix of the country in the future. Hence, the Company would not just focus on developing EE and RE components but also focus on the innovation, research and development of the four components.
- Based on the reports by the Ministry of Economy, NETR will open up investment opportunities between RM435.0 billion to RM1.85 trillion by year 2050 with the value for EE around RM4.0 billion and value of solar PV around RM15.0 billion to RM20.0 billion from only year 2023 to 2030.

b. Strategy & Growth Prospects

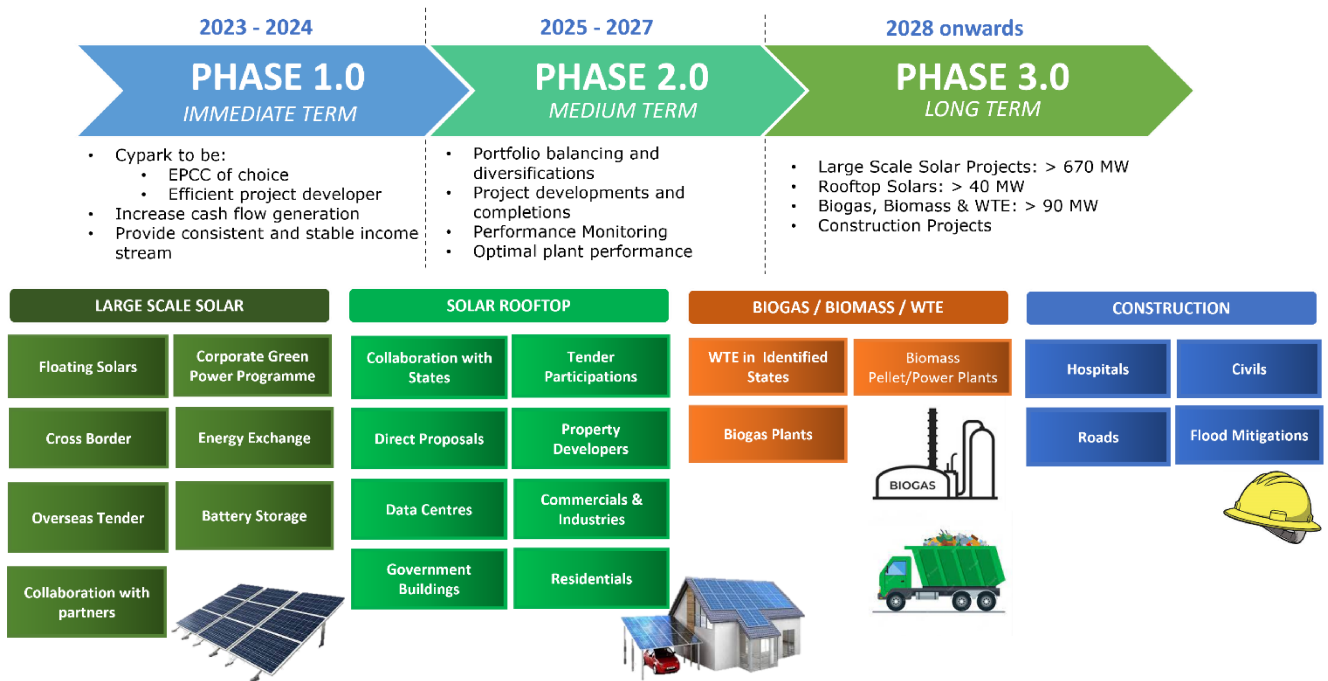
- The Company targets to achieve its following Aspirational Goals by year 2027:-

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- The Company's strategic execution and implementation are as follows:-



- The Company's anchors for future growth are as follows:-
 - Proven technological innovations and value engineering capabilities;
 - The team's extensive experience in Large Scale Solar ("**LSS**"), waste-to-energy ("**WTE**"), biogas and biomass projects;
 - Strong support from substantial shareholders; and
 - Strong short term and long term market outlook with clear roadmap of government policy.

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- The Company's cashflow balancing strategies are as follows:-
 - (i) Focus on brownfield assets and equity investor partnership [capital expenditure ("**capex**") heavy activities]
 - Upgrade existing RE plant (brownfield) as it involves lesser investment, shorter construction period and is infrastructure ready; and
 - Joint venture with RE asset investors who will take majority shareholding and provide equity funding.
 - (ii) Providing engineering, procurement, construction and commissioning ("**EPCC**") / contract services (capex free activities)
 - EPCC for other RE asset owners (Solar/WTE/Biomass)
 - Contract services for EE;
 - Contract services for EV infrastructure;
 - Contract services for WTE developers;
 - Contract services for infrastructure and building work
 - (iii) Providing specialist services (capex free activities)
 - Sales and trading of carbon credit;
 - RE asset management services;
 - RE operations and maintenance ("**O&M**") services;
 - WTE O&M Services; and
 - Waste management services.

LETTER FROM THE MINORITY SHAREHOLDERS WATCH GROUP ("MSWG")

Dato' Chair informed the Meeting that the Company had received a letter dated 16 October 2023 from MSWG and was requested to respond to the queries raised by MSWG at the Meeting.

At this juncture, Dato' Chair invited Dato' Daud to bring the participants through the queries received from MSWG and the Company's corresponding reply to each question, a copy of which is annexed hereto as **Annexure "A"**, were published on screen as Dato' Daud presented them.

Upon completion, Dato' Chair thanked Dato' Daud for his presentation and informed the Meeting that there was no door gift provided as the Company was in the process of conserving all of its funds for the completion of its projects. Nonetheless, she assured that the Company will be looking into it in the next financial year to extend its appreciation to all of its shareholders.

1.0 RECEIPT OF THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 30 APRIL 2023 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND THE AUDITORS THEREON ("AFS 2023")

Dato' Chair informed the Meeting that the first item on the Agenda was to receive the AFS 2023.

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The Meeting noted that formal approval from shareholders would not be required for this item on the Agenda pursuant to Section 340(1)(a) of the Act and hence, the AFS 2023 was not put forward for voting.

Dato' Chair thereafter declared that the AFS 2023 be received.

