Cypark

UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 OCTOBER 2025

Unaudited Condensed Consolidated Statements of Comprehensive Income
For the Second Quarter ended 31 October 2025

		Individual Quarter		Cumulative Period	
		Current Year Quarter 31 Oct 2025 RM'000	Preceding Year Quarter 31 Oct 2024 RM'000	Current Year To Date 31 Oct 2025 RM'000	Preceding Year To Date 31 Oct 2024 RM'000
Revenue		46,187	49,154	87,846	98,971
Cost of sales		(42,353)	(42,036)	(84,301)	(92,067)
Gross profit		3,834	7,118	3,545	6,904
Other income		1,133	1,466	2,117	2,960
Administrative expenses		(7,278)	(7,369)	(13,237)	(14,506)
Reversal of provision/impairment		-	30,090	-	30,216
Operating (loss)/profit		(2,311)	31,305	(7,575)	25,574
Finance costs		(12,543)	(15,178)	(24,831)	(27,140)
Share of results of associates		(18)	(26)	(63)	(174)
(Loss)/Profit before tax		(14,872)	16,101	(32,469)	(1,740)
Taxation		(505)	(7,205)	(1,001)	(7,305)
(Loss)/Profit for the quarter/period		(15,377)	8,896	(33,470)	(9,045)
Total comprehensive (loss)/income attributable to:-					
- Owners of the Company		(15,537)	2,282	(34,125)	(15,791)
- Non-controlling interest		160	6,614	655	6,746
		(15,377)	8,896	(33,470)	(9,045)
Loss per share attributable to the owners of the Company (sen)					
- Basic	Note B14	(2.91)	(0.77)	(6.23)	(4.01)

Note:
The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 April 2025 and the accompanying notes attached to these unaudited interim financial statements.

Unaudited Condensed Consolidated Statements of Financial Position as at 31 October 2025

	Unaudited As At 31 Oct 2025 RM'000	Audited As At 30 Apr 2025 RM'000
ASSETS		
Non-current assets		
Plant and equipment	900,192	899,524
Right-of-use assets	24,309	24,696
Intangible assets	839,168	866,436
Investment in associates	2,216	2,279
Other investments	24,000	24,000
Deferred tax assets	14,591	15,600
	1,804,476	1,832,535
Current Assets		
Trade and other receivables	129,569	110,071
Contract assets	786,078	813,660
Tax assets	383	9,588
Deposits, cash and bank balances	178,281	171,518
	1,094,311	1,104,837
Total assets	2,898,787	2,937,372
LIABILITIES		
Current liabilities		
Trade and other payables	139,616	117,596
Loans and borrowings	262,437	343,250
Lease liabilities	804	620
Tax liabilities	18	22
	402,875	461,488
Net current assets	691,436	643,349
Non-current liabilities		
Loans and borrowings	1,298,196	1,244,368
Lease liabilities	25,205	25,471
	1,323,401	1,269,839
Total liabilities	1,726,276	1,731,327
Net assets	1,172,511	1,206,045
EQUITY		
Share capital	602,133	602,133
Reverse acquisition reserve	(36,700)	(36,700)
Retained earnings	52,037	103,259
Equity attributable to owners of the Company	617,470	668,692
Perpetual sukuk	552,038	535,005
Non-controlling interests	3,003	2,348
Total equity	1,172,511	1,206,045
Total equity and liabilities	2,898,787	2,937,372
Net assets per share attributable to owners of the Company	0.75	0.81

Note:
The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 April 2025 and the accompanying notes attached to these unaudited interim financial statements.

Unaudited Statements of Changes in Equity for the Second Quarter ended 31 October 2025

	Non-distributable		Distributable				
2026	**Share capital RM'000**	**Reverse acquisition reserve RM'000**	**Retained earnings RM'000**	**Equity attributable to owners of the Company RM'000**	**Perpetual Sukuk RM'000**	**Non-controlling interests RM'000**	**Total Equity RM'000**
Group							
Opening balance as at 1 May 2025	602,133	(36,700)	103,259	668,692	535,005	2,348	1,206,045
Total comprehensive (loss)/income for the period	-	-	(34,125)	(34,125)	-	655	(33,470)
	602,133	(36,700)	69,134	634,567	535,005	3,003	1,172,575
Contributions by and distributions to owners of the Company							
Perpetual sukuk expenses	-	-	-	-	(64)	-	(64)
Distribution to perpetual sukuk holders	-	-	(17,097)	(17,097)	17,097	-	-
Total transactions with owners	-	-	(17,097)	(17,097)	17,033	-	(64)
Closing balance as at 31 October 2025	602,133	(36,700)	52,037	617,470	552,038	3,003	1,172,511

Note:
The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 April 2025 and the accompanying notes attached to these unaudited interim financial statements.

