

Unaudited Condensed Consolidated Statements of Comprehensive Income
For the Third Quarter ended 31 January 2024

	Individual Quarter		Cumulative Period	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Quarter	To Date	To Date
	31 Jan 2024	31 Jan 2023	31 Jan 2024	31 Jan 2023
	RM	RM	RM	RM
Revenue	35,889,412	-	127,687,423	-
Cost of sales	(54,631,674)	-	(132,639,997)	-
Gross profit	(18,742,262)	-	(4,952,574)	-
Other income	3,153,107	-	10,495,074	-
Administrative expenses	(4,145,744)	-	(8,642,828)	-
Net Impairment losses on financial instrument and contract asset	(5,520,794)	-	(5,520,794)	-
Operating profit	(25,255,693)	-	(8,621,122)	-
Finance costs	(7,978,379)	-	(26,223,633)	-
Share of results of an associate	-	-	12,211	-
Loss before tax	(33,234,072)	-	(34,832,544)	-
Taxation and Zakat	5,497,907	-	8,660,409	-
Loss for the quarter/financial year	(27,736,165)	-	(26,172,135)	-
Other comprehensive income net of tax	-	-	-	-
Total comprehensive income for the quarter/year	(27,736,165)	-	(26,172,135)	-
Total comprehensive income attributable to:-				
- Owners of the Company	(27,983,546)	-	(26,687,507)	-
- Non-controlling interest	247,381	-	515,372	-
	(27,736,165)	-	(26,172,135)	-
Earning per share for income attributable to the owners of the Company (sen per share)				
- Basic	Note B14 (a)	(4.49)	-	(5.54)
- Diluted	Note B14 (b)	(4.49)	-	(5.54)

Note:

1. 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 2023 and the accompanying notes attached to the unaudited interim financial statements.
2. There are no comparative figures for the quarter ended 31 January 2024. Due to the change in financial year end from 31 October 2022 to 30 April 2023, the Unaudited Condensed Consolidated Statement of comprehensive income for the current quarter ended 31 January 2024, being the third quarter of the financial year ending 30 April 2024.

Unaudited Condensed Consolidated Statements of Financial Position as at 31 January 2024

	Unaudited As At 31 Jan 2024 RM	Audited As At 30 April 2023 RM
Assets		
Non-current assets		
Plant and equipment	836,442,113	656,004,472
Right-of-use assets	4,541,257	4,955,084
Intangible assets	929,094,967	968,418,089
Investment in an associate	2,919,462	2,907,252
Other investment	24,000,000	24,000,000
Deferred tax assets	79,599,237	67,024,718
	<u>1,876,597,036</u>	<u>1,723,309,615</u>
Current assets		
Trade and other receivables	101,447,869	98,558,835
Contract assets	777,473,148	753,650,706
Tax assets	8,716,919	9,888,678
Deposits, cash and bank balances	168,532,495	155,624,491
	<u>1,056,170,431</u>	<u>1,017,722,710</u>
Total assets	<u>2,932,767,467</u>	<u>2,741,032,326</u>
Equity and liabilities		
Current liabilities		
Loans and borrowings	170,072,799	263,723,152
Lease liabilities	382,087	501,290
Trade and other payables	190,867,892	264,964,992
Tax payable	1,040,174	230,124
	<u>362,362,952</u>	<u>529,419,558</u>
Net current assets	<u>693,807,479</u>	<u>488,303,153</u>
Non-current liabilities		
Loans and borrowings	1,301,826,992	1,183,293,905
Lease liabilities	5,046,547	5,219,156
	<u>1,306,873,539</u>	<u>1,188,513,061</u>
Total liabilities	<u>1,669,236,491</u>	<u>1,717,932,619</u>
Net assets	<u>1,263,530,975</u>	<u>1,023,099,707</u>
Equity		
Share capital	602,133,698	585,597,276
Reverse acquisition reserve	(36,700,000)	(36,700,000)
Employee share option reserve	-	1,090,295
Retained earnings	213,318,926	257,966,287
Equity attributable to owners of the Company	<u>778,752,624</u>	<u>807,953,857</u>
Perpetual Sukuk	502,081,221	232,964,113
Non-controlling interests	<u>(17,302,870)</u>	<u>(17,818,263)</u>
Total Equity	<u>1,263,530,975</u>	<u>1,023,099,707</u>
Total equity and liabilities	<u>2,932,767,466</u>	<u>2,741,032,326</u>
Net assets per share attributable to owners of the Company (RM)	1.54	1.31

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 2023 and the accompanying notes attached to the unaudited interim financial statements.
- There are no comparative figures for the quarter ended 31 January 2024. Due to the change in financial year end from 31 October 2022 to 30 April 2023, the Unaudited Condensed Consolidated Statement of comprehensive income for the current quarter ended 31 January 2024, being the third quarter of the financial year ending 30 April 2024.