2.0 APPROVAL OF THE PAYMENT OF DIRECTORS' FEES TO THE FOLLOWING NEWLY APPOINTED NON-EXECUTIVE DIRECTORS OF THE COMPANY FROM THEIR RESPECTIVE APPOINTMENT DATES UNTIL THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY:-

- (a) PUAN NORSIMAH BINTI NOORDIN**
 - (b) DATO' IR. DR. HASNUL BIN MOHAMAD SALLEH**
 - (c) DATUK MOHD ADZAHAR BIN ABDUL WAHID**
 - (d) ENCIK MUHAMMAD ASHRAF BIN MUHAMMAD AMIR**
 - (e) DATO' HAMIDAH BINTI MORIS**
-

Dato' Chair informed that the second item on the Agenda is to approve the payment of Directors' fees to the following newly appointed Non-Executive Directors of the Company from their respective appointment dates until the next Annual General Meeting of the Company in 2024:-

- a. Puan Norsimah Binti Noordin;
- b. Dato' Ir. Dr. Hasnul Bin Mohamad Salleh;
- c. Datuk Mohd Adzahar Bin Abdul Wahid;
- d. Encik Muhammad Ashraf Bin Muhammad Amir; and
- e. Dato' Hamidah Binti Moris.

The Meeting noted that the details of the proposed fees for the abovementioned Non-Executive Directors was as outlined in the accompanying notes of the Notice of the 18th AGM.

Dato' Chair further informed that the approval of the Directors' fees would be voted on individually and the interested Directors would abstain from voting on their own fees.

3.0 RE-ELECTION OF THE FOLLOWING DIRECTORS OF THE COMPANY IN ACCORDANCE WITH CLAUSE 118 OF THE COMPANY'S CONSTITUTION:-

- (a) PUAN NORSIMAH BINTI NOORDIN**
 - (b) DATO' IR. DR. HASNUL BIN MOHAMAD SALLEH**
 - (c) DATUK MOHD ADZAHAR BIN ABDUL WAHID**
 - (d) ENCIK MUHAMMAD ASHRAF BIN MUHAMMAD AMIR**
 - (e) DATO' HAMIDAH BINTI MORIS**
-

Dato' Chair informed that the third item on the Agenda was in respect of the re-election of the following Directors of the Company who are retiring in accordance with Clause 118 of the Company's Constitution:-

- a. Puan Norsimah Binti Noordin;
- b. Dato' Ir. Dr. Hasnul Bin Mohamad Salleh;

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- c. Datuk Mohd Adzahar Bin Abdul Wahid;
- d. Encik Muhammad Ashraf Bin Muhammad Amir; and
- e. Dato' Hamidah Binti Moris.

The Meeting noted that the above Directors, being eligible, had offered themselves for re-election. However, Dato' Hasnul has withdrawn his consent for re-election as a Director of the Company after the Notice of the 18th AGM was issued. As a result, the resolution for his re-election will not be put to vote, and he will retain his office only until the conclusion of the 18th AGM.

The Meeting noted that if the resolution to pay Directors' fees to Dato' Ir. Dr. Hasnul Bin Mohamad Salleh is approved, the payment will be prorated from his appointment date to the current date, instead of extending until the next AGM.

Dato' Chair further informed the Meeting that Datuk Megat Abdul Munir Bin Megat Abdullah Rafaie will resign as a Director of the Company as his term of office as an Independent Director has exceeded nine (9) years, and he will retain his office only until the conclusion of the 18th AGM, as per disclosed in the 2023 Annual Report of the Company.

The Board thereafter expressed their gratitude and deep appreciation towards Dato' Ir. Dr. Hasnul Bin Mohamad Salleh and Datuk Megat Abdul Munir Bin Megat Abdullah Rafaie for their valuable contributions to the Company during their tenure in office.

4.0 RE-ELECTION OF DATO' DAUD BIN AHMAD AS A DIRECTOR OF THE COMPANY IN ACCORDANCE WITH CLAUSE 119 OF THE COMPANY'S CONSTITUTION

Dato' Chair informed that the fourth item on the Agenda was in respect of the re-election of Dato' Daud as a Director of the Company in accordance with Clause 119 of the Company's Constitution.

Dato' Chair further informed the Meeting that Dato' Daud, being eligible, had offered himself for re-election.

5.0 RE-APPOINTMENT OF NEXIA SSY PLT AS AUDITORS OF THE COMPANY UNTIL THE CONCLUSION OF THE NEXT AGM AND AUTHORISATION FOR THE DIRECTORS TO FIX THEIR REMUNERATION

Dato' Chair informed that the fifth item on the Agenda was to re-appoint Nexia SSY PLT as Auditors of the Company until the conclusion of the next AGM and to authorise the Directors to fix their remuneration.

Nexia SSY PLT had expressed their willingness to continue in office as Auditors of the Company.

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SPECIAL BUSINESS

6.0 ORDINARY RESOLUTION NO. 1

- AUTHORITY TO ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016 AND WAIVER OF PRE-EMPTIVE RIGHTS

Dato' Chair informed that the next item on the Agenda was a special business to approve the authority to issue shares pursuant to the Companies Act 2016 and waiver of pre-emptive rights.

Dato' Chair further informed that the proposed adoption of this Ordinary Resolution was primarily to give flexibility to the Board of Directors to issue and allot shares at any time to such persons in their absolute discretion without convening a general meeting (subject to relevant regulatory approvals), provided that the aggregate number of shares issued does not exceed 10% of the total number of issued shares of the Company for the time being as stipulated under the Paragraphs 6.03(1) of the Bursa Securities Main Market Listing Requirements.

The Meeting noted that pursuant to Section 85(1) of the Act read together with Clause 70 of the Company's Constitution, shareholders have pre-emptive rights to be offered any new shares in the Company which rank equally to the existing issued shares in the Company or other convertible securities.

The Meeting also noted that the proposed adoption will also mean that the shareholders of the Company waive their statutory pre-emptive rights to be offered any new shares of the Company ranking equally to the existing issued shares arising from any issuance of new shares in the Company.

The Meeting further noted that the authority will expire at the conclusion of the next AGM of the Company, unless revoked or varied by the Company in a general meeting.