Unaudited Statements of Changes in Equity for the Second Quarter ended 31 October 2025 -cont'd

	Non-distributable		Distributable				
2025	**Share capital RM'000**	**Reverse acquisition reserve RM'000**	**Retained earnings RM'000**	**Equity attributable to owners of the Company RM'000**	**Perpetual Sukuk RM'000**	**Non-controlling interests RM'000**	**Total Equity RM'000**
Group							
Opening balance as at 1 May 2024	602,133	(36,700)	143,434	708,867	508,635	(17,084)	1,200,418
Total comprehensive (loss)/income for the period	-	-	(15,791)	(15,791)	-	6,746	(9,045)
	602,133	(36,700)	127,643	693,076	508,635	(10,338)	1,191,373
Contributions by and distributions to owners of the Company							
Perpetual sukuk expenses	-	-	-	-	(17)	-	(17)
Distribution to perpetual sukuk holders	-	-	(17,193)	(17,193)	17,193	-	-
Total transactions with owners	-	-	(17,193)	(17,193)	17,176	-	(17)
Closing balance as at 31 October 2024	602,133	(36,700)	110,450	675,883	525,811	(10,338)	1,191,356

Note:
The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 April 2025 and the accompanying notes attached to these unaudited interim financial statements.

Unaudited Condensed Consolidated Statements of Cash Flows
For the Second Quarter ended 31 October 2025

	6 months ended	
	31 Oct 2025 RM'000	31 Oct 2024 RM'000
Cash flows from operating activities		
Loss before taxation	(32,469)	(1,740)
Adjustments for:		
Amortisation of intangible assets	26,991	26,830
Depreciation of plant and equipment	14,102	12,978
Depreciation of right-of-use assets	801	212
Gain on disposal of plant and equipment	-	(404)
Interest expense	38,730	41,556
Interest income	(1,880)	(2,037)
Reversal of provision/impairment	-	(30,216)
Share of results from associates	63	174
Operating profit before changes in working capital	46,338	47,353
Changes in working capital:		
Increase in trade and other receivables	(19,222)	(16,656)
Decrease/(Increase) in contract assets	27,582	(24,506)
Increase in trade and other payables	22,022	10,919
Cash generated from operations	76,720	17,110
Tax refund/(paid)	9,209	(174)
Net cash generated from operating activities	85,929	16,936
Cash flows from investing activities		
Proceeds from disposal of plant and equipment	-	404
Additions to intangible assets	-	(2,175)
Additions to plant and equipment	(14,770)	(34,902)
Decrease in fixed deposits pledged	5,577	3,107
Interest received	1,880	2,037
Net cash used in investing activities	(7,313)	(31,529)
Cash flows from financing activities		
Perpetual sukuk expenses	(65)	(17)
Interest paid	(38,731)	(41,124)
Net drawdown of term loans	41,471	4,582
Net (repayments)/drawdown of other borrowings	(88,925)	74,623
Repayment of lease liabilities	(494)	(807)
Net cash (used in)/generated from financing activities	(86,744)	37,257
Net (decrease)/increase in cash and cash equivalents	(8,128)	22,664
Cash and cash equivalents at the beginning of the financial period	152,825	98,795
Cash and cash equivalents at the end of the financial period	144,697	121,459

Cash and cash equivalents at the end of the financial period comprise the following:

Short term deposit with licensed banks	132,450	102,257
Cash at banks and in hand	32,725	19,695
Cash and bank balances	165,175	121,952
Less: Bank overdrafts	(20,478)	(493)
	144,697	121,459

Note:
The Unaudited Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 April 2025 and the accompanying notes attached to these unaudited interim financial statements.

NOTES TO THE INTERIM FINANCIAL REPORT

PART A: EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134, INTERIM FINANCIAL REPORTING

A1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with *MFRS 134: Interim Financial Reporting*, issued by Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad. These condensed consolidated interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 April 2025. The explanatory notes attached to these interim financial statements provide an explanation of events and transactions that are significant to understand the changes in the financial position and performance of the Group since the financial year ended 30 April 2025.