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Statements of Changes in Equity for the Third Quarter ended 31 January 2024

	← Attributable to owners of the Company →							
	← Non-distributable →				Distributable			
	Share capital RM	Share option reserve RM	Reverse acquisition reserve RM	Retained earnings RM	Total RM	Perpetual Sukuk RM	Non-controlling interests RM	Equity Total RM
2024								
Group								
Opening balance at 1 May 2023	585,597,276	1,090,295	(36,700,000)	257,966,287	807,953,857	232,964,113	(17,818,262)	1,023,099,707
Total comprehensive income	-	-	-	(26,687,507)	(26,687,507)	-	515,372	(26,172,135)
Additional non-controlling interests arising on acquisition of subsidiary	-	-	-	-	-	-	20	20
Issuance of Perpetual Sukuk (net of Expenses)	-	-	-	-	-	264,237,350	-	264,237,350
Transactions with owners								
Issue of ordinary shares via:-								
- Exercise of ESOS Options	16,536,422	(1,090,295)	-	-	15,446,128	-	-	15,446,128
ESOS Options forfeited	-	-	-	4,672	4,672	-	-	4,672
Distribution to Perpetual Sukuk holders	-	-	-	(17,964,525)	(17,964,525)	17,964,525	-	-
Distribution paid to Perpetual Sukuk holders	-	-	-	-	-	(13,084,767)	-	(13,084,767)
Total transactions with owners	16,536,422	(1,090,295)	-	(17,959,853)	(2,513,726)	4,879,758	-	2,366,032
Closing balance at 31 January 2024	602,133,698	-	(36,700,000)	213,318,926	778,752,624	502,081,221	(17,302,870)	1,263,530,975

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 2023 and the accompanying notes attached to the unaudited interim financial statements. There are no comparative figures for the quarter ended 31 January 2024. Due to the change in financial year end from 31 October 2022 to 30 April 2023, the Unaudited Condensed Consolidated Statement of comprehensive income for the current quarter ended 31 January 2024, being the third quarter of the financial year ending 30 April 2024.

Unaudited Condensed Consolidated Statements of Cash Flows
For the Third Quarter ended 31 January 2024

	9 months ended	
	31 Jan 2024	31 Jan 2023
	RM	RM
Cash flows from operating activities		
Loss before tax	(34,832,544)	-
Adjustments for:		
Depreciation of plant and equipment	6,797,961	-
Share of results in associated company	(12,211)	-
Depreciation of right-of-use assets	389,772	-
Amortisation of intangible assets	39,323,123	-
Reversal of impairment losses on contract asset	(1,268,125)	-
Net Impairment losses on financial instrument and contract asset	5,520,794	-
Interest expense	48,544,236	-
Interest income	(6,452,191)	-
Operating cash flows before changes in working capital	<u>58,010,815</u>	-
Changes in working capital:		
Trade and other receivables	(7,141,703)	-
Contract assets	(23,822,442)	-
Trade and other payables	<u>(74,097,100)</u>	-
Cash flows used in operations	(47,050,430)	-
Tax and Zakat paid	<u>(1,932,301)</u>	-
Net cash flows used in operating activities	<u>(48,982,731)</u>	-
Cash flows from investing activities		
Plant and equipment	(187,235,602)	-
Issuance of ordinary shares to a non-controlling shareholder of a subsidiary	20	-
Interest received	6,452,191	-
Net cash flows used in investing activities	<u>(180,783,390)</u>	-
Cash flows from financing activities		
Issuance of ordinary shares via:		
- ESOS	15,450,800	-
Issuance of perpetual sukuk - net of expenses	264,237,350	-
Perpetual sukuk distribution paid	(13,084,767)	-
Payment of lease liabilities	(731,474)	-
Revolving credit, net	(43,822,347)	-
Short term borrowings, net	(70,793,731)	-
Term loans, net	160,024,401	-
Interest paid	<u>(67,251,832)</u>	-
Net cash flows generated from financing activities	<u>244,028,399</u>	-
Net increase in cash and cash equivalents	14,262,277	-
Cash and cash equivalents at beginning of financial year	<u>152,231,826</u>	-
Cash and cash equivalents at end of financial year	<u>166,494,104</u>	-

