

**Unaudited Condensed Consolidated Statements of Comprehensive Income**  
**For the Third Quarter ended 31 July 2021**

	Individual Quarter			Cumulative Period		
	Current Year Quarter 31 July 2021 RM	Preceding Year Quarter 31 July 2020 RM Restated	Changes %	Current Year To Date 31 July 2021 RM	Preceding Year To Date 31 July 2020 RM Restated	Changes %
<b>Revenue</b>	65,922,346	55,684,623	18.4%	228,370,098	222,314,102	2.7%
Cost of sales	(40,511,068)	(29,411,066)	37.7%	(152,383,756)	(142,412,985)	7.0%
<b>Gross profit</b>	25,411,278	26,273,557	-3.3%	75,986,342	79,901,117	-4.9%
Other income	807,726	970,670	-16.8%	2,485,823	3,778,808	-34.2%
Administrative expenses	(3,376,812)	(4,198,901)	-19.6%	(8,374,406)	(11,132,757)	-24.8%
<b>Operating profit</b>	22,842,192	23,045,326	-0.9%	70,097,759	72,547,168	-3.4%
Finance costs	(984,711)	(2,812,759)	-65.0%	(4,498,291)	(9,584,290)	-53.1%
Share of results of an associate	16,411	75,597	-78.3%	(168,647)	(35,850)	370.4%
<b>Profit before tax</b>	21,873,892	20,308,164	7.7%	65,430,821	62,927,028	4.0%
Tax expense	(5,218,887)	(4,171,748)	25.1%	(15,860,813)	(13,738,250)	15.5%
<b>Profit for the year</b>	16,655,005	16,136,416	3.2%	49,570,008	49,188,778	0.8%
<b>Other comprehensive income net of tax</b>	-	-		-	-	
<b>Total comprehensive income for the year</b>	16,655,005	16,136,416	3.2%	49,570,008	49,188,778	0.8%
<b>Total comprehensive income attributable to:-</b>						
- Owners of the Company	16,677,049	16,147,904	3.3%	49,691,644	49,200,914	1.0%
- Non-controlling interest	(22,044)	(11,488)		(121,636)	(12,136)	
	16,655,005	16,136,416	3.2%	49,570,008	49,188,778	0.8%
<b>Earnings per share for profit attributable</b>						
<b>to the owners of the Company (sen per share)</b>						
- Basic	2.77	3.47		8.49	10.59	
- Diluted	2.71	3.30		8.31	10.05	

*Note:*

- The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 October 2020 and the accompanying notes attached to the unaudited interim financial statements.

**Unaudited Condensed Consolidated Statements of Financial Position As at 31 July 2021**

	<b>Unaudited As At 31 July 2021  RM</b>	<b>Audited As At 31 October 2020  RM</b>
<b>Assets</b>		
<b>Non-current assets</b>		
Plant and equipment	402,505,363	288,572,298
Right-of-use assets	6,141,994	6,771,094
Intangible assets	913,832,149	890,858,580
Investment in associated company	3,263,093	3,431,741
Deferred tax assets	9,647,037	3,693,590
Long term trade receivables	2,736,737	2,947,942
	<u>1,338,126,374</u>	<u>1,196,275,245</u>
<b>Current assets</b>		
Contract assets	819,140,221	702,103,473
Trade and other receivables	139,712,003	115,453,429
Other current assets	693,445	1,282,717
Tax recoverable	16,142	7,000
Cash and bank balances	262,988,057	359,379,856
	<u>1,222,549,867</u>	<u>1,178,226,476</u>
<b>Total assets</b>	<u>2,560,676,241</u>	<u>2,374,501,721</u>
<b>Equity and liabilities</b>		
<b>Current liabilities</b>		
Loans and borrowings	228,808,549	233,006,441
Trade and other payables	108,478,538	133,191,602
Lease liabilities	648,413	697,530
Tax payable	13,076,599	15,527,755
	<u>351,012,099</u>	<u>382,423,328</u>
<b>Net current assets</b>	<u>871,537,768</u>	<u>795,803,148</u>
<b>Non-current liabilities</b>		
Loans and borrowings	1,057,477,392	986,068,506
Trade and other payables	38,231,930	31,982,615
Lease liabilities	6,038,748	6,624,908
Deferred tax liabilities	22,403,000	16,866,301
	<u>1,124,151,070</u>	<u>1,041,542,330</u>
<b>Total liabilities</b>	<u>1,475,163,169</u>	<u>1,423,965,658</u>
<b>Net assets</b>	<u>1,085,513,072</u>	<u>950,536,063</u>
<b>Equity</b>		
Share capital	417,152,153	409,542,780
Treasury Shares	(5,790,060)	(5,790,060)
Reverse acquisition reserve	(36,700,000)	(36,700,000)
Share option reserve	2,337,594	3,010,955
Retained earnings	501,421,918	460,609,870
<b>Equity attributable to owners of the Company</b>	<u>878,421,605</u>	<u>830,673,545</u>
Perpetual Sukuk	205,820,206	118,470,131
<b>Non-controlling interests</b>	<u>1,271,262</u>	<u>1,392,387</u>
<b>Total Equity</b>	<u>1,085,513,072</u>	<u>950,536,063</u>
<b>Total equity and liabilities</b>	<u>2,560,676,241</u>	<u>2,374,501,721</u>
Net assets per share attributable to owners of the Company (RM)	2.24	1.75

Note:

- The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 October 2020 and the accompanying notes attached to the unaudited interim financial statements.