A2. Changes in accounting policies

The significant accounting policies and computation methods are consistent with those adopted for the year ended 30 April 2025, except for the adoption of the following new MFRSs:

MFRSs, Amendments to MFRSs and IC Interpretation		**Effective for annual period beginning on or after**
Amendments to MFRS 121	The Effects of Changes in Foreign Exchange Rates	*1 January 2025*

The adoption of abovementioned standards did not have any material impact on the financial statements of the Group.

At the date of authorisation of these interim financial statements, the Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments) that have been issued by the MASB but not yet effective:-

MFRSs, Amendments to MFRSs and IC Interpretation		**Effective for annual period beginning on or after**
Amendments to MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards	*1 January 2026*
Amendments to MFRS 7	Financial Instruments: Disclosures	*1 January 2026*
Amendments to MFRS 9	Financial Instruments	*1 January 2026*
Amendments to MFRS 10	Consolidated Financial Statements	*1 January 2026*
Amendments to MFRS 107	Statement of Cash Flows	*1 January 2026*
MFRS 18	Presentation and Disclosure in Financial Statements	*1 January 2027*
MFRS 19	Subsidiaries without Public Accountability: Disclosures	*1 January 2027*
Amendments to MFRS 10	Consolidated Financial Statements	*Deferred*
Amendments to MFRS 128	Investment in Associates and Joint Ventures	*Deferred*

The Group and the Company plan to adopt the above pronouncements when they become effective in the respective financial year. Unless otherwise stated, the initial application of the above pronouncements is not expected to have any significant impact on the Group and the Company.

A3. Auditors' report on preceding annual financial statements

There were no audit qualifications to the audited financial statements of the Company and its subsidiaries for the financial year ended 30 April 2025.

A4. Seasonal or cyclical factors

Unless otherwise disclosed in the Notes B1 and B2, the business operations of the Group were not significantly affected by any seasonal or cyclical factor.

A5. Items of unusual nature

Unless otherwise disclosed in the Notes B1 and B2, there were no significant unusual items affecting the assets, liabilities, equity, net income or cash flows during the current financial quarter under review.

A6. Changes in estimates

There were no changes in estimates of amounts reported in prior financial years that have had a material effect in the current financial quarter under review.

A7. Changes in debt and equity securities

There were no issuance, cancellation, repurchase, resale, and repayment of debt and equity securities for the current financial quarter under review.

A8. Dividends paid

No interim dividend has been recommended for the current financial quarter under review.

A9. Segmental Information

Commencing the current financial year 2026, the Group has regrouped its core businesses into three key segments to better reflect its core business activities as below:-

Segments	**Product and services**
Renewable Energy	The segment encompasses revenue and asset contributions from a diversified portfolio of renewable energy projects, including: • Solar Photovoltaic (PV) systems, including ground-mounted, rooftop, and floating installations, and • Biogas-to-Power generation facilities.
Sustainable Engineering & Infrastructure	This segment comprises the Group's engineering, procurement, and construction (EPC) services as well as infrastructure project development.
Circular Waste & Waste-to-Energy	This segment offers a comprehensive suite of waste management and environmental solutions, such as: • End-to-end waste management, including municipal and industrial waste collection, transportation, and landfill operations • Recycling and materials recovery; • Environmental remediation of contaminated sites; • Waste-to-Energy ("WtE") power generation, converting solid waste into green electricity.

A9. Segmental Information -cont'd

The Group's segmental report for the financial year-to-date is as follows:

	Renewable Energy RM'000	Sustainable Engineering & Infrastructure RM'000	Circular Waste & Waste-to-Energy RM'000	Elimination RM'000	Total RM'000
6 months ended 31 October 2025					
Revenue					
Sale to external customers	57,454	323	30,069	-	87,846
Inter-segment sales	11,393	2,618	-	(14,011)	-
Total revenue	68,847	2,941	30,069	(14,011)	87,846
Results					
Profit/(Loss) before tax	(1,801)	(277)	(30,391)	-	(32,469)
Income tax and zakat expenses					(1,001)
Profit/(Loss) net of tax					(33,470)

	Renewable Energy RM'000	Sustainable Engineering & Infrastructure RM'000	Circular Waste & Waste-to-Energy RM'000	Elimination RM'000	Total RM'000
6 months ended 31 October 2024					
Revenue					
Sale to external customers	52,110	19,827	27,034	-	98,971
Inter-segment sales	65,877	-	-	(65,877)	-
Total revenue	117,987	19,827	27,034	(65,877)	98,971
Results					
Profit/(Loss) before tax	20,364	1,496	(23,600)	-	(1,740)
Income tax and zakat expenses					(7,305)
Profit/(Loss) net of tax					(9,045)

A10. Valuation of property, plant and equipment

There was no valuation of property, plant and equipment done in the current financial quarter under review.