7.0 ORDINARY RESOLUTION NO. 2

- PROPOSED RENEWAL OF THE AUTHORITY TO ALLOT AND ISSUE NEW ORDINARY SHARES IN THE COMPANY ("CRB SHARES"), FOR THE PURPOSE OF THE DIVIDEND REINVESTMENT SCHEME ("DRS") OF THE COMPANY WHICH WILL PROVIDE THE SHAREHOLDERS OF CRB WITH THE OPTION TO ELECT TO REINVEST THEIR CASH DIVIDEND IN CRB SHARES ("PROPOSED RENEWAL OF DRS AUTHORITY")

Dato' Chair informed that the next item on the Agenda was also a special business to seek shareholders' approval for the Ordinary Resolution in respect of the Proposed Renewal of DRS Authority, which will provide the shareholders of the Company with an option to elect to reinvest the whole or part of the proposed final dividend to be announced later into new CRB Shares in accordance with the DRS.

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8.0 ANY OTHER BUSINESS

The Meeting was advised that there was no other business to be transacted at the Meeting of which due notice had been given.

QUESTIONS AND ANSWERS SESSION

After having dealt with all the items on the Agenda, the Meeting proceeded to the questions and answers session.

1. Question from Teh Peng Tin (*shareholder*)

- “How much does the Company spend on this virtual AGM? Would the Board of Directors kindly give Touch ‘n Go e-wallet as a token of appreciation for attending today’s Remote Participation and Voting. I would like to request a printed hard copy of the Company’s annual report. May I know what’s the outlook and prospects for the Company? Please explain.”

Dato’ Daud replied as follows:-

- The Company has paid the standard market rate for conducting the AGM through virtual means.
- The Company will focus on:-
 - Securing more projects in its main pillars and segments, as presented earlier, given the Company’s experience and leadership in the market and with the favourable market conditions for RE, construction and engineering, green technology and environmental services as well as waste management and WTE;
 - Upgrading brownfield assets and exploring equity investor partnership to facilitate the development of new greenfield projects while reducing the equity requirement from the Company through collaboration with an equity investor partner;
 - Continuing to provide EPCC and contract services, as these will not only generate revenue but also lead to a strong cash flow for the Company through invoicing for contracted work; and
 - Offering specialist services to support the growing number of RE assets being developed by various players in the market.
- The door gifts/goodies will be considered in the next AGM.

2. Question from Abdul Hamid Bin Sh Mohamed (*shareholder*)

- “How do you justify paying large salaries to the previous Executive Chairman and current CEO when the Company made huge losses and suffered long delays and massive cost overruns in your 3 major projects the WTE, DTU and Merchang projects? Were there any key performance indicators (“**KPIs**”) set out upfront for both of them? For a small company I noted their total pay are higher than the total pay of equivalent executives at Tenaga National Berhad and Malakoff! No more Executive Chairman.”

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Dato' Chair replied as follows:-

- The Company no longer has an Executive Chair and is moving towards implementing a compensation and remuneration structure that will be commensurate with the KPIs.
- The KPIs would encompass components such as financial performance, efficiency and effectiveness in deliveries, human capital development, and successful stakeholder management. Specific KPIs include the completion of ongoing LSS projects, achieving optimal operational capacity at the Solid Waste Modular Advanced Recovery and Treatment System with Waste to Energy ("**SMART WTE**") plant as well as bolstering the Company's cash flow and balance sheet. Enhancement on governance and deliverables as well as fulfillment of ESG commitments are also areas the Company would put strong emphasis on.
- Additionally, the Company will be conducting a thorough review of the business strategies to ensure optimal growth and sustainability for the Group.

3. Question from Tan Kim Khuat (*shareholder*)

- "Welcome the new Board. Please send the printed report to my Puchong address. Please consider some eToken gift to us attending shareholders, please help the Company to back on right track. Thank you."

Ms. Yeow replied as follows:-

- The printed copy of the Company's Annual Report will be sent to Mr. Tan's registered address.
- As the Company was conserving its funds for ongoing projects, there will be no gifts, vouchers, or e-wallet credits given for participation in the AGM.

4. Question from Abdul Hamid Bin Sh Mohamed (*shareholder*)

- "How do you justify awarding huge Employee Share Option Scheme ("**ESOS**") to the CEO at such low exercise price when the Company was losing huge sums of money and had to raise over RM300 million to fund the cost overruns? I would call for the Company to cancel such ESOS given the project delays and cost overruns."

Dato' Daud replied as follows:-

- The pricing mechanism for the ESOS is determined based on the price fixing guidelines as advised by the advisors. Additionally, the issuance of ESOS reflects the appreciation towards the employees with long years of service, acknowledging their unwavering commitment and hard work, especially during difficult times like the prolonged COVID-19 pandemic.

5. Question from Kow Lih Shi (*shareholder*)

- "Does this year revenue drop? Dividend payout affected?"

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Dato' Daud replied as follows:-

- Once the major solar farms such as LSS2 and LSS3 are operational, which were projected to be completed by the end of the year, the Company anticipates positive growth in its financial performance in the financial year ending 30 April 2024.
- Furthermore, as operations stabilise and achieve optimal performance, the Company anticipates a strong operational cash flow. The Company will consistently assess its liquidity position and cash flow requirements before considering any dividend distribution.

6. Question from Liew Chee Seng (*shareholder*)

- "When will the Company turn profitable and start to pay dividend?"

Dato' Daud replied as follows:-

- The Company must first complete its major projects by year-end to begin generating revenue from green energy sales. Additionally, the Company anticipates a boost in sales from the WTE plant once it operates at full capacity. With the sales from both new and existing projects, the Company aims to strengthen its cash flow, giving way for potential dividend payments in the near future.

7. Question from Mohammed Syazwan Bin Mohd Shokri (*proxy to Pertubuhan Keselamatan Sosial*)

- "Do you have a dividend policy and what would be the minimum payout ratio and are we expecting for any dividend in financial year 2024?"

Dato' Daud replied as follows:-

- Once all projects are in place and operations are normalised, the Company will look into a dividend policy that would align with its capital requirements and liquidity. The Company will endeavour to declare and pay dividends when its financial performance and cash flow permit.