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**Statements of Changes in Equity for the Third Quarter ended 31 July 2021**

	← Attributable to owners of the Company →									
	← Non-distributable →			Distributable						
	Share capital	Treasury Shares	Share option reserve	Reverse acquisition reserve	Retained earnings	Total	Perpetual Sukuk	Non-controlling interests	Equity Total	
	RM	RM	RM	RM	RM	RM	RM	RM	RM	
<b>2021</b>										
<b>Group</b>										
<b>Opening balance at 1 November 2020</b>	409,542,780	(5,790,060)	3,010,955	(36,700,000)	460,609,870	830,673,545	118,470,131	1,392,387	950,536,063	
<b>Total comprehensive income</b>	-	-	-	-	49,691,644	49,691,644	-	(121,636)	49,570,008	
<b>Additional non-controlling interests arising on acquisition of subsidiary</b>	-	-	-	-	-	-	-	511	511	
<b>Issuance of Perpetual Sukuk (net of Expenses)</b>	-	-	-	-	-	-	82,985,237	-	82,985,237	
<b>Transactions with owners</b>										
Issuance of ESOS	-	-	269,395	-	-	269,395	-	-	269,395	
Exercise of employee share options	7,609,373	-	(942,755)	-	-	6,666,618	-	-	6,666,618	
Distribution to Perpetual Sukuk Holders	-	-	-	-	(8,879,597)	(8,879,597)	8,879,597	-	-	
Distribution paid for the financial period	-	-	-	-	-	-	(4,514,759)	-	(4,514,759)	
<b>Total transactions with owners</b>	7,609,373	-	(673,361)	-	(8,879,597)	(1,943,585)	4,364,838	-	2,421,253	
<b>Closing balance at 31 July 2021</b>	417,152,153	(5,790,060)	2,337,594	(36,700,000)	501,421,918	878,421,605	205,820,206	1,271,262	1,085,513,072	
<b>2020</b>										
<b>Group</b>										
<b>Opening balance at 1 November 2019</b>	400,839,174	-	1,981,219	(36,700,000)	391,062,634	757,183,027	-	(3,750)	757,179,277	
<b>Total comprehensive income</b>	400,839,174	-	1,981,219	(36,700,000)	391,062,634	757,183,027	-	(3,750)	757,179,277	
<b>Non-controlling interest arising acquisition of subsidiary</b>	-	-	-	-	-	-	-	1,436,391	1,436,391	
<b>Transactions with owners</b>										
Issuance of ESOS	-	-	2,108,060	-	-	2,108,060	-	-	2,108,060	
Own shares acquired	-	(5,606,203)	-	-	-	(5,606,203)	-	-	(5,606,203)	
<b>Total transactions with owners</b>	-	(5,606,203)	2,108,060	-	-	(3,498,143)	-	-	(3,498,143)	
<b>Closing balance at 31 July 2020</b>	400,839,174	(5,606,203)	4,089,279	(36,700,000)	440,263,548	802,885,798	-	1,420,505	804,306,303	

*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 31 October 2020 and the accompanying notes attached to the unaudited interim financial statements.*

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**Unaudited Condensed Consolidated Statements of Cash Flows**  
**For the Third Quarter ended 31 July 2021**

	9 months ended	
	31 July 2021	31 July 2020
	RM	RM
		Restated
<b>Cash flows from operating activities</b>		
Profit before tax	65,430,821	62,927,028
Adjustments for:		
Depreciation of plant and equipment	6,094,630	6,045,247
Share of results in associated company	168,648	35,850
Unrealised foreign exchange gain	(17,362)	(4,604)
Gain on disposal of plant and equipment	(180,000)	-
Issuance of ESOS	269,395	2,108,060
Depreciation of right-of-use assets	643,904	738,202
Amortisation of intangible assets	2,729,757	2,735,793
Finance income - other liabilities at amortised costs	-	(157,286)
Interest expense	27,741,603	32,596,731
Interest income	(2,081,766)	(3,266,060)
Operating cash flows before changes in working capital	<u>100,799,628</u>	<u>103,758,961</u>
Changes in working capital:		
Trade and other receivables	(24,047,368)	(5,293,039)
Other current assets	589,273	(548,369)
Contract assets	(117,036,748)	(169,359,687)
Trade and other payables	(19,127,500)	(74,046,582)
Cash flows used in operations	<u>(58,822,715)</u>	<u>(145,488,716)</u>
Interest paid	(25,834,628)	(30,606,604)
Tax paid	(18,737,859)	(4,538,629)
Net cash flows used in operating activities	<u>(103,395,201)</u>	<u>(180,633,949)</u>
<b>Cash flows from investing activities</b>		
Proceeds from disposal of plant and equipment	180,000	-
Net cash inflows arising from the acquisition of subsidiaries	-	(2,972,710)
Additions to intangible assets	(25,703,326)	(21,236,732)
Purchase of plant and equipment	(120,027,695)	(38,267,962)
Issuance of ordinary shares to a non-controlling shareholder of a subsidiary	511	-
Additions to right-of-use assets	(14,804)	-
Interest received	2,081,766	3,266,060
Net cash flows used in investing activities	<u>(143,483,548)</u>	<u>(59,211,344)</u>
<b>Cash flows from financing activities</b>		
Purchase of treasury shares	-	(5,606,203)
Proceeds from issuance of ordinary shares		
- ESOS	6,666,618	-
Perpetual sukuk - net of expenses	82,985,237	-
Perpetual sukuk distribution paid	(4,514,759)	-
Payment of lease liabilities	(933,894)	(489,513)
Revolving credit, net	(6,756,463)	31,977,002
Short term borrowings, net	(24,943,199)	45,046,243
Term loans, net	102,371,642	(20,114,169)
Finance lease obligations, net	-	(314,534)
Net cash flows generated from financing activities	<u>154,875,181</u>	<u>50,498,826</u>
<b>Net decrease in cash and cash equivalents</b>	<u>(92,003,569)</u>	<u>(189,346,467)</u>
<b>Cash and cash equivalents at beginning of financial year</b>	<u>354,311,220</u>	<u>523,228,075</u>
<b>Cash and cash equivalents at end of financial year</b>	<u>262,307,652</u>	<u>333,881,608</u>
<b>Cash and cash equivalents at the end of the financial year comprise the following:</b>		
Short term deposits with licensed banks	189,042,905	277,473,703
Cash at banks and in hand	<u>73,945,152</u>	<u>56,494,362</u>
Cash and bank balances	262,988,057	333,968,065
Less: Bank overdrafts	(680,405)	(86,457)
	<u>262,307,652</u>	<u>333,881,608</u>

*Notes:*

- (1) *The Unaudited Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 October 2020 and the accompanying notes attached to the 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 31 October 2020. 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 31 October 2020.