A11. Capital commitments

Save as disclosed below, there was no capital commitment as at 31 October 2025: -

	RM'000
Capital expenditure	
- Plant and equipment	8,329

A12. Material events subsequent to the end of the financial quarter

There were no material events subsequent to the end of the current financial quarter up to 16 December 2025, being the latest practicable date ("LPD") which is not earlier than 7 days from the date of issuance of this quarterly report, that have not been reflected in this quarterly report.

A13. Changes in composition of the group

There were no material changes in the composition of the Group during the current financial quarter under review.

A14. Contingent liabilities

As at this reporting date, the Group does not have any contingent liabilities, other than as disclosed below:

	31 Oct 2025 RM'000
Secured:	
- Performance bond/tender bond guarantees favouring Government/ Statutory bodies for various projects	6,572
- Bank guarantees extended to Government Bodies/Companies for various projects	39,550
- Bank guarantees extended to third parties in respect of various projects of the Group	183
- Bank guarantees extended to Subsidiaries of the Group	46,000
	92,305
Unsecured:	
- Corporate guarantees given to banks for credit facilities granted to subsidiaries	1,262,122
	1,262,122
TOTAL	1,354,427

The secured performance bonds and bank guarantees are secured by a charge over certain fixed deposits of the Group.

A15. Significant related party transactions

There was no significant related party transactions during the current financial quarter under review.

B1. Analysis of performance

Current Quarter ended 31 October 2025 vs Corresponding Quarter ended 31 October 2024

The Group achieved revenue of RM46.2 million for 2Q2026, reflecting a resilient performance compared to RM49.1 million in 2Q2025. The slight decline was mainly due to lower contributions from construction activities in 2Q2026. However, stronger contributions from electricity sales and tipping-fee income from the WtE plant, coupled with stable revenue recognition from existing brownfield solar assets, helped support the Group's overall revenue performance.

The Group recorded a loss before tax of RM14.9 million in 2Q2026, compared to a profit before tax of RM16.1 million in 2Q2025. It is noteworthy that the 2Q2025 results included a one-off reversal of provision amounting to RM30.1 million. The higher deferred tax recognition in 2Q2025 was primarily attributable to this one-off provision reversal. Accordingly, the Group recorded a loss after tax of RM15.54 million in 2Q2026, compared to RM8.9 million in 2Q2025.

Although the comparison was affected by a non-recurring item in 2Q2025, the Group continues to demonstrate resilience, supported by stable recurring income from its renewable energy assets. Depreciation and amortisation expenses remained significant at RM20.8 million in 2Q2026. However, being non-cash in nature, these charges have no impact on net operating cash flow for the quarter, reflecting the Group's stronger underlying cash-generating capability.

The Group maintained a stable operational performance in 2Q2026, despite the expected transition period following the completion of major EPC projects. The Group continues to demonstrate a robust cash-generation capacity and is entering a renewed growth phase, supported by the MBSB Global Refinancing and multiple large-scale project wins.

The details of the performance of each division are as follow:-

Renewable Energy

The Renewable Energy segment continued to demonstrate stable and encouraging performance in 2Q2026, delivering higher revenue of RM29.1 million compared to RM28.5 million in 2Q2025. This improvement was primarily driven by O&M revenue recognition from the newly commenced Large Scale Solar project in Kelantan, which achieved full commercial operation in January 2025. This milestone highlights the Group's growing renewable energy presence and its commitment to long-term growth.

In addition, the Group continues to recognise revenue from energy sales generated by its 1.55MW palm oil mill effluent (POME) biogas plant located in Kg Gajah, Perak.

The segment recorded a loss before tax of RM1.0 million in 2Q2026 compared to a profit before tax of RM23.9 million in 2Q2025. The prior year's performance was elevated by a one-off provision reversal of RM30.1 million. Excluding this non-recurring item, the segment would have posted a loss before tax of RM6.2 million, representing an 84% year-on-year improvement and underscoring the segment's underlying strength and resilience. It is also noteworthy that the segment's financial performance includes consistent depreciation charges, which are non-cash and impacting the reported bottom line, reflect continued investment in long-term, income-generating assets that support the Group's cash flow.