POLLING PROCESS

At this juncture, the step-by-step guide on the SSeP online voting module within the e-Portal was played again. Shareholders, proxies and corporate representatives were given another 10 minutes to cast and submit their votes.

Upon closure of the voting session, the Meeting was adjourned at 11:04 a.m. and proceeded with the verification of the poll results by the Scrutineer.

ANNOUNCEMENT OF POLL RESULTS

The Meeting resumed and Dato' Chair called the Meeting to order at 11:34 a.m.

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Prior to the announcement of the poll results, Dato' Chair informed that the Company had received an additional question from Chua Ping Hang, a shareholder of the Company, after the conclusion of the questions and answers session.

The question reads as follows:-

- "Who is Chung Dao?"

Ms. Yeow replied as follows:

- Mr. Chung Dao is a substantial shareholder of the Company since 14 September 2023.

Dato' Chair then proceeded to declare the results of the poll voting verified by the Scrutineer as follows:-

RESOLUTION 1

- APPROVAL OF THE PAYMENT OF DIRECTORS' FEES TO PUAN NORSIMAH BINTI NOORDIN, A NEWLY APPOINTED NON-EXECUTIVE DIRECTOR OF THE COMPANY, FROM HER APPOINTMENT DATE UNTIL THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY**
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The results of the poll voting for Resolution 1 was as follows:-

Resolution 1	No. of Shareholders	No. of Votes	Percentage
For	193	295,278,600	89.3603
Against	32	35,157,262	10.6397
Valid Cast	225	330,435,862	100.0000
Abstain	1	5,000	0.0000
Not Indicated	1	422,600	0.0000

Based on the results of the poll voting, Dato' Chair declared the following Resolution 1 **CARRIED**:-

"That the payment of Directors' fees to Puan Norsimah Binti Noordin, a newly appointed Non-Executive Director of the Company, from her appointment date until the next Annual General Meeting of the Company, be and is hereby approved."

RESOLUTION 2

- APPROVAL OF THE PAYMENT OF DIRECTORS' FEES TO DATO' IR. DR. HASNUL BIN MOHAMAD SALLEH, A NEWLY APPOINTED NON-EXECUTIVE DIRECTOR OF THE COMPANY, FROM HIS APPOINTMENT DATE UNTIL THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY**
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The results of the poll voting for Resolution 2 was as follows:-

Resolution 2	No. of Shareholders	No. of Votes	Percentage
For	193	310,276,100	93.8997

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Against	31	20,157,262	6.1003
Valid Cast	224	330,433,362	100.0000
Abstain	2	7,500	0.0000
Not Indicated	1	422,600	0.0000

Based on the results of the poll voting, Dato' Chair declared the following Resolution 2 **CARRIED:-**

"That the payment of Directors' fees to Dato' Ir. Dr. Hasnul Bin Mohamad Salleh, a newly appointed Non-Executive Director of the Company, from his appointment date until the conclusion of this Annual General Meeting of the Company, be and is hereby approved."

RESOLUTION 3

- APPROVAL OF THE PAYMENT OF DIRECTORS' FEES TO DATUK MOHD ADZAHAR BIN ABDUL WAHID, A NEWLY APPOINTED NON-EXECUTIVE DIRECTOR OF THE COMPANY, FROM HIS APPOINTMENT DATE UNTIL THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY

The results of the poll voting for Resolution 3 was as follows:-

Resolution 3	No. of Shareholders	No. of Votes	Percentage
For	196	323,021,500	97.7569
Against	28	7,411,862	2.2431
Valid Cast	224	330,433,362	100.0000
Abstain	2	7,500	0.0000
Not Indicated	1	422,600	0.0000

Based on the results of the poll voting, Dato' Chair declared the following Resolution 3 **CARRIED:-**

"That the payment of Directors' fees to Datuk Mohd Adzahar Bin Abdul Wahid, a newly appointed Non-Executive Director of the Company, from his appointment date until the next Annual General Meeting of the Company, be and is hereby approved."

RESOLUTION 4

- APPROVAL OF THE PAYMENT OF DIRECTORS' FEES TO ENCIK MUHAMMAD ASHRAF BIN MUHAMMAD AMIR, A NEWLY APPOINTED NON-EXECUTIVE DIRECTOR OF THE COMPANY, FROM HIS APPOINTMENT DATE UNTIL THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY

The results of the poll voting for Resolution 4 was as follows:-

Resolution 4	No. of Shareholders	No. of Votes	Percentage
For	196	323,022,000	97.7571
Against	28	7,411,362	2.2429
Valid Cast	224	330,433,362	100.0000

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Abstain	2	7,500	0.0000
Not Indicated	1	422,600	0.0000

Based on the results of the poll voting, Dato' Chair declared the following Resolution 4 **CARRIED**:-

"That the payment of Directors' fees to Encik Muhammad Ashraf Bin Muhammad Amir, a newly appointed Non-Executive Director of the Company, from his appointment date until the next Annual General Meeting of the Company, be and is hereby approved."

RESOLUTION 5

- APPROVAL OF THE PAYMENT OF DIRECTORS' FEES TO DATO' HAMIDAH BINTI MORIS, A NEWLY APPOINTED NON-EXECUTIVE DIRECTOR OF THE COMPANY, FROM HER APPOINTMENT DATE UNTIL THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY

The results of the poll voting for Resolution 5 was as follows:-

Resolution 5	No. of Shareholders	No. of Votes	Percentage
For	196	323,022,000	97.7571
Against	28	7,411,362	2.2429
Valid Cast	224	330,433,362	100.0000
Abstain	2	7,500	0.0000
Not Indicated	1	422,600	0.0000

Based on the results of the poll voting, Dato' Chair declared the following Resolution 5 **CARRIED**:-

"That the payment of Directors' fees to Dato' Hamidah Binti Moris, a newly appointed Non-Executive Director of the Company, from her appointment date until the next Annual General Meeting of the Company, be and is hereby approved."