**A2. Changes in accounting policies**

The significant accounting policies and computation methods are consistent with those adopted for the year ended 31 October 2020, except for the adoption of the following new MFRS and Issue Committee Interpretations (“IC Interpretations”) issued by the Malaysian Accounting Standards Board (“MASB”):

<b>MFRSs, Amendments to MFRSs and IC Interpretation</b>		<b>Effective for annual period beginning on or after</b>
Amendments to MFRS 3	Definition of Business	<i>1 January 2020</i>
Amendments to MFRS 9, MFRS 139 and MFRS 7	Interest Rate Benchmark Reform	<i>1 January 2020</i>
Amendments to MFRS 16	Covid-19-Related Rent Concessions	<i>1 June 2020</i>
Amendments to MFRS 101 & MFRS 108	Definition of Material	<i>1 January 2020</i>

The adoption of the above mentioned standards did not have a material impact on the financial statements of the Group.

**A2. Changes in accounting policies – cont'd**

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:-

<b>MFRSs, Amendments to MFRSs and IC Interpretation</b>		<b>Effective for annual period beginning on or after</b>
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16)	Interest Rate Benchmark Reform – Phase 2	1 January 2021
Amendments to MFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021	1 April 2021
Amendments to MFRS 3	Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 1, 9 and 141	Annual Improvements to MFRS Standards 2018-2020	1 January 2022
Amendments to MFRS 116	Property, Plant and Equipment – Proceeds before intended use	1 January 2022
Amendments to MFRS 137	Onerous Contracts-Cost of Fulfilling a Contract	1 January 2022
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current	1 January 2023
MFRS 17 and amendments to MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 101 & MFRS 108	Disclosure of Accounting Estimates	1 January 2023
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 10 and MFRS 128	Sales or Contribution of Assets between and Investor and its Associate or Joint Venture	<i>Deferred</i>

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 31 October 2020.

**A4. Seasonal or cyclical factors**

The business operations of the Group were not significantly affected by any seasonal or cyclical factor.

**A5. Items of unusual nature**

There were no significant unusual items affecting the assets, liabilities, equity, net income or cash flow during the current financial quarter.

**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.

**A7. Changes in debt and equity securities**

Save as disclosed below, there were no issuance, cancellation, repurchase, resale, and repayment of debt and equity securities for the current financial quarter:-

**Perpetual Sukuk Musharakah**

During the year, Cypark Renewable Energy Sdn Bhd (“CRE”), the wholly owned subsidiary of the Company, issued the Tranche 1 - Series 3 of unrated perpetual Islamic Medium Term Notes (“Perpetual Sukuk Musharakah”) of RM30.25 million under the Perpetual Sukuk Musharakah Programme (“the Programme”) on 19 November 2020. It was followed with the issuance of the Tranche 1 - Series 4 amounting to RM15.4 million on 30 December 2020. Subsequently, CRE issued the Tranche 1 - Series 5 amounting of RM30.1 million under the Programme on 22 February 2021 and on 12 April 2021 CRE issued Tranche 1 - Series 6 of the Perpetual Sukuk Musharakah of RM8.0 million.

As of the latest practicable date, on cumulative basis, CRE had issued a total of RM203.1 million of unrated Perpetual Sukuk Musharakah under the Programme. The Programme allows for the issuance of Perpetual Sukuk Musharakah from time to time, with flexibility for CRE to issue secured/unsecured Perpetual Sukuk Musharakah subject to the aggregate outstanding nominal amount not exceeding RM500.0 million at any point in time. The Perpetual Sukuk Musharakah may be issued in one or more tranches. The secured Perpetual Sukuk Musharakah shall be secured by the security allocated for such tranche.

**A8. Dividends paid**

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

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**A9. Segmental Information**

The Group has further streamlined and regrouped its core businesses into the four segments, namely Renewable Energy, Construction & Engineering, Green Tech & Environmental Services, Waste Management & Waste-to-Energy.

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

	<b>Renewable Energy RM</b>	<b>Construction &amp; Engineering RM</b>	<b>Green Tech &amp; Environmental Services RM</b>	<b>Waste Management &amp; Waste-To-Energy RM</b>	<b>Elimination RM</b>	<b>Total RM</b>
<b>9 months ended 31 July 2021</b>						
<b>Revenue</b>						
Sale to external customers	192,339,700	12,778,666	2,828,516	20,423,216	-	228,370,098
Inter-segment sales	346,093,368	44,784,642	2,545,665	-	(393,423,675)	-
Total revenue	<u>538,433,069</u>	<u>57,563,307</u>	<u>5,374,181</u>	<u>20,423,216</u>	<u>(393,423,675)</u>	<u>228,370,098</u>
<b>Results</b>						
<b>Profit before tax</b>	52,799,599	3,258,037	754,361	8,618,824	-	65,430,821
Income tax expense						(15,860,813)
<b>Profit net of tax</b>						<u>49,570,008</u>
<b>9 months ended 31 July 2020</b>						
<b>Revenue</b>						
Sale to external customers	195,621,647	17,974,344	3,027,239	5,690,872	-	222,314,102
Inter-segment sales	228,798,463	3,340,313	935,531	-	(233,074,307)	-
Total revenue	<u>424,420,110</u>	<u>21,314,658</u>	<u>3,962,769</u>	<u>5,690,872</u>	<u>(233,074,307)</u>	<u>222,314,102</u>
<b>Results</b>						
<b>Profit before tax</b>	54,469,095	4,442,125	1,179,574	2,836,234	-	62,927,028
Income tax expense						(13,738,250)
<b>Profit net of tax</b>						<u>49,188,778</u>

(Note: For information, certain comparative figures in the prior period have been restated /reclassified to conform with the current year's presentation under each segment.)

**A10. Valuation of property, plant and equipment**

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

**A11. Capital commitments**

Except as disclosed below, there was no capital commitment as at 31 July 2021:-

Capital expenditure

Approved and contracted for:-

- Intangible assets

RM

189,000,000



#### **A12. Material events subsequent to the end of the year**

There were no material events subsequent to the end of the current financial quarter up to 23 September 2021, 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 year under review, except as follows:-

- I. On 25 March 2021, Reviva BACRE (Ulu Remis) Sdn. Bhd. ("RBACRE") was incorporated as a special purpose vehicle and Reviva Sdn. Bhd. ("Reviva"), a wholly owned subsidiary of the Company subscribed for 510 ordinary shares fully paid up in the capital of RBACRE representing 51% of the equity interest at a total consideration of RM510. The remaining 49% ordinary shares of RBACRE are owned by BAC Renewable Energy Sdn. Bhd. ("BACRE"). RBACRE was incorporated to facilitate Reviva and BACRE in the development of Biogas project at Ulu Remis Palm Oil Mill.