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

Short term deposits with licensed banks	125,057,507	-
Cash at banks and in hand	43,474,988	-
Cash and bank balances	<u>168,532,495</u>	-
Less: Bank overdrafts	<u>(2,038,391)</u>	-
	<u>166,494,104</u>	-

- (1) *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 2023 and the accompanying notes attached to the unaudited interim financial statements.*
- (2) *There are no comparative figures for the quarter ended 31 January 2024. Due to the change in financial year end from 31 October 2022 to 30 April 2023, the Unaudited Condensed Consolidated Statement of comprehensive income for the current quarter ended 31 January 2024, being the third quarter of the financial year ending 30 April 2024.*

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 2023. 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 2023.

A2. Changes in accounting policies

The significant accounting policies and computation methods are consistent with those adopted for the year ended 30 April 2023, except for the adoption of the following new MFRS and Issue Committee Interpretations (“IC Interpretations”) issued by the Malaysian Accounting Standards Board (“MASB”):

MFRSs, Amendments to MFRSs and IC Interpretation		Effective for annual period beginning on or after
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, amendments to MFRS 17 and Initial Application of MFRS 17 and MFRS 9-Comparative Information (Amendment to MFRS 17 Insurance Contracts)	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 112 Income Taxes	International Tax Reform - Pillar Two Model Rule	1 January 2023

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:-

MFRSs, Amendments to MFRSs and IC Interpretation		Effective for annual period beginning on or after
Amendments to MFRS 16 Leases	Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101 Presentation of Financial Statements)	Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 Statement of Cash Flows and MFRS 7	Financial Instruments: Disclosures - Supplier Finance Arrangement	1 January 2024
Amendments to MFRS 121	Lack of Exchangeability	1 January 2025
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 period ended 30 April 2023.

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

Unless otherwise disclosed in the Note B1 and B2, 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, other than disclosed below:-

(a) In the beginning of financial year 2024, the Group conducted a technical assessment on the lifespan of Waste-to-Energy (“WTE”) plants. In view that the operational life of the WTE can be extended with some refurbishment including replacement of relevant components and equipment. With refurbishment considerations and good standards of operations and maintenance, these WTE facilities can operate beyond the design lifetime, and can achieve lifetime up to 50 years. As a result, the Group revised the useful lives of the WTE plants to 40 years.

b) In current financial quarter, the Group has reviewed the amortisation policy and has reverted to the previous year estimate based on the concession period. Under current financial quarter, the Group has made an adjustment on the amortisation to consistent with the previous year basis. Accordingly, additional of RM21.0 million was amortised due to the adjustment made.

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

As at 12 September 2023 and 26 September 2023, Cypark Renewable Energy Sdn Bhd (“CRE”), a wholly owned subsidiary of Cypark Resources Bhd issued the Tranche 2 and Tranche 3 of the Perpetual Sukuk Musharakah of RM100 million and RM165 million in nominal value on an unsecured basis from the issuance size of up to RM265 million under its Perpetual Sukuk Musharakah Programme (“Tranche 2 and 3 Issuance”).

As of to date, on cumulative basis, CRE had issued a total of RM500 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 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 dividend has been recommended for the financial quarter under review.

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A9. Segmental Information

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

	Renewable Energy RM	Construction & Engineering RM	Green Tech & Environmental Services RM	Management & Waste-To-Energy RM	Elimination RM	Total RM
9 months ended 31 January 2024						
Revenue						
Sale to external customers	68,788,449	21,860,675	3,577,723	33,460,576	-	127,687,423
Inter-segment sales	329,142,834	-	-	-	(329,142,834)	-
Total revenue	<u>397,931,282</u>	<u>21,860,675</u>	<u>3,577,723</u>	<u>33,460,576</u>	<u>(329,142,834)</u>	<u>127,687,423</u>
Results						
Loss before tax	7,884,407	3,733,147	2,163,392	(48,613,490)	-	(34,832,544)
Income tax expense						<u>8,660,409</u>
Loss net of tax						<u>(26,172,135)</u>

Note: There are no comparative figures for the quarter ended 31 January 2024. Due to the change in financial year end from 31 October 2022 to 30 April 2023, the Unaudited Condensed Consolidated Statement of comprehensive income for the current quarter ended 31 January 2024, being the third quarter of the financial year ending 30 April 2024.