RESOLUTION 6

- RE-ELECTION OF PUAN NORSIMAH BINTI NOORDIN AS A DIRECTOR OF THE COMPANY

The results of the poll voting for Resolution 6 was as follows:-

Resolution 6	No. of Shareholders	No. of Votes	Percentage
For	205	297,384,898	89.9978
Against	20	33,050,964	10.0022
Valid Cast	225	330,435,862	100.0000
Abstain	1	5,000	0.0000
Not Indicated	1	422,600	0.0000

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Based on the results of the poll voting, Dato' Chair declared the following Resolution 6 **CARRIED**:-

"That the retiring Director, Puan Norsimah Binti Noordin, being eligible for re-election, be and is hereby re-elected to serve on the Board of Directors of the Company."

RESOLUTION 7

- RE-ELECTION OF DATO' IR. DR. HASNUL BIN MOHAMAD SALLEH AS A DIRECTOR OF THE COMPANY

As Resolution 7 was **WITHDRAWN**, Dato' Ir. Dr. Hasnul Bin Mohamad Salleh will retire as a Director of the Company upon the conclusion of the 18th AGM of the Company.

RESOLUTION 8

- RE-ELECTION OF DATUK MOHD ADZAHAR BIN ABDUL WAHID AS A DIRECTOR OF THE COMPANY

The results of the poll voting for Resolution 8 was as follows:-

Resolution 8	No. of Shareholders	No. of Votes	Percentage
For	205	328,328,548	99.3623
Against	20	2,107,314	0.6377
Valid Cast	225	330,435,862	100.0000
Abstain	1	5,000	0.0000
Not Indicated	1	422,600	0.0000

Based on the results of the poll voting, Dato' Chair declared the following Resolution 8 **CARRIED**:-

"That the retiring Director, Datuk Mohd Adzahar Bin Abdul Wahid, being eligible for re-election, be and is hereby re-elected to serve on the Board of Directors of the Company."

RESOLUTION 9

- RE-ELECTION OF ENCIK MUHAMMAD ASHRAF BIN MUHAMMAD AMIR AS A DIRECTOR OF THE COMPANY

The results of the poll voting for Resolution 9 was as follows:-

Resolution 9	No. of Shareholders	No. of Votes	Percentage
For	203	329,432,948	99.6965
Against	22	1,002,914	0.3035
Valid Cast	225	330,435,862	100.0000
Abstain	1	5,000	0.0000
Not Indicated	1	422,600	0.0000

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Based on the results of the poll voting, Dato' Chair declared the following Resolution 9 **CARRIED**:-

"That the retiring Director, Encik Muhammad Ashraf Bin Muhammad Amir, being eligible for re-election, be and is hereby re-elected to serve on the Board of Directors of the Company."

RESOLUTION 10

- RE-ELECTION OF DATO' HAMIDAH BINTI MORIS AS A DIRECTOR OF THE COMPANY

The results of the poll voting for Resolution 10 was as follows:-

Resolution 10	No. of Shareholders	No. of Votes	Percentage
For	208	325,130,398	98.3944
Against	17	5,305,464	1.6056
Valid Cast	225	330,435,862	100.0000
Abstain	1	5,000	0.0000
Not Indicated	1	422,600	0.0000

Based on the results of the poll voting, Dato' Chair declared the following Resolution 10 **CARRIED**:-

"That the retiring Director, Dato' Hamidah Binti Moris, being eligible for re-election, be and is hereby re-elected to serve on the Board of Directors of the Company."

RESOLUTION 11

- RE-ELECTION OF DATO' DAUD BIN AHMAD AS A DIRECTOR OF THE COMPANY

The results of the poll voting for Resolution 11 was as follows:-

Resolution 11	No. of Shareholders	No. of Votes	Percentage
For	124	78,904,798	23.8494
Against	100	251,941,164	76.1506
Valid Cast	224	330,845,962	100.0000
Abstain	2	15,000	0.0000
Not Indicated	1	2,500	0.0000

Based on the results of the poll voting, Dato' Chair declared Resolution 11 **NOT CARRIED** and hence, Dato' Daud will cease as a Director of the Company upon the conclusion of the 18th AGM of the Company.

RESOLUTION 12

- RE-APPOINTMENT OF MESSRS. NEXIA SSY PLT AS AUDITORS OF THE COMPANY UNTIL THE CONCLUSION OF THE NEXT ANNUAL GENERAL MEETING AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION

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The results of the poll voting for Resolution 12 was as follows:-

Resolution 12	No. of Shareholders	No. of Votes	Percentage
For	211	330,114,300	99.9027
Against	14	321,562	0.0973
Valid Cast	225	330,435,862	100.0000
Abstain	1	5,000	0.0000
Not Indicated	1	422,600	0.0000

Based on the results of the poll voting, Dato' Chair declared the following Resolution 12 **CARRIED**:-

"That Messrs. Nexia SSY PLT be and is hereby appointed as Auditors of the Company until the conclusion of the next Annual General Meeting and that authority be and is hereby given to the Directors to fix their remuneration."

RESOLUTION 13

ORDINARY RESOLUTION NO. 1

- AUTHORITY TO ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016 AND WAIVER OF PRE-EMPTIVE RIGHTS

The results of the poll voting for Resolution 13 was as follows:-

Resolution 13	No. of Shareholders	No. of Votes	Percentage
For	197	320,210,375	96.9292
Against	26	10,144,412	3.0708
Valid Cast	223	330,354,787	100.0000
Abstain	3	86,075	0.0000
Not Indicated	1	422,600	0.0000

Based on the results of the poll voting, Dato' Chair declared the following Resolution 13 **CARRIED**:-

"THAT subject always to the Companies Act 2016 ("**the Act**"), the Constitution of the Company and the approvals from Bursa Malaysia Securities Berhad ("**Bursa Securities**") and any other relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered pursuant to the Act, to issue and allot shares in the capital of the Company from time to time at such price and upon such terms and conditions, for such purposes and to such person or persons whomsoever the Directors may in their absolute discretion deem fit provided always that the aggregate number of shares issued pursuant to this resolution does not exceed ten percent (10%) of the total number of issued shares of the Company for the time being as stipulated under Paragraph 6.03(1) of the Bursa Securities Main Market Listing Requirements (hereinafter referred to as the "**General Mandate**");

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THAT pursuant to Section 85 of the Companies Act 2016 to be read together with Clause 70 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued shares arising from any issuance of new shares in the Company pursuant to Sections 75 and 76 of the Companies Act 2016;

AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so be issued pursuant to the General Mandate on Bursa Securities;

AND FURTHER THAT such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company."