On 13 August 2021, Reviva subscribed additional 254,490 ordinary shares fully paid up in the capital of RBACRE representing 51% of the equity interest at a total consideration of RM254,490. The remaining 49% ordinary shares of RBACRE are owned by BACRE.

- II. On 19 April 2021, Cypark PDT Smart WTE (Bukit Payong) Sdn. Bhd. ("CPDT") was incorporated as a special purpose vehicle and the Company subscribed for 80 ordinary shares fully paid up in the capital of CPDT representing 80% of the equity interest at a total consideration of RM80. The remaining 20% ordinary shares of CPDT are owned by Permodalan Darul Ta'zim Sdn. Bhd. ("PDT"). CPDT was incorporated to facilitate CRB and PDT in the tendering for Waste to Energy facility at Bukit Payong, Johor.

#### **A14. Contingent liabilities**

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

	<b>31 July 2021</b>
	<b>RM</b>
<b>Secured:</b>	
- Performance bond/tender bond guarantees favouring Government/ Statutory bodies for various projects	7,955,338
- Bank guarantees extended to Government Bodies/Companies for various projects	193,342,307
- Letter of credits given to suppliers for purchase of materials	49,439,706
	<u>250,737,351</u>
<b>Unsecured:</b>	
- Corporate guarantees given to banks for credit facilities granted to subsidiaries	1,262,020,000
	<u>1,262,020,000</u>
<b>TOTAL</b>	<u>1,512,757,351</u>

The secured performance bonds, corporate guarantees and letter of credits are secured by way of charge over certain fixed deposits of the Group.

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**A15. Significant related party transactions**

The Group had the following transactions during the current financial quarter with related parties in which certain directors of the Company have substantial financial interest:-

Related Party	Interested Promoter / Director / Substantial Shareholder / Key Management	Nature of Transactions	Transaction value based on billings for current quarter RM	Transaction value based on billings year to date RM	Balance Outstanding as at 31 July 2021 RM
CyEn Resources Sdn Bhd	Dato' Daud bin Ahmad, Tan Sri Razali bin Ismail and Tan Swee Loon	Sub-contractor charges and consulting fees paid for environmental / landscape works	1,705,070	6,908,581	4,330,940

**B1. Analysis of performance****Current Year Quarter ended 31 July 2021 vs Preceding Year Quarter ended 31 July 2021**

The Group generated a total revenue of RM65.9 million for 3Q2021, which represents an increase of RM10.2 million as compared to RM55.7 million recorded in 3Q2020. This was mainly contributed by the continuous work progress from the large-scale solar (“LSS”) projects and specialist & consultancy works performed in the current quarter.

The profit before tax for 3Q2021 increased to RM21.9 million as compared to RM20.3 million in 3Q2020. The Group’s profit after tax for 3Q2021 also increased by RM0.5 million or 3.2% to RM16.6 million as compared to RM16.1 million recorded in the preceding year’s quarter.

The details of the performance of each segment are as follows:-

**Renewable Energy**

The revenue for 3Q2021 increased by RM6.8 million or 13.7% to RM56.2 million as compared to RM49.5 million recorded in 3Q2020. This was mainly due to the improved progress in EPCC works for the ongoing LSS projects at various states. The profit before tax for 3Q2021 decreased by RM0.8 million or 4.2% to RM17.1 million as compared to RM17.9 million in 3Q2020. This was mainly attributed to the additional project costs incurred in current quarter arising from the prolongation of the projects affected by the pandemic.

**Construction & Engineering**

The revenue for 3Q2021 increased by RM1.2 million to RM4.5 million as compared to RM3.3 million recorded in 3Q2020. The profit before tax for 3Q2021 for this division also increased to RM1.3 million as compared to RM 0.8 million recorded in 3Q2020. This was mainly due to better work progress in this division.

**Green Tech & Environmental Services**

The revenue generated by this division for 3Q2021 decreased slightly to RM0.9 million as compared to RM1.0 million recorded in 3Q2020. The profit before tax in current quarter decreased to RM0.2 million as compared to RM0.4 million in 3Q2020.

**Waste Management & Waste-to-Energy**

The revenue for this division increased significantly to RM4.3 million in 3Q2021 as compared RM1.9 million recorded in 3Q2020. The increase was mainly contributed by the work progress recognised from the Waste-to-Energy (“WTE”) project and specialist projects secured in this division. The profit before tax increased by RM1.9 million to RM3.2 million as compared to RM1.3 million recorded in 3Q2020.

**Current Financial Period ended 31 July 2021 vs Preceding Financial Period ended 31 July 2020**

The Group's revenue for current financial period increased by RM6.1 million or 2.7% to RM228.4 million as compared to RM222.3 million recorded in preceding financial period. This was mainly contributed by the continuous work progress from the large-scale solar projects and specialist & consultancy works performed in the current financial period.

In line with the increase in revenue, the profit before tax for current financial period also increased by RM 2.5 million or 4.0% to RM65.4 million as compared to RM62.9 million recorded in preceding financial period. The increase in profit was mainly due to the saving in the interest cost achieved through the conversion of certain conventional financing to issuance of perpetual sukuk and lower borrowing rates resulting from the cutting of overnight policy rate by Bank Negara Malaysia. In addition, the profit recorded in preceding financial period was lower partly due to the recognition of a ESOS expense of RM2.1 million in previous financial period. The group’s profit after tax increased marginally by RM0.4 million or 0.8% to RM49.6 million from RM49.2 million recorded in preceding financial period. This was due to additional deferred tax expense recognised in current financial period for the WTE project.

**B1. Analysis of performance-cont'd.**

The details of the performance of each segment are as follows: -

**Renewable Energy**

The revenue for the current financial period decreased slightly by RM3.3 million or 1.7% to RM192.3 million as compared to RM195.6 million in 3Q2020. The profit before tax decreased by RM3.5 million or 6.2% to RM53.1 million as compared to RM56.6 million in 3Q2020 as a result of the additional project costs incurred in current financial period for the projects affected by pandemic.

**Construction & Engineering**

The revenue decreased to RM12.8 million as compared to RM18 million recorded in 3Q2020 due to restriction on construction and civil works imposed by various MCOs during the current financial period. Lower work activities were also due to the civil and infrastructure works of some of the ongoing projects were near to the completion in current financial period. The profit before tax for 3Q2021 for this division accordingly also decreased to RM3.3 million as compared to RM4.4 million recorded in 3Q2020.