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

Except as disclosed below, there was no capital commitment as at 31 January 2024: -

	RM
Capital expenditure	
Approved and contracted for:-	
- Plant and equipment	<u>90,000,000</u>

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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 25 March 2024, 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 Jan 2024
	RM
Secured:	
- Performance bond/tender bond guarantees favouring Government/ Statutory bodies for various projects	1,250,000
- Bank guarantees extended to Government Bodies/Companies for various projects	171,376,877
- Bank guarantees extended to third parties in respect various projects of the Group	320,506
- Letter of credits given to suppliers for purchase of materials	829,114
	<u>173,776,497</u>
Unsecured:	
- Corporate guarantees given to banks for credit facilities granted to subsidiaries	<u>1,307,342,850</u>
	<u>1,307,342,850</u>
TOTAL	<u>1,481,119,347</u>

The secured performance bonds, corporate guarantees and letter of credits are secured by way of 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 Year Quarter ended 31 January 2024**

The Group recorded total revenue of RM35.9 million for 3Q2024, primarily contributed by the renewable energy division and waste management & waste-to-energy division. These revenue streams, predominantly recurring in nature, have contributed to a stable income.

As we progress, the transition of secured LSS2 projects from the construction phase to the Operation & Maintenance (“O&M”) phase is expected to further enhance the Group's revenue streams. Revenue from these projects, spanning the next 21 years, promises consistent and sturdy inflows, reinforcing the Group's financial stability over the long term.

In current year quarter, on prudent basis, an allowance for impairment on trade receivables was made. The total amount involved was approximately RM5.5 million

Accordingly, the Group's loss after tax for 3Q2024 was recorded at RM27.7 million. This was mainly due to the losses recorded by the Waste Management & Waste-To-Energy division in the current quarter due to the adjustment made on the amortization which has been adjusted back to the concession term basis that consistent with the previous year amortization. The total adjustment of RM21.0 million amortisation expenses was adjusted accordingly. A lower tax expense was recorded in current quarter due to the lower tax provision for tax exempted projects and lower construction revenue generated, as well as the deferred tax movement.

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

Renewable Energy

The revenue for 3Q2024 was recorded at RM17.9 million, primarily generated from the brownfield projects. The decrease in construction revenue from the LSS2 projects in the current quarter located in Kelantan, mainly attributed to their nearing completion, resulting in a lower contribution from LSS construction revenue. Addition to that, on prudent basis, an allowance for impairment on trade receivables was made. The total amount involved was approximately RM1.5 million. Accordingly, the division reported a profit before tax at RM0.2 million for the current quarter.

Moving forward, upon achieving the Commercial Operation Date (“COD”) for the remaining two turnkey projects, the LSS2 projects will transition from the construction phase to the Operation & Maintenance (“O&M”) phase. During this phase, no construction revenue will be recognised from these LSS2 projects. Under the O&M phase, Cypark Ref Sdn Bhd (“CREF”), acting as the turnkey contractor cum deferred payment financier, will continue to recognise interest revenue as recurring income for the next 21 years. Additionally, the Group's wholly-owned subsidiary, Cypark Renewable Energy Sdn Bhd (“CRE”), has been appointed as the long-term O&M specialist for these LSS2 projects and will also receive O&M revenue as another revenue stream for the next 21 years.

It is anticipated that the strong and steady inflows from these secured contracts will contribute positively to the Group during the O&M phase for the next 21 years. The Group will receive scheduled and confirmed payments as agreed with the clients during this period, with the first collection commencing once the client starts to receive payment from Tenaga Nasional Berhad (“TNB”) for the sale of renewable energy.

Construction & Engineering

Revenue in this division was recorded at RM2.8 million in 3Q2024, primarily due to the progress of work activities on the newly secured project. A profit before tax of RM0.2 million was recorded in this division for the current quarter.

Current Year Quarter ended 31 January 2024-cont'd**Construction & Engineering-cont'd**

For information, the Group accepted a Letter of Award dated 13 April 2023 from Selgate Corporation Sdn. Bhd. (“Selgate”), for the execution and completion of the remaining works for the proposed construction of a 10-storey private hospital with a 6-storey parking lot on Lot PT. 3939 (Original Lot: Lot PT. 1328 and PT. 1331), in Sungai Bakau, Mukim Rawang, Selangor Darul Ehsan, with a contract sum of RM108.8 million. The Project is expected to contribute positively to the earnings and net assets of the Group.