Overall, the Renewable Energy segment is underpinned by long-term concession-based income, non-cash heavy depreciation profile, and strong ESG alignment, and is expected to remain a core-earning and cash-flow anchor for the Group.

B1. Analysis of performance -cont'd

Current Quarter ended 31 October 2025 vs Corresponding Quarter ended 31 October 2024 -cont'd

Sustainable Engineering & Infrastructure

Revenue from this division declined in 2Q2026 as the Hospital Rawang project successfully reached its final stage, with majority of revenue recognised in earlier periods. For the current quarter, revenue was supported by progress on the ongoing NEM projects, contributing RM0.04 million, compared to RM6.2 million in 2Q2025 when Hospital Rawang construction activity was at its peak.

Looking ahead, the Group continues to strengthen its green technology portfolio. The Group has commenced construction of a solar photovoltaic (PV) system at the International Islamic University Malaysia (IIUM) campus. Under this long-term arrangement, the Group will oversee the design, financing, construction, and maintenance of the facility. The project is expected to contribute positively to the Group's performance once operational.

Circular Waste & Waste-to-Energy

The WtE segment delivered higher revenue of RM17.1 million in 2Q2026, up from RM14.3 million in 2Q2025. This improvement was driven by increased electricity sales and higher tipping fee income following the implementation of newly approved rates. The segment continues to demonstrate resilience and reinforce its position as a key contributor to the Group's long-term growth strategy.

The segment recorded a loss before tax of RM13.7 million in 2Q2026, compared to a loss of RM8.4 million in 2Q2025. The smaller loss in 2Q2025 was partly due to reduced operational and maintenance costs following a fire incident in 1Q2025, as well as provisions made for anticipated insurance coverage. In contrast, 2Q2026 reflects normalized operational activities.

The segment continues to make a positive contribution to the Group's operating cash flow.

Current Financial Period ended 31 October 2025 vs Corresponding Financial Period ended 31 October 2024

For the six months ended 31 October 2025, the Group recorded revenue of RM87.8 million compared to RM99.0 million in the corresponding period last year. The slight decrease was primarily due to the successful completion of the Hospital Rawang project, which had contributed significantly in the prior year. This impact was partially mitigated by stronger contributions from the Waste-to-Energy ("WtE") segment, driven by the implementation of revised tariff rates and improved daily generation. Additionally, the LSS3 plant in Terengganu, which achieved COD in June 2024, continued to contribute positively to the Group's performance. The LSS2 project in Kelantan also supported results through O&M revenue recognition, which is expected to enhance revenue, earnings, and cash flows throughout the concession period.

The Group reported a loss before tax of RM32.5 million for the current financial period as, compared to RM1.74 million or RM31.9 million excluding a non-recurring one-off reversal of RM30.1 million in the previous period. The loss before tax remained broadly comparable despite a lower contribution from Sustainable Engineering & Infrastructure segment, while underlying performance demonstrated resilient, supported by stable operational assets, and lower administrative expenses.

The Group recorded a loss after tax of RM33.5 million in the current period, compared to RM9.0 million in the previous period (which previously included a one-off reversal adjustment). The Group remains committed to operational efficiency and strategic initiatives to drive sustainable long-term growth.

Depreciation and amortisation remained significant at RM41.9 million. Nonetheless, the Group generated RM46.3 million in operating cash flows, highlighting the resilience of its core businesses and ability to deliver sustainable value.

B1. Analysis of performance -cont'd

Current Financial Period ended 31 October 2025 vs Corresponding Period Year ended 31 October 2024 -cont'd

The details of the performance of each division are as follows:

Renewable Energy

The Renewable Energy segment reported higher revenue of RM57.4 million in current financial period compared to RM52.3 million in the previous corresponding period. This improvement was driven by the continued stable performance from LSS3 plant in Terengganu, which achieved its COD in June 2024. Additionally, increased O&M revenue from the completed LSS 2 project, following its COD in January 2025, contributed positively to the segment.

In addition, the Group also continued to recognise revenue from energy sales generated by its 1.55MW palm oil mill effluent (POME) biogas plant located in Kg Gajah, Perak, reinforcing its commitment to sustainable energy solutions.