**Green Tech & Environmental Services**

The revenue generated for current financial period was approximately RM2.8 million as compared to RM3.0 million recorded in preceding financial period. The profit before tax for current financial period is RM0.7 million as compared to RM1.2 million in preceding period.

**Waste Management & Waste-To-Energy**

The revenue for this division increased significantly to RM20.4 million in current financial period as compared to RM5.7 million recorded in preceding period. The increase was mainly contributed by the work progress recognised from the WTE project and specialist projects secured in this division. In line with the increase in revenue, the profit before tax of this division also increased significantly by RM5.8 million to RM8.6 million as compared to RM2.8 million recorded in preceding financial period.

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

The revenue of the Group for the current quarter decreased by RM20.1 million to RM65.9 million as compared to RM86 million recorded in the immediate preceding quarter. This was mainly caused by lower project work activities resulting from further movement control orders and precautionary measures implemented in current quarter as compared to preceding quarter. The profit before tax of the group for the current quarter is recorded at RM21.9 million as compared to RM23.2 million in the immediate preceding quarter.

**B3. Prospects for the Current Financial Year**

The demand for renewable energy (“RE”) is expected to continue to grow at healthy rate. In December 2020, the Malaysian Government have announced the extension of the Net Energy Metering (“NEM”) 3.0 from 2021 to 2023, providing a quota of 300MW out of 500MW to commercial and industrial players like Cypark Resources Berhad (“Cypark”). RE players can also benefit from the extension of Green Investment Tax Allowance (“GITA”) and Green Income Tax Exemption (“GITE”) incentives until 2023 and the Green Technology Financing Scheme (“GTFS”) 3.0 with a fund size of 2 billion ringgit until 2022. As for Waste-to-Energy (“WTE”), Kementerian Perumahan dan Kerajaan Tempatan (“KPKT”) has proceeded with the tendering of two WTE Projects in Johor and Malacca as part of its plan to build 5 WTEs within the next few years.

Cypark being the leading environmental solution and renewable energy company in Malaysia has taken pre-emptive steps to endure the economic impact of the COVID-19 pandemic by successfully completing the vaccination programme for all staff and their spouses in August 2021 and the Company is looking forward to operating in full force when 100% working capacity is allowed.

Notably, given the efforts by Jawatankuasa Khas Jaminan Akses Bekalan Vaksin COVID-19 (“JKJAV”), the Company believes that Malaysia will achieve its aim in herd immunity against COVID-19 by December 2021 and that economic activities will resume and the Company is able to operate as usual towards greater revenue recognition.

**Renewable Energy**

Despite the COVID-19 pandemic impacting our economy, the Malaysian Government has been steadfast in its commitment towards the 2012 Paris Agreement targets. The government’s decision to stimulate clean energy transitions by making investment in renewables as a pivotal part of its economic stimulus packages to reinvigorate the Malaysian economy that was badly impacted by the COVID-19 pandemic is very much applaudable. The Government’s determination to achieve its 20% (6,000MW) renewable energy target by 2025, Expected to drive further the local RE market that Cypark believes there will be further extension to the LSS programme possibly LSS5 and LSS6 that could prospectively offer similar excitement as the 2020’s LSS4 tender, if not more in the near future. Cypark is currently offering its proven expertise in solar project development to the recently announced winners of the LSS4 tenders and target to secure some jobs from the estimated RM3-4 billions worth of EPCC works.

With the government's proposed market liberalisation measures under MESI 2.0, Cypark is actively looking for opportunities to supply RE directly to end client via Peer-To-Peer and Third-Party Access initiatives. Cypark has recently participated in the trial run of the Third-Party Access, and the progress so far has been very encouraging. Once the government is ready to implement the proposal, Cypark target to increase its total RE capacity under its operation to 300-400MW in the next few years and further expand the client base.

Work has already commenced on the 100MWac LSS3 project in Merchang, Terengganu and it is progressing well to achieve its completion. Upon completion, it will contribute to Cypark’s revenue in FYE 2022. Together with the LSS3 project and a total of 150MWp solar assets including 100MWp floating solar under the EPCC plus Operation and Maintenance (O&M) long term contract, the number of secured capacity of solar assets built, owned and/or operated by Cypark will reach over 375MWp.

Cypark is optimistic with our success rate in future LSS contracts to meet the national generating target of 6000MW by 2025. Cypark’s collaborations with many state-linked companies or agencies in Kedah, Negeri Sembilan, Melaka and Johor are expected to secure a total capacity of up to 100MW potential NEM projects in the next two years, where some will be under Supply Agreement of Renewable Energy (“SARE”) while others will be direct EPCC. Concurrently, Cypark has been actively participating in several private NEM tenders from universities and government-linked companies.

**B3. Prospects for the Current Financial Year-cont'd****Construction & Engineering**

Due to the impact of the pandemic, the Malaysian construction sector contracted by 18.7% in 2020 on estimation. However, civil engineering and specialized construction activities sub-sectors are expected to improve gradually, cushioned by various measures under the economic stimulus packages.

The construction sector is expected to rebound in 2022 on account of the acceleration and revival of major infrastructure projects and affordable housing projects once the country declared the Covid19 pandemic as endemic. The civil engineering subsector will continue to be the main driver of the construction sector. Cypark continues to intensify its effort and resources to secure more projects in construction of infrastructure, landscaping, and residential and commercial building with its proven experience and credibility.

**Green Technology & Environmental Services**

Cypark's existing venture in the biomass sector has shown good prospect for further growth and with increasing demands locally and regionally for biomass pellets and the biomass business is targeted to materially contribute to our performance in FYE 2022 and beyond. The overseas demand for biomass product remains strong despite the COVID-19 pandemic hence Cypark plans to expand its existing plant capacity in the future and to develop more biomass plants later in 2022.

For the biogas sector, with another up to 30MW quota for biogas available annually in the future, Cypark foresees the high demand for green energy generation using Palm Oil Mill Effluent ("POME").

The exciting growth in green technology business is consistent with the Malaysian Investment Development Authority (MIDA) 2018 Report, which indicates that there are total of 111 potential business projects worth RM4.1 billion in the prism of green and sustainable field.