Green Tech & Environmental Services

This division contributed revenue of RM1.2 million to the Group in 3Q2024. The revenue in this division mainly consisted of the sale of energy from the 1.55MW palm oil mill effluent (“POME”) biogas plant in Kg Gajah, Perak. The plant will continue to sell the energy to Tenaga Nasional Berhad (“TNB”) from the Commercial Operation Date (“COD”) via the long-term renewable energy power purchase agreement (“REPPA”) signed with TNB. However, this division recorded a loss before tax at RM 0.3 million mainly due to the adjustment in depreciation expenses that only took place in the current quarter.

Waste Management & Waste-To-Energy

This division recorded revenue of RM14million in 3Q2024. The recurring streams of revenue generated in this division include the sale of green energy from its completed integrated WTE plant, tipping fees, and recycling revenue.

Rainy season in Negeri Sembilan currently has increased the moisture level of the waste, hence this division is unable to generate the maximum capacity in the current quarter. If the feedstock drops in calorific value, it may impact the production process, efficiency, and overall output. This, in turn, can lead to reduced revenue and profitability for the division. Addition to that, on prudent basis, an allowance for impairment on trade receivables was made. The total amount involved was approximately RM4.0 million. Consequently, loss before tax of RM36.7 million was recorded in this quarter.

For information, the management has been in regular communication with the appropriate authorities to discuss the tipping fee review on a continuous basis, and the feedback is favourable. In light of this, the Group has continued to adjust the tipping fee for the current quarter.

Additional to that, in current year quarter, the Group has reviewed the amortisation policy, and has reverted to the previous year estimate based on the concession period. Under current financial quarter, the Group has made an adjustment on the amortisation to consistent with the previous year basis.

The various recurring and secured inflows from this project are expected to contribute positively to the Group in the long run, and the margin will improve once the plant has stabilised.

Current Financial Period ended 31 January 2024

The Group’s revenue was recorded at RM127.8 million for the current financial period. Moving forward, the secured LSS2 projects will transition from the construction phase to the O&M phase. These projects will continue to contribute different revenue streams to the Group, including interest revenue and O&M revenue. Both interest revenue and O&M revenue are recurring income for the next 21 years, with varying quantum but a solid margin. The total inflows from these secured contracts will contribute positively to the Group in the long term.

In addition, in the current period, on prudent basis, an allowance for impairment of trade receivables of RM5.5million was made.

Current Financial Period ended 31 January 2024-cont'd

The group has recorded a loss after tax of RM26 million for the current financial period. This was mainly due to the losses recorded by the Waste Management & Waste-To-Energy division in the current financial period due to adjustment made on the amortization which has been adjusted back to the concession term basis that consistent with the previous year amortization. The total adjustment of RM21.0 million amortisation expenses was adjusted accordingly.

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

Renewable Energy

The revenue for the current financial period is recorded at RM68.8 million, primarily consisting of revenue generated from brownfield projects. Lower construction revenue from the LSS2 projects in the current financial period, located in Kelantan, is attributed to the projects nearing completion, resulting in a reduced contribution from LSS2 construction revenue.

Addition to that, on prudent basis on prudent basis, an allowance for impairment of trade receivables was made. The total amount involved was approximately RM1.5 million. The division reported a profit before tax of RM7.9 million in the current financial period.

Moving forward, these completed LSS2 projects will transition to the O&M phase, as mentioned above, generating various revenue streams for the Group. CREF, being the turnkey contractor cum financier for this project, will continue to recognise interest revenue as recurring income for the next 21 years. Additionally, CRE, appointed as the long-term O&M specialist for these LSS2 projects, will receive O&M revenue from these clients over the next 21 years. The secured value and inflows from these projects will contribute positively to the Group over the coming 21 years. The Group will receive scheduled and confirmed payments agreed with the clients throughout the 21-year period. The first collection will commence once the client begins to receive payment from TNB for the sale of renewable energy.