RESOLUTION 14

ORDINARY RESOLUTION NO. 2

- **PROPOSED RENEWAL OF THE AUTHORITY TO ALLOT AND ISSUE NEW ORDINARY SHARES IN CYPARK RESOURCES BERHAD ("CRB" OR "THE COMPANY") ("CRB SHARES"), FOR THE PURPOSE OF THE DIVIDEND REINVESTMENT SCHEME ("DRS") OF THE COMPANY WHICH WILL PROVIDE THE SHAREHOLDERS OF CRB WITH THE OPTION TO ELECT TO REINVEST THEIR CASH DIVIDEND IN CRB SHARES ("PROPOSED RENEWAL OF DRS AUTHORITY")**

The results of the poll voting for Resolution 14 was as follows:-

Resolution 14	No. of Shareholders	No. of Votes	Percentage
For	207	323,032,678	97.7596
Against	18	7,403,184	2.2404
Valid Cast	225	330,435,862	100.0000
Abstain	1	5,000	0.0000
Not Indicated	1	422,600	0.0000

Based on the results of the poll voting, Dato' Chair declared the following Resolution 14 **CARRIED:-**

THAT pursuant to the DRS as approved by the Shareholders at the Tenth Annual General Meeting of the Company held on 21 April 2015 and subject to the approval of the relevant regulatory authorities (if any), approval be and is hereby given to the Directors to allot and issue such number of new CRB Shares from time to time as may be required to be allotted and issued pursuant to the DRS until the conclusion of the next Annual General Meeting upon such terms and conditions as stated in Circular to Shareholders dated 30 March 2015, **PROVIDED THAT** the issue price of the said new CRB Shares shall be fixed by the Board of Directors at not more than ten percent (10%) discount to the five (5)-market day volume weighted average market price ("**VWAP**") of CRB Shares immediately preceding the price-fixing date, of which the VWAP shall be adjusted ex-dividend before applying the said discount in fixing the issue price;

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AND THAT the Directors of the Company be and are hereby authorised to do all such acts and enter into all such transactions, arrangements and documents as may be necessary or expedient in order to give full effect to the DRS with full power to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed or agreed to by any relevant authorities or consequent upon the implementation of the said conditions, modifications, variations and/or amendments or at the discretion of the Directors in the best interest of the Company."

CONCLUSION

There being no other business to be transacted, Dato' Chair concluded the Meeting at 11:36 a.m. and thanked all present for their participation.

CONFIRMED AS A CORRECT RECORD

- CONFIRMED -

DATO' HAMIDAH BINTI MORIS
CHAIR

Dated: 26 October 2023



QUESTIONS FROM MINORITY SHAREHOLDERS WATCH GROUP (MSWG)

OPERATIONAL AND FINANCIAL MATTERS

Question 1

Cypark experienced a turbulent period for the past 18 months, with its share prices plummeting to a historical low of 29.5 sen in July 2022 before rebounding to 90 sen currently.

At the same time, the Company experienced extended delays in its Large Scale Solar (LSS) 2 and 3 projects while seeing a slew of changes in the boardroom, top management, and auditor, and the emergence of new shareholders, as well as massive impairments made.

Question 1 (a)

What are the priorities for the new Board and management for now?

How does the Board plan to ensure that these priorities are delivered?

Reply to 1 (a)

The priorities for the new Board and management is:

- i. to complete the ongoing LSS2 at Danau Tok Uban, Kelantan & LSS3 at Merchang, Terengganu projects respectively;
- ii. to achieve optimal operational capacity of the SMART WTE plant by overcoming teething operational problems. To achieve this through training and hiring more experience plant management crew/staff;
- iii. to strengthen our cash flow and Balance Sheet position by issuance of sukuk;

Reply to 1 (a) (continued)

*The priorities for the new Board and management is:
(continued)*

- iv. to enhance governance and other ESG commitment in the Group; and
- v. to review future business strategy to ensure growth sustainability of the Group.

How to ensure these priorities above are delivered:

- ▶ The board and the management will work together to ensure deliverables of key milestones and strategies are achieved by the Group.

Question 1 (b)

What has changed in Cypark ever since shifts were made at the top?

Also, what would remain unchanged?

Reply to 1 (b)

Changes in Board are as follow:

There will be new board members appointed, in view of the departures of Datuk Megat Abdul Munir i.e. completing his tenure as member of the Board and Dato' Hasnul who is not seeking re-election as a director;

Changes in Management: A new Deputy CEO has joined the Company in July 2023, in view to strengthen the management team.

Reply to 1 (b) (continued)

Changes in Auditors: The management and the Board are working closely with the auditors to ensure prudent accounting practices.

Changes in Shareholders: The new shareholders have given its long term commitments to support the growth of the Group while maintaining its Bumiputra licenses.

Reply to 1 (b) (continued)

Matters remain unchanged:

The core businesses remain unchanged, i.e. renewable energy, waste management and WTE, green technology and environment services, construction and engineering.

The management will be further strengthened with the appointment of more experienced senior managers joining the management team.

Question 1 (c)

Former external auditor Messrs. Baker Tilly Monteiro Heng PLT resigned from its office voluntarily in October 2022 due to 'disagreement on unreasonable audit fees.' Notably, Baker Tilly Monteiro Heng was appointed on 25 August 2021.

What was the amount of audit fees agreed by both parties upon Baker Tilly Monteiro Heng's appointment back in August 2021? What led to the disagreement over the amount of audit fees shortly after the appointment?

Reply to 1 (c)

Audit fees agreed in August 2021 with Baker Tilly Monteiro Heng's appointment was RM237,700.00.

Baker Tilly Monteiro Heng had then increased its audit fees for the second year audit to almost four times from its first-year audit fees.