The stronger revenue base helped narrow the segment's loss before tax to RM1.8 million in the current financial period, compared to a loss of RM10.0 million in the previous corresponding period (reported profit before tax of RM20.4 million previously included a one-off provision reversal of RM30.1 million). This improvement underscores the growing contribution from newly operational renewable energy assets, reinforcing the segment's positive trajectory

Sustainable Engineering & Infrastructure

Revenue from this division moderated in current financial period as the Hospital Rawang project successfully reached completion. For the period, revenue was primarily supported by ongoing NEM projects, which contributed RM0.3 million, compared to RM19.8 million in previous financial period when construction activity was at its peak.

In line with its ongoing commitment to expanding its green technology portfolio, the Group has entered into an agreement with the International Islamic University Malaysia (IIUM) for the development, installation, and operation of a solar photovoltaic (PV) system on the university's campus. Under this long-term arrangement, Cypark will be responsible for the design, financing, construction, and maintenance of the facility. This project is expected to contribute positively to the Group's earnings over the duration of the agreement and is aligned with Cypark's strategic objectives of advancing sustainable and renewable energy solutions.

The next growth cycle is already underway with the award of LSS5+ and participation in major solar-BESS tenders, reaffirming Group's leadership as a trusted integrated engineering partner in Malaysia's energy transition.

Circular Waste & Waste-to-Energy

The Waste-to-Energy segment delivered higher revenue of RM30.1 million in current financial period, compared to RM27.0 million in previous corresponding financial period. This improvement was driven by increased electricity generation and higher tipping fee income following the implementation of newly approved rates.

The segment recorded a loss before tax of RM30.4 million in the current financial period, compared to RM23.6 million in the previous corresponding financial period. The smaller loss in previous corresponding financial period was partly attributable to lower operating and maintenance costs following the fire incident in the corresponding period, as well as provisions for anticipated insurance recoveries, which supported prior year's bottom line. With full operations restored, the segment is now entering an optimisation and renewed growth phase post-incident, supported by ongoing efficiency initiatives aimed at enhancing operational performance and progressing the asset towards improved profitability.

While current earnings reflect the ongoing optimisation phase, the facility continues to generate meaningful cash flow and remains a cornerstone asset in Malaysia's transition toward a circular economy.

B2. Material changes in the quarterly results compared to the results of the preceding quarter

In 2Q2026, the Group recorded revenue of RM46.2 million, an increase of RM4.5 million from RM41.7 million in 1Q2026. This improvement was primarily driven by the resumption of operations at the WtE plant, which had undergone a temporary scheduled outage in the preceding quarter.

Administrative expenses were higher mainly due to the non-recurring professional fee incurred during the current quarter. The Group reported a loss before tax of RM14.9 million for 2Q2026, compared to a loss of RM17.6 million in 1Q2026. The RM2.7 million improvement was mainly attributable to the reinstated operations at the WtE plant.

B3. Prospects for the Current Financial Year

The Group enters the second quarter of FY2026 with continued momentum, supported by milestone achievements under the Cypark 2.0 transformation. Following the successful award of the LSS5+ solar project and the advancement of the SMART WtE Phase 2 expansion into its final approval stage, the Group has greater visibility over its next phase of growth. With close to 400 MWp of operational renewable capacity across solar, WtE and biogas, Cypark is well positioned to capitalise on opportunities arising from Malaysia's accelerating energy transition and circular-economy agenda.

Backed by a healthy RM3.5 billion tenderbook — spanning EPCC of large-scale integrated solar projects, BESS, WtE and other third-party infrastructure opportunities — the Group anticipates approximately RM2.2 billion in potential conversion over the next 12–24 months. The LSS5+ win reinforces its competitiveness in national tenders, while the advancement of WtE Phase 2 highlights Cypark's strengthened leadership in waste management and WtE engineering. These developments validate the Group's capital-light strategy, where an increasing EPCC contribution supports faster cash conversion and near-term earnings uplift alongside recurring income from owned assets.

Renewable Energy

Solar remains the cornerstone of the Group's renewable energy portfolio, supported by its scalability, cost competitiveness and alignment with Malaysia's long-term decarbonisation agenda. Demand for electricity continues to rise due to industrial expansion, digitalisation and growth in energy-intensive sectors such as data centres and advanced manufacturing. In this environment, solar is increasingly recognised as the lowest-cost new-build generation option, further supported by policy momentum under the National Energy Transition Roadmap (NETR).