Construction & Engineering

Revenue in this division was recorded at RM21.9 million in the current financial period, primarily contributed by the progress of work activities on the newly secured project. The profit before tax of RM3.7 million was recorded in this division, also attributable to the write-off of payable accounts. After completing due diligence for each payable account, the Group decided to write off these amounts

The Group accepted a Letter of Award dated 13 April 2023 from Selgate Corporation Sdn. Bhd. ("Selgate") for the execution and completion of the remaining works for the proposed construction of a 10-storey private hospital together with a 6-storey parking lot on Lot PT. 3939 (Original Lot: Lot PT. 1328 and PT. 1331), Sungai Bakau, Mukim Rawang, Selangor Darul Ehsan, with a contract sum of RM108.8 million. The project is expected to contribute positively to the earnings and net assets of the Group.

Green Tech & Environmental Services

The revenue reported in this division for the current financial period is approximately RM3.6 million. This was generated primarily from the sale of energy from the 1.55MW palm oil mill effluent ("POME") biogas plant in Kg Gajah, Perak, which has recently commenced commercial operation. The plant will continue selling energy to Tenaga Nasional Berhad ("TNB") for a duration of sixteen (16) years from the Commercial Operation Date ("COD") through the renewable energy power purchase agreement ("REPPA") signed with TNB.

Additionally, there was a reversal of the impairment loss on the contract asset in the current financial period, attributed to formal feedback from the authority. Nevertheless, the Group continues to engage with the authority for the balance of the claims. Profit before tax of RM2.2 million was recorded in the current financial period.

Current Financial Period ended 31 January 2024-cont'd**Waste Management & Waste-To-Energy**

The revenue recorded in this division for the financial period stands at RM33.5 million. Recurring revenue streams generated include the sale of green energy from the completed integrated Waste to Energy (WTE) plant, tipping fees, and recycling revenue.

However, a loss before tax of RM48.6 million was recorded for this financial period, primarily due to the plant outage which requires maintenance. Consequently, earnings from the sale of green energy were lower than anticipated. It is expected that the plant will soon reach its maximum capacity. To date, the plant has returned to normal operation. Additionally the feedstock received did not meet the required standards, impacting the production process, efficiency, and overall output. This, in turn, can lead to reduced revenue and profitability for the division. Addition to that, on prudent basis, an allowance for impairment of trade receivables was made. The total amount involved was approximately RM4.0 million.

The management continued closely liaising with the relevant authorities to discuss the tipping fee review. Positive feedback from these discussions has paved the way for an imminent adjustment to the tipping fee. Accordingly, the Group has continued to reflect the tipping fee proposed by the authorities in the current financial period.

Additional to that, in current financial period, the Group has reviewed the amortisation policy, and has reverted to the previous year estimate based on the concession period hence the Group has made an adjustment on the amortisation to consistent with the previous year basis.

The various recurring and secured inflows from this project are expected to contribute positively to the Group in the long run and the margin will improve once the plant has stabilised.

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

The Group's revenue for the current quarter was recorded at RM35.9 million, compared to RM55.3 million recorded in the immediate preceding quarter. The lower revenue in the current quarter due to attributed to the lower work progress on the construction project and the nearly completion of LSS project.

The Group posted a loss before tax of RM33.2 million in the current quarter, compared to a loss before tax of RM0.3 million in the immediate preceding quarter. This mainly due to the Group has adjusted the amortisation to be consistent with the previous year. Additional total of RM 21.0million amortization was adjusted accordingly.

Additionally, the Group prudently provided the allowance for impairment of the trade receivables totaling of RM5.5 million in the current quarter.

The tipping fee has been continuously adjusted by the Group in the current quarter as a result of positive feedback received during the tipping fee review negotiation.

B3. Prospects for the Current Financial Year

With the Malaysian Government's agenda to boost the RE proportion of the country's total energy mix, the industry is transforming and rapidly growing. Cypark has anticipated various opportunities as well as challenges with the forthcoming expansion such as the potential increase in the number of industry players which may create competition.

While we continue to focus on completing our current projects within 2023, we are also selectively venturing into new projects. In realising our target of reaching a capacity goal of 800MW by 2027, we are proactively identifying expansion and diversification opportunities in the industry. Our priority lies on RE businesses including large scale solar power, biogas, biomass and WTE projects which will enable us to tap into clean and sustainable energy sources while we continue to play our significant role in decreasing GHG emissions.

Cypark also provides our services to smaller-scale projects including rooftop solar, hybrid solar projects, biogas and biomass as it allows us to cater to more customers and diversify our RE production. In the pipeline, our new projects include the construction of NEM rooftop projects for tier one financial institutions, hotels and many more. We are also expanding our business opportunities by scouting for projects with state-owned entities and companies nationwide, representing a strong indication of our commitment to capitalise on emerging markets in all states.