Question 1 (d)

A new external auditor, Messrs Nexia SSY PLT, was appointed on 5 May 2023. Why did it take Cypark six months to appoint a new external auditor?

Reply to 1 (d)

After Baker Tilly Monteiro Heng resigned as the external auditors, the Company has actively looked for an external auditor with the right industry knowledge to accept the audit scope of works. At the same time, most of the audit firms were facing manpower constraints. That had led to a longer time taken on the appointment of the new external auditor.

Note: Cypark has also changed its financial year end to suit the manpower planning of the auditors.

Question 2

Cypark slipped into losses in the 18-month financial period ended 30 April 2023 (FPE2023) with a net loss of RM265.34 million, caused by massive impairments and provisions amounting to RM379.64 million. The sizeable impairment was unprecedented since its listing in 2010. Meanwhile, revenue for the 18-month amounted to RM311.99 million.

For perspective, the Company made RM315.32 million in revenue and RM75.25 million net profit in FY2021 (page 20 of AR2023).

Question 2 (continued)

The breakdown of the substantial impairment and provisions are as follows:

	FPE2023
Impairment losses on:	(RM'000)
- Contract assets	100,184
- Trade and other receivables	6,269
- Intangible assets recognised pursuant to IC 12	39,000
- Development expenditure	17,119
- Plant and equipment	21,139
Provision for Liquidated Ascertained Damage (LAD)	91,439
Prolongation cost	104,485
Total	379,635

Source: pages 155, 156, and 173, AR2023

Question 2 (a) (i)

Cypark provided RM100.18 million of allowance for the impairment losses of contract assets in FPE2023.

- i. To which division (e.g., renewable energy (RE), construction and engineering, green technology and environment services, waste management, and waste-to-energy (WTE)) do the impairments relate to?

Reply to 2 (a) (i)

Breakdown of RM100.18 million of allowance for impairment losses to segments:

Segments	RM
Renewable Energy	RM22 million
Construction and engineering	RM30 million
Green technology and environment services	RM48 million

Question 2 (a) (ii)

Included in the impairment losses for contract assets was a full impairment of RM30 million for work performed but-yet to be billed to a customer in respect of a property development project, as contract negotiations with the said customer and relevant approvals from authorities were delayed due to unforeseen circumstances in previous financial years (page 156 of AR2023).

Did Cypark perform work for the customer before signing a formal contract with the said customer? If yes, why did the Company do so? What were the unforeseen circumstances causing the delays and what is the likelihood of these issues being resolved in a timely manner?

Reply to 2 (a) (ii)

Cypark had entered into a Heads of Agreement (“HOA”) with the customer on 16 Nov 2018. Cypark was then appointed as the main contractor which covered the design and build for property development project.

The contract assets of RM30,000,000 represent preliminary works, design and consultancy works performed, but yet to be claimed, certified and billed/invoiced.

The progress of the project was delayed due to the change in the proposed development project such as obtaining relevant approvals from authorities, COVID-19, property market conditions affected due to COVID-19 and change of government policies.

Question 2 (b)

The impairment for intangible assets amounted to RM39 million pertaining to a revision in the tipping fee for its WTE plant in Ladang Tanah Merah (LTM), Negeri Sembilan, which is currently under review by the Government.

What is the progress of the review and negotiation with the Government? What is the quantum of revision proposed by Cypark compared to existing charges?

Reply to 2 (b)

The negotiation has progressed well with the Government. The quantum being negotiated are being finalized for approval. We will make the necessary announcement upon approval.

Question 2 (c)

The Company also impaired development expenditure of RM17.12 million as it believes the expenditures incurred to develop new and improved products for the RE industry would not be recouped against earlier expectations of commercialising it.

What is the product/technology about? Is the said product/technology currently used in Cypark's business activities? What renders the product not marketable and of little commercial value?

Reply to 2 (c)

In the past, development expenditure consists of applying and testing of new technology or design which are expected to improve production are capitalized in the book as it would increase the profitability of the Company.

However, from the award of LSS3 project until the Balance Sheet date, the said development expenditure has yet to be recovered through new mega projects, such as LSS5 tender has not been called for by Suruhanjaya Tenaga.

In view of no new mega renewable energy project during the 3.5 years, the Group conducted prudent assessment on the recoverable amount, hence impairment was fully provided.

Question 2 (d)

The LAD was related to the LSS3 project in Merchang, Terengganu, after multiple delays in completing the project. The project is expected to be completed by the end of 2023.

Please provide the progress of the project and confirm if the timeline mentioned above is attainable.

What are the efforts undertaken by the Company to negotiate for lower LAD with the affected parties?

Reply to 2 (d)

Progress as at 20 October 2023: 73.50%

Our target to achieve COD remain end of 2023 subject to any unforeseen circumstances.

Our Extension of Time ('EOT') application had been submitted and currently being processed by the client/customer for approval.

Question 2 (e)

Please explain the management guidance and assumptions used for the impairment of RM104.48 million categorised under 'Prolongation cost.'

Reply to 2 (e)

As our LSS2 projects are nearly to completion, Cypark and its contractors are collaborating to determine the final costs incurred for the projects.

The prolongation costs recognized mainly due to relocation and abortive works from Kelinchi and Terip dam, Negeri Sembilan to Danau Tok Uban, Kelantan, prolongation due to COVID-19 and design changes requested by client.

Question 2 (f)

Intangible and contract assets collectively made up 63.42% of Cypark's RM2.715 billion total assets as of 31 July 2023.

What is the likelihood of further impairment, reversal, or recoverability, where applicable, in FY2024?

Reply to 2 (f)

At this moment, we do not foresee any further impairment and reversal. But we expect some recoverability in FY2024 from the receivables written off.

Question 2 (g)

What valuable lessons did Cypark gain from this massive impairment exercise? With hindsight, were these massive impairments a result of lapses in judgment by the previous Board and Management? What were the weaknesses identified from this? What steps are taken to improve the internal control procedures to better safeguard the Company's assets in the future?