Recent enhancements to the Corporate Renewable Energy Supply Scheme (CRESS), particularly the reduction of System Access Charges (SAC) to 20 sen/kWh for firm wheeling and 40 sen/kWh for non-firm, have strengthened the economics of corporate renewable PPAs and driven greater adoption among commercial and industrial users.

For the Group, the LSS5+ award marks an important milestone, both in development and EPCC execution, reinforcing Cypark's position as an integrated solar solutions provider. Looking ahead, the Group will remain selective in pursuing new solar development opportunities, prioritising partnerships and projects offering compelling risk-adjusted returns, while expecting stronger EPCC contributions as demand for proven contractors grows.

Battery Energy Storage Systems (BESS) will underpin the next phase of renewable expansion. The Group is awaiting the outcome of national BESS opportunities and is actively pursuing additional pipelines, particularly integrated solar-BESS projects that provide firm capacity and enhanced grid stability. These initiatives position Cypark at the forefront of hybrid renewable solutions as Malaysia transitions toward a more flexible and decarbonised power system.

In parallel, Cypark continues to build its biogas portfolio under the Feed-in Tariff 2.0 (FiT 2.0) framework. Following the earlier award of the 1.5 MW Ulu Remis project, the Group is expanding its pipeline across high-potential regions. While smaller in scale, biogas offers regulated stability and supports portfolio diversification.

B3. Prospects for the Current Financial Year -cont'd

Sustainable Engineering & Infrastructure

The Sustainable Engineering & Infrastructure segment is set to contribute more significantly to the Group's earnings, driven by rising national investment in renewable energy and infrastructure delivery. Demand for experienced EPCC contractors continues to expand across utility-scale solar, hybrid solar-BESS systems, grid-support infrastructure and WtE development.

EPCC is emerging as a core growth engine. In addition to the LSS5+ EPCC mandate, the Group is actively involved in several third-party solar EPCC tenders and has been shortlisted for Malaysia's flagship integrated large-scale solar and BESS project. This underscores Cypark's standing as a leading engineering partner in both utility-scale and hybrid renewable systems.

Beyond solar, opportunities continue to broaden across non-solar EPCC domains, including WtE plant expansions, environmental engineering systems, resource recovery facilities and grid-related infrastructure. The SMART WtE Phase 2 expansion, now in its final approval stage, further strengthens Cypark's credentials in the WtE engineering space and aligns with the country's ongoing shift toward modernised waste and resource recovery systems.

A growing EPCC contribution is expected to support faster earnings recognition, scalable margins and stronger cash generation, reinforcing the Group's leadership position as a full-spectrum renewable and environmental engineering provider.

Circular Waste & Waste-to-Energy

WtE remains a resilient and recurring earnings pillar for the Group. The SMART WtE facility in Ladang Tanah Merah — Malaysia's first and only operational municipal WtE plant — continues to generate stable revenues under the revised tipping-fee mechanism. The Group is now at the final stage of securing approval for Phase 2, which will expand processing capacity and enhance long-term earnings durability.

National momentum for WtE remains strong, with the Government targeting the development of up to 18 WtE plants nationwide under the National Solid Waste Management Blueprint 2022–2040. This reflects a strategic shift away from landfill dependency toward energy recovery and circular-economy models. With proven operational and delivery capabilities, Cypark is well positioned to participate in future tenders and EPC opportunities arising from this national rollout.

The Group is also evaluating adjacent opportunities such as advanced recycling, material recovery and improved treatments for fly ash and bottom ash residues. These complement the WtE segment and align with broader sustainability objectives, supporting the transition to higher-value and lower-impact waste solutions.

Entering the second quarter of FY2026, the Group continues to build operational momentum, supported by the successful completion of its refinancing exercise. The refinancing provides improved funding clarity and cash-flow alignment for existing assets and upcoming projects, laying a stronger platform for disciplined execution in the quarters ahead.

Recurring income from operational solar and WtE assets continues to underpin earnings stability, while participation in solar EPCC, integrated solar-BESS and WtE opportunities supports ongoing orderbook replenishment.

Barring unforeseen circumstances, the Board remains cautiously optimistic of progressive improvement in subsequent quarters, supported by clearer funding visibility, expected conversion of secured opportunities and selective expansion into BESS and biogas. With sustained policy momentum and continued progress under Cypark 2.0, the Group is positioning itself for steadier earnings and long-term value creation.

B4. Profit forecast and profit estimate

The Group did not issue any profit forecast or profit estimate previously in any public document.