**Waste Management & Waste-to-Energy ("WTE")**

Another area of growth for renewable energy is WTE. Cypark's WTE plant at Ladang Tanah Merah, Negeri Sembilan which is the first of its kind in Malaysia. Once the plant is commissioned, the integrated WTE plant is expected to contribute up to RM80 million a year in revenue. Cypark is participating in two WTE tenders in Johor and Malacca in collaboration with Johor and Malacca state owned companies. The two WTE tenders are part of the five WTE tenders that were announced by KPKT under its national WTE implementation plan. With the track record of constructing, owning, and operating the country's first WTE plant, Cypark stands a good chance to win more WTE projects in the future. Cypark expects future WTE plant capacity to be between 15MW to 25MW with an expected investment value of above RM500 million each.

**B4. Profit forecast and profit estimate**

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

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**B5. Profit before tax**

	Individual Quarter		Cumulative Period	
	Current Year Quarter 31 July 2021	Preceding Year Quarter 31 July 2020 Restated	Current Year To Date 31 July 2021	Preceding Year To Date 31 July 2020 Restated
Profit before tax is stated after crediting:-				
Financing revenue arising from contracts with customers	9,881,869	8,158,509	29,254,277	19,734,822
Interest income	658,933	922,178	2,081,766	3,266,060
Other income (including investment income)	(31,207)	48,492	224,056	512,748
Gain on disposal of plant and equipment	180,000	-	180,000	-
Foreign exchange gain - unrealised	7,367	4,604	17,362	4,604
	-	-	-	-
Profit before tax is stated after charging:-				
Interest expenses	8,394,992	10,524,667	27,741,603	32,596,731
Amortisation of intangible assets	909,919	911,931	2,729,757	2,735,793
Depreciation of right-of-use assets	196,130	224,401	643,904	738,202
Depreciation of plant and equipment	2,040,811	2,020,538	6,094,630	6,045,247
Foreign exchange loss - unrealised	-	(575)	-	-
Provision for impairment loss on trade receivables	N/A	N/A	N/A	N/A
Provision for and write off of inventories	N/A	N/A	N/A	N/A
Impairment of assets	N/A	N/A	N/A	N/A
Loss on derivatives	N/A	N/A	N/A	N/A
Exceptional items	N/A	N/A	N/A	N/A

**B6. Income tax expense**

	Individual Quarter		Cumulative Period	
	Current Year Quarter 31 July 2021 RM	Preceding Year Quarter 31 July 2020 RM	Current Year To Date 31 July 2021 RM	Preceding Year To Date 31 July 2020 RM
Income tax				
- Current	7,586,987	7,079,976	15,837,417	15,286,671
- Under/(Over) provision in prior year	440,144	78,254	440,144	78,254
Deferred tax	(2,808,244)	(2,986,482)	(416,748)	(1,626,675)
	<u>5,218,887</u>	<u>4,171,748</u>	<u>15,860,813</u>	<u>13,738,250</u>

**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.

**B8. Purchase or disposal of quoted securities**

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

**B9. Status of corporate proposals**

Save as disclosed below, there was no corporate proposal announced but not completed as at the date of this report: -

**a. ESOS**

The Company's new employee share option scheme of up to fifteen percent (15%) of the issued and paid-up share capital of CRB for the eligible employees and Directors of CRB and its subsidiaries ("ESOS") was approved by the shareholders of CRB at the Tenth (10<sup>th</sup>) Annual General Meeting, which was convened on 21 April 2015. The effective date for the implementation of the New ESOS was 19 October 2015, as announced on the even date. The ESOS shall be for a duration of five (5) years and will expire on 18 October 2020.

A total of 23,100,000 ESOS options ("2017 Options") under the ESOS Scheme was offered to eligible directors and employees at RM2.12 on 26 April 2017 and were fully accepted by all eligible directors and employees on 16 May 2017.

A total of 33,800,000 ESOS options ("2019 Options") under the ESOS Scheme was offered to eligible directors and employees at RM1.42 on 30 December 2019 and were fully accepted by all eligible directors and employees on 23 January 2020.

Details of the ESOS options granted to eligible directors are disclosed as below: -

Directors	2017 Options Offered (Unit)	Options Accepted (Unit)
Tan Sri Razali bin Ismail	3,000,000	3,000,000
Dato' Daud bin Ahmad	9,000,000	9,000,000
Dato' Dr. Freezailah bin Che Yeom	150,000	150,000
Headir bin Mahfidz	150,000	150,000
Megat Abdul Munir bin Megat Abdullah Rafaie	150,000	150,000
Datuk Abdul Malek bin Abdul Aziz	150,000	150,000

Directors	2019 Options Offered (Unit)	Options Accepted (Unit)
Tan Sri Razali bin Ismail	4,000,000	4,000,000
Dato' Daud bin Ahmad	12,000,000	12,000,000
Dato' Dr. Freezailah bin Che Yeom	300,000	300,000
Headir bin Mahfidz	300,000	300,000
Megat Abdul Munir bin Megat Abdullah Rafaie	300,000	300,000
Datuk Abdul Malek bin Abdul Aziz	300,000	300,000

However, all the outstanding ESOS options of 2017 Options and 2019 Options totalling 46,973,000 units were cancelled upon the mutual agreement with the respective ESOS Options holders on 11 March 2020. The cancellation was mainly due to the outstanding ESOS Options no longer serve as the effective tools to motivate, encourage, reward and retain the eligible employees and the Directors since the CRB shares have predominantly been trading below the exercise prices of the ESOS Options.

Subsequent to the cancellation, a total of 48,600,000 ESOS options ("2020 Options") under the ESOS Scheme was offered to eligible directors and employees at RM0.595 on 26 March 2020 and were fully accepted by all the eligible directors and employees on 17 April 2020.