Reply to 2 (g)

Valuable lessons:

In the past, the board and the management may have overlooked certain control measures in managing the Company. Moving forward, the new board and the management will ensure governance is our top priority and we will continuously improve our internal controls and risk management of the Company to ensure we mitigate any major risks that would affect the business.

The massive impairments were mainly due to COVID-19 pandemic impacts on the business whether directly or indirectly to our supply chains.

Reply to 2 (g) (continued)

Valuable lessons: (continued)

Moving forward, the Company will be more prepared to respond and re-strategize its business model due to Force Majeure Event ('FME') including negotiating better terms, robust cash planning to mitigate impact from FME.

Question 3 (a)

The imminent completion of the LSS2 and LSS3 floating solar farms by Dec 2023 will generate long-awaited recurring revenue streams. On top of this, the fully operating WTE plant in LTM and solar farm in Sik, Kedah, are expected to boost Cypark's topline performance further as operations ramp up.

- a) How would the different business divisions perform in FY2024?

Reply to 3 (a)

We expect the completion of LSS2 & LSS3 to contribute better revenue in Renewable Energy division.

In addition, WTE is expected to achieve optimal operational capacity after one year of operation and this will contribute to high energy sale in the waste management division.

Question 3 (b)

b) Please provide guidance on the expected financial contribution from these major solar farms and plants in FY2024.

Reply to 3 (b)

Once the major solar farms start operation, we expect positive growth in revenue as compared to FPE 30 April 2023.

Question 3 (c)

- c) In the quarterly result announcement for the three months ended 31 July 2023, the Management said the revenue from the sale of green energy from WTE plant was lower than expected during its initial stage of operation. The waste management and WTE division recorded revenue of RM10 million during the quarter, compared to RM9.2 million in the previous quarter.

Why was the sale of green energy lower than expected?
What is the level of optimal capacity Cypark targets to achieve?

Reply to 3 (c)

The sale of green energy from the SMART WTE was lower than expected due to teething issues which is normally associated with initial stage of the operations of the WTE. We expect the plant operation to be stable in year 2 onwards.



SUSTAINABILITY MATTERS

Question 1

Cypark recorded an exceptionally high level of employee turnover rate of 30.35% for the period between January – December 2022 (page 47 of AR2023).

- a) How many staff left Cypark during the period? Why was there a high attrition rate among employees?
- b) What measures are taken to minimize employee turnover and retain talent?

Reply to 1 (a) and 1 (b)

- a) Total number of staff left Cypark in year 2022 were 39 pax and majority of them were from lower executive level. The reasons of their resignation among others were family commitment, received better offer from other companies and further studies.

Renewable energy industry is a fast-growing industry and the demand for experience staff is high. Being the pioneer and leader in the market, our staff are on high demand by other players.

- b) We review our employee compensation and benefit to match to the market compensation and we will provide our staff a clear career path within the Company.

CORPORATE GOVERNANCE MATTERS

Question 1

On 28 December 2022, 49.894 million ESOS shares (Options Shares) under the ESOS scheme were offered to eligible directors and employees at 38 sen per share. The Options Shares were fully accepted by all the eligible directors and employees on 31 January 2023 (page 83 of AR2023). Shares of Cypark closed at 92.5 sen on 13 October 2023.

Group CEO Dato' Daud Ahmad was granted 40 million out of the total Options Shares. He also exercised 2.5 million ESOS shares during the FPE2023 (page 90 of AR2023).

(a) What is the vesting period imposed on the Options Shares?

Reply to 1 (a)

No vesting period imposed on the Options shares.

Question 1 (b)

What were the performance metrics and criteria the Option Committee adopted in assessing the eligibility of group CEO Dato' Daud Ahmad for the ESOS shares?

How has Group CEO Dato' Daud Ahmad performed in terms of these metrics?

Reply to 1 (b)

Options Committee were made up of Tan Sri Razali, Dato Daud and Doreen Tan. On ESOS allocation, there was no vesting period/ vesting conditions to achieve performance target being set on Dato Daud or any eligible staff/directors prior to allocation of the ESOS.

The allocation was solely at the discretion of Option Committee based on standard criteria set under by-laws. The list was subsequently verified by Audit Committee.

Reply to 1 (b) (continued)

The issuance of ESOS among others consider the appreciation of long years of services of the key employees and their unwavering commitment and hard work during difficult times. Such metric is suitable especially during the period of prolonged COVID-19.

In order to keep the Company operating smoothly, we need to retain the management and senior employees especially during the challenging time and ESOS is the suitable tool to incentivise and motivate the employees and retain them.

Reply to 1 (b) (continued)

By granting ESOS to GCEO who is a qualified bumiputra, the Company is able to maintain Bumiputera PLC status which require qualified bumiputra with substantial shareholding more than 5%. The issuance of public placement of 30% in Dec 2022 has caused major dilution to Cypark's founding bumiputra shareholder. The ESOS issuance help the GCEO to maintain the requirement of bumiputra shareholders holding 5% or more.

The 40 million units of ESOS was to also replace previous lapsed ESOS, 19 million units.

In future, the Company will adopt certain matrix performance for transparency purposes prior to ESOS allocation.

Question 1 (c)

Cypark undertook major impairments and provisions amounting to RM379.64 million in the quarter ended 30 April 2023 for FPE2023, thus resulting in an unprecedented net loss of RM265.34 million in FPE2023.

Was the concern of massive impairments raised to the Board before allocating Options Shares to eligible employees and directors on 28 December 2022?

Reply to 1 (c)

ESOS was granted on 28 Dec 2022 which at that time the impairment assessment was yet to be performed.

The impairments were performed at the financial period ended 30 April 2023.

Hence no concern was raised to the board before the issuance of ESOS.

Question 1 (d)

Considering the size of impairments made and that shareholders have not received any dividends from the Group since 2019, how does the Option Committee justify the grant of ESOS Shares to senior management and directors in the name of recognising and rewarding them for the performance of the Group?

Reply to 1 (d)

No dividend payments were made as the Company requires cash for funding its renewable energy's capex asset development.

By issuing ESOS, the Company benefits from the cash raised from exercising the ESOS and use the cash for its business operation purpose.



Cypark

THANK YOU