B5. Profit/(Loss) before tax

	Individual Quarter		Cumulative Period	
	Current Year Quarter 31 Oct 2025 RM'000	Preceding Year Quarter 31 Oct 2024 RM'000	Current Year To Date 31 Oct 2025 RM'000	Preceding Year To Date 31 Oct 2024 RM'000
Profit/(Loss) before tax is stated after crediting:-				
Financing revenue arising from contracts with customers	8,743	9,079	17,637	18,302
Interest income	947	1,027	1,880	2,037
Other income (including investment income)	186	35	237	519
Gain on disposal of asset	-	404	-	404
Reversal of provision/impairment	-	30,090	-	30,216
Profit/(Loss) before tax is stated after charging:-				
Interest expenses	19,387	22,280	38,730	41,556
Amortisation of intangible assets	13,495	13,205	26,991	26,830
Depreciation of right-of-use assets	308	106	801	212
Depreciation of plant and equipment	7,018	8,071	14,102	12,978

B6. Income tax expense

	Individual Quarter		Cumulative Period	
	Current Year Quarter 31 Oct 2025 RM'000	Preceding Year Quarter 31 Oct 2024 RM'000	Current Year To Date 31 Oct 2025 RM'000	Preceding Year To Date 31 Oct 2024 RM'000
Taxation				
Income tax (Current)	-	-	(8)	6
Deferred tax	504	7,204	1,009	7,209
	504	7,204	1,001	7,215

B7. Profit on sale of unquoted investments and/or properties

There was no profit on sale of unquoted investments and/or properties during the current financial quarter under review.

B8. Purchase or disposal of quoted securities

There was no purchase or disposal of quoted securities during the current financial quarter under review.

B9. Status of corporate proposals

There were no corporate proposals announced but not completed at the date of this report.

B10. Group borrowings and debts securities

The Group's borrowings and debts securities as at 31 October 2025 are as follows:-

	31 Oct 2025 RM'000	30 Apr 2025 RM'000
Short term borrowings		
Secured and unsecured:-		
Bank overdrafts	20,478	9
Trust receipts	4,445	2,495
Bond - Sukuk Murabahah	24,578	19,663
Term loans	22,936	59,764
Revolving credits	190,000	261,319
	262,437	343,250
Long term borrowings		
Secured:-		
Term loans	850,613	772,314
Bond - Sukuk Murabahah	447,583	472,054
	1,298,196	1,244,368
Total borrowings		
Secured and unsecured:-		
Bank overdrafts	20,478	9
Trust receipts	4,445	2,495
Term loans	873,549	832,078
Revolving credits	190,000	261,319
Bond - Sukuk Murabahah	472,161	491,717
	1,560,633	1,587,618

B11. Off balance sheet financial instruments

There were no off-balance sheet financial instruments as at the date of this quarterly report.

B12. Material Litigation

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

B13. Dividends

No interim ordinary dividend has been recommended for the current financial quarter under review.

B14. Profit/(Loss) per share

The following reflect the profit/(loss) after taxation and weighted average number of shares used in the computation of basic profit/(losses) per share for the financial quarter ended 31 October 2025: -

(a) Basic profit/(loss) per share amounts are based on profit/(loss) for the financial quarter attributable to owners of the Company (after adjusting for distribution to holders of perpetual sukuk) and the weighted average number of ordinary shares in issue during the financial quarter, calculated as follows:

	Individual Quarter		Cumulative Period	
	Current Year Quarter 31 Oct 2025 RM'000	Preceding Year Quarter 31 Oct 2024 RM'000	Current Year To Date 31 Oct 2025 RM'000	Preceding Year To Date 31 Oct 2024 RM'000
Weighted average number of ordinary shares for basic earnings per share computation (unit'000)	822,828	822,828	822,828	822,828
(Loss)/Profit net of tax, representing total comprehensive income attributable to owners of the Company	(15,537)	2,282	(34,125)	(15,791)
Basic (loss)/profit per ordinary share (sen)	**(1.89)**	**0.28**	**(4.15)**	**(1.92)**
Distribution to holders of perpetual sukuk	(8,368)	(8,615)	(17,097)	(17,193)
Loss net of tax, after adjusting for distribution to holders of perpetual sukuk	(23,905)	(6,333)	(51,222)	(32,984)
Loss per share attributable to the owners of the Company (sen)	**(2.91)**	**(0.77)**	**(6.23)**	**(4.01)**