**B9. Status of corporate proposals – cont’d**

**a. ESOS – cont’d**

Details of the ESOS options granted to eligible directors are disclosed as below:-

<b>Directors</b>	<b>2020 Options Offered (Unit)</b>	<b>Options Accepted (Unit)</b>
Tan Sri Razali bin Ismail	7,000,000	7,000,000
Dato’ Daud bin Ahmad	19,525,000	19,525,000
Dato’ Dr. Freezailah bin Che Yeom	525,000	525,000
Headir bin Mahfidz	525,000	525,000
Megat Abdul Munir bin Megat Abdullah Rafaie	525,000	525,000
Datuk Abdul Malek bin Abdul Aziz	300,000	300,000

Details of the ESOS options exercised by the directors are disclosed as below:-

<b>Directors</b>	<b>Balance as at 1.11.2020</b>	<b>Granted</b>	<b>Exercised</b>	<b>Balance as at 31.07.2021</b>
Tan Sri Razali bin Ismail	7,000,000	-	(3,000,000)	4,000,000
Dato’ Daud bin Ahmad	19,525,000	-	-	19,525,000
Dato’ Dr. Freezailah bin Che Yeom	525,000	-	(525,000)	-
Headir bin Mahfidz	525,000	-	(525,000)	-
Megat Abdul Munir bin Megat Abdullah Rafaie	525,000	-	(525,000)	-
Datuk Abdul Malek bin Abdul Aziz	300,000	-	(250,000)	50,000

Upon the recommendation of Option Committee, the Company had on 9 October 2020 announced that the duration of the ESOS will be extended for a further of one (1) year period from 19 October 2020 to 18 October 2021.

A total of 8,950,000 new ESOS options (“2021 Options”) under the ESOS Scheme was offered to eligible employees at RM1.16 on 19 January 2021 and fully accepted by all eligible employee on 8 February 2021.

**B9. Status of corporate proposals – cont'd**

**a. ESOS – cont'd**

**2017 Option**

The details of the options over ordinary shares of the Company are as follows:

	Outstanding as at 1.11.2020	Granted	Cancelled	Outstanding as at 31.07.2021	Exercisable as at 31.07.2021
2017 option	-	-	-	-	-
Weighted average exercise price (RM)	-	-	-	-	-
Weighted average remaining contractual life (months)	NA			N/A	

The details of the share options outstanding are as follows:

	Weighted average exercise price (RM)	Exercise period
2017 option	2.12	26.4.2017 – 21.12.2018
**Adjustments after bonus issue	1.40	22.12.2018 – 18.10.2021

The fair value of share options granted during the financial period was estimated using the binomial simulation model, taking into account the terms and conditions upon which the options were granted. The inputs to the option pricing model are as follows:-

Weighted average share price (RM)	2.40
Weighted average exercise price (RM)	2.12
Expected volatility (%)	24.82
Expected life (years)	3.48
Risk-free Interest rate (%)	3.73
Expected dividend yield (%)	2.47

*Note: The above ESOS Options were cancelled on 11 March 2020.*

**B9. Status of corporate proposals – cont'd**

**a. ESOS – cont'd**

**2019 Option**

The details of the options over ordinary shares of the Company are as follows:

	Outstanding as at 1.11.2020	Granted	Cancelled	Outstanding as at 31.07.2021	Exercisable as at 31.07.2021
2019 option	-	-	-	-	-
Weighted average exercise price (RM)	-	-	-	-	-
Weighted average remaining contractual life (months)	NA			N/A	

The details of the share options outstanding are as follows:

	Weighted average exercise price (RM)	Exercise period
2019 option	1.24	30.12.2019 – 18.10.2021

The fair value of share options granted during the financial period was estimated using the binomial simulation model, taking into account the terms and conditions upon which the options were granted. The inputs to the option pricing model are as follows:-

Weighted average share price (RM)	1.38
Weighted average exercise price (RM)	1.24
Expected volatility (%)	44.91
Expected life (years)	0.83
Risk-free Interest rate (%)	3.39
Expected dividend yield (%)	3.54

*Note: The above ESOS Options were cancelled on 11 March 2020*

**B9. Status of corporate proposals – cont'd**

**a. ESOS – cont'd**

**2020 Option**

The details of the options over ordinary shares of the Company are as follows:

	Outstanding as at 1.11.2020	Granted	Exercised	Outstanding as at 31.07.2021	Exercisable as at 31.07.2021
2019 option	35,784,400	-	(11,204,400)	24,580,000	24,580,000
Weighted average exercise price (RM)	0.595	-	0.595	0.595	0.595
Weighted average remaining contractual life (months)	12				3

The details of the share options outstanding at the end of the financial year are as follows:

	Weighted average exercise price (RM)	Exercise period
2020 option	0.595	26.3.2020 – 18.10.2021

The fair value of share options granted during the financial period was estimated using the binomial simulation model, taking into account the terms and conditions upon which the options were granted. The inputs to the option pricing model are as follows:-

Weighted average share price (RM)	0.70
Weighted average exercise price (RM)	0.595
Expected volatility (%)	39.07
Expected life (years)	0.75
Risk-free Interest rate (%)	2.89
Expected dividend yield (%)	0.00

**B9. Status of corporate proposals – cont’d**

**a. ESOS – cont’d**

**2021 Option**

The details of the options over ordinary shares of the Company are as follows:

	Outstanding as at 1.11.2020	Granted	Exercised	Outstanding as at 31.07.2021	Exercisable as at 31.07.2021
2019 option	-	8,950,000	-	8,950,000	8,950,000
Weighted average exercise price (RM)	-	1.16	-	1.16	1.16
Weighted average remaining contractual life (months)	12				3

The details of the share options outstanding are as follows:

	Weighted average exercise price (RM)	Exercise period
2021 option	1.16	19.01.2021 – 18.10.2021

The fair value of share options granted during the financial period was estimated using the binomial simulation model, taking into account the terms and conditions upon which the options were granted. The inputs to the option pricing model are as follows:-

Weighted average share price (RM)	1.39
Weighted average exercise price (RM)	1.16
Expected volatility (%)	50.31
Expected life (years)	0.75
Risk-free Interest rate (%)	1.94
Expected dividend yield (%)	0.00

**b. Private Placement**

On 16 June 2021, the Company announced its proposal to implement a private placement up to 104,998,290 new ordinary shares in Cypark Resources Berhad (“CRB Shares” or “Shares”) (“Placement Shares”), representing up to twenty per cent (20%) of the total number of issued shares of the Company at an issue price to be determined and announced later.

The Placement Shares shall be issued based on a discount, if any, of not more than ten per cent (10%) to the five (5)-day VWAP of CRB Shares immediately preceding the price-fixing date.

The Company submitted the additional listing application to Bursa Securities on 17 June 2021 and obtained the approval from Bursa Securities on 18 June 2021.

**b. Private Placement– cont'd**

On 29 July 2021, the Company announced that the issue price for 20,000,000 Placement Shares, being the first (1st) tranche of the Private Placement, had been fixed at RM0.90 per Placement Share. The issue price represents a discount of RM0.0390 or approximately 4.15% to the 5-day VWAP of the CRB Shares up to and including 28 July 2021, being the last market day immediately preceding the Price-Fixing Date of RM0.9390 per CRB Share. The first (1st) tranche of the Private Placement was completed on 11 August 2021, following the listing of and quotation for 20,000,000 Placement Shares on the even date.

On 9 September 2021, the Company announced that the issue price for 50,600,000 Placement Shares, being the second (2nd) tranche of the Private Placement, had been fixed at RM0.92 per Placement Share. The issue price represents a discount of RM0.0935 or approximately 9.23% to the 5-day VWAP of the CRB Shares up to and including 8 September 2021 of RM1.0135 per CRB Share. The second (2nd) tranche of the Private Placement was completed on 22 September 2021, following the listing of and quotation for 50,600,000 Placement Shares on the even date.

**B10. Group's borrowings and debts securities**

The Group's borrowings and debts securities as at 31 July 2021 are as follows:-

	<b>31 July 2021</b>	<b>31 July 2020</b>
	<b>RM</b>	<b>Restated RM</b>
<b>Short term borrowings</b>		
Secured:-		
Bank overdrafts	680,405	86,457
Trust receipts	87,247,604	101,673,895
Term loans	34,760,000	44,008,320
Revolving credits	106,120,539	115,377,002
	<u>228,808,549</u>	<u>261,145,674</u>
<b>Long term borrowings</b>		
Secured:-		
Term loans	519,825,791	429,294,828
Bond - Sukuk Murabahah	537,651,601	538,412,151
	<u>1,057,477,392</u>	<u>967,706,979</u>
<b>Total borrowings</b>		
Secured:-		
Bank overdrafts	680,405	86,457
Trust receipts	87,247,604	101,673,895
Term loans	554,585,791	473,303,148
Revolving credits	106,120,539	115,377,002
Bond - Sukuk Murabahah	537,651,601	538,412,151
	<u>1,286,285,941</u>	<u>1,228,852,653</u>

**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 except for the following:

**a. Huls Engineering Sdn. Bhd. (“Plaintiff”) v Cypark Sdn. Bhd. (“Defendant”) (Shah Alam High Court Suit No.: BA-22C-35-07/2017)**

The purported claim dispute between HULS Engineering Sdn Bhd (“HULS”) and Cypark Sdn Bhd (“CSB”) revolves around the “Supply, Delivery and Installation of Geosynthetic Clay Liner and Drainage Layer” between the Plaintiff and the Defendant awarded works vide numerous Letters of Award (“Letters of Award”).

The Plaintiff had filed a civil suit against CSB in Shah Alam High Court claiming, inter alia, for the sum of RM3,079,013.86 being the purported alleged outstanding sum due and payable by the Defendant to the Plaintiff for the Geosynthetic Clay Liner and Drainage Layer supplied and delivered claimed by the Plaintiff to the Defendant.

CSB, as the Defendant through its Advocates & Solicitors, had filed the statement of defence and counterclaim on the 18.08.2017, on the basis that the Defendant had already made payment amounting to RM29,366,991.34 to the Plaintiff to date for all the work done.

Further the statement of defence upholds that the Plaintiff had not complied with the terms and conditions of the Contract and failed to complete the contracted Works. Defendant as a result had suffered losses in carrying out the incomplete Works. As such, the Defendant in its counterclaim had prayed for the court to assess the costs incurred by the Defendant to complete the Works.

Furthermore, the Defendant was contractually entitled to retain retention sums, as stated in its defence. The Defendant also counterclaims Liquidated and Ascertained Damages (LAD) as provided for under the Contract, whereby the LAD of RM3,000.00 per day was calculated on delay from the original completion date under the Contract until the actual completion date of the Subcontract works.

Defendant further claims interests on the counterclaim, costs and any other relief deemed just and fit by the Court.

Subject to deferment by the court, the decision was fixed on 24 September 2018. On 24 September 2018, the High Court allowed the Plaintiff’s claim of RM2,677,357.20. A Notice of Appeal was filed by Defendant to the Court of Appeal on 15 October 2018. In addition, the Defendant had also filed an application for stay of execution of the Judgment pending the disposal of the Appeal.

The Appeal was fixed for case management on 17 June 2019 and the parties had on 24 May 2019 entered into a consent order to stay the execution of the High Court’s judgement pending the Appeal. The Court of Appeal matter was fixed for hearing on the 25 August 2020. The hearing date for the appeal fixed on 25 August 2020 had been vacated by the Court of Appeal. Instead, a case management had been fixed on 02 September 2020. During the case management on 02 September 2020, the Court directed for another case management on 23 September 2020 for parties to fix dates for the hearing of the appeal.

The Court had fixed the matter for another case management on 27 April 2021 and the hearing of the appeal fixed on 11 May 2021. The hearing date for the appeal fixed on 11 May 2021 had been vacated and pushed back to 15 September 2021. The Court of Appeal did not wish to interfere with the findings of the High Court. The Defendant is preparing to file the leave to appeal to Federal Court.

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**B13. Dividends**

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

**B14. Earnings per share**

The following reflect the profit and share data used in the computation of basic and diluted earnings per share for the quarter ended 31 July 2021: -

	Individual Quarter		Cumulative Period	
	Current Year Quarter 31 July 2021 RM	Preceding Year Quarter 31 July 2020 RM	Current Year To Date 31 July 2021 RM	Preceding Year To Date 31 July 2020 RM
Profit net of tax, representing total comprehensive income attributable to owners of the Company	16,677,049	16,174,904	49,691,644	49,200,914
Distribution to holders of perpetual sukuk	(3,378,425)	-	(8,879,597)	-
	<u>13,298,624</u>	<u>16,174,904</u>	<u>40,812,047</u>	<u>49,200,914</u>
Weighted average number of ordinary shares for basic earnings per shares computation	480,643,300	464,433,817	480,643,300	464,433,817
Effects of dilution - share options	10,671,889	24,952,734	10,671,889	24,952,734
Weighted average number of ordinary shares for diluted earnings per share computation	<u>491,315,189</u>	<u>489,386,551</u>	<u>491,315,189</u>	<u>489,386,551</u>