Our endeavour for business expansion in the RE industry is further bolstered by the government's introduction of various schemes including the Corporate Green Power Programme ("CGPP") and upcoming regional energy export initiatives. Furthermore, the emphasis on battery solutions within RE grants Cypark with more engagement opportunities in energy storage initiatives. Our footprint also spans beyond Malaysia as we support local companies in Asian and Middle Eastern and North African (MENA) regions countries in the execution of their RE projects. These collaborations signify our aim to utilise our proficiency and experience in the RE sector to play a contributing role in the global transition towards sustainable energy.

Cypark's focus also remain on waste management particularly in Waste-to-Energy ("WTE") as the Government focuses on green economy, recycling of waste and implementing circular economy towards a more sustainable future for Malaysians as part of National Energy Transition Roadmap ("NETR") to accelerate Malaysia's energy transition, supporting Malaysia 12th Plan which outlines aspirations for the nation to achieve net zero emissions by 2050 as well as the National Energy Policy (DTN) which aspires Malaysia to become a low carbon nation in 2040. Cypark's track record remain as Malaysia's first developer and the only operator of Municipal Solid Waste ("MSW") WTE plant in Ladang Tanah Merah, Negeri Sembilan with capacity of 20MW could stand us in good stead to win more WTE projects in the future, locally and regionally.

Renewable Energy

At present, Cypark constructs, operates, owns, and/or manages approximately 89.3 MWp of RE assets. With the targeted completion of 171.8 MWp LSS3 project in Terengganu and 97.8 MWp LSS2 project in Kelantan by December 2023, Cypark will increase its operation of RE asset capacity to about 358.9 MW, strengthening Cypark's position as the RE market leader in Malaysia. The 49 MW LSS2 project in Sik, Kedah had successfully achieved COD on 1 January 2022. With the impending completion of the LSS2 and LSS3 projects, RE will remain as the major contributor to Cypark's recurring revenue and profit in year 2023.

Cypark also looks into ways to expand its reach in RE, both locally and internationally, among which through collaboration with state owned entities. To this end, we had entered into a Memorandum of Business Exploration ("MOBE") with RGFC Ventures Sdn Bhd ("RGFC") on 1 August 2023 to collaborate for the purposes of implementing solar energy solutions across the state of Selangor, focusing in floating solar and residential/home solar to reduce reliance on conventional energy sources in delivering Selangor's state energy transition initiatives.

In November 2022, the Government introduced the new Corporate Green Power Programme ("CGPP") to promote the adoption of green energy amongst corporate companies in Malaysia through the use of virtual power purchase agreements (VPPA) which is also known as the Corporate Green Power Agreement (CGPA). The Government has allocated about 800MW for the CGPP programme on the first come first serve basis. With this quota, it has opened up more opportunities for Cypark to offer solar solutions on large scale basis to its secured corporate consumers.

With the recent Government's announcement on the National Energy Transition Plan ("NETR"), Cypark has also looking into ways to participate in the cross-border electricity sales to Singapore. Through collaboration with other solar developer(s), partner(s), major equipment supplier(s) as well as the electricity offtaker(s), Cypark remains intact in its aspiration to grow its business beyond Peninsular Malaysia.

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

With the award of construction of 10-storey private hospital along with a 6-storey parking facility at Sungai Bakau, Mukim Rawang, Selangor Darul Ehsan on 19 April 2023, Cypark is aggressively pursuing other construction projects in the country through its participation in the tenders as well as through direct proposals.

The civil engineering subsector will continue to be the main driver of the construction sector. Cypark continues to intensify its efforts and resources to secure more projects in construction of infrastructure, landscaping, residential and commercial buildings with its proven experience and credibility.

Green Technology & Environmental Services

Looking ahead, Cypark is looking into opportunities to develop more biogas and biomass projects to increase portfolio capacities. Additionally, Cypark has plans to incorporate solar system into the plant in year 2023 under the NEM initiative. The holistic approach innovated by Cypark will make both the products sold (biomass solid fuel and biogas from palm oil waste) and the production process using solar energy to be environmentally sustainable, hence promoting a true circular economy

Waste Management & Waste-to-Energy (“WTE”)

The SMART WTE project in Ladang Tanah Merah, Negeri Sembilan achieved its Commercial Operation Date (“COD”) and started its sales of green energy from waste to TNB on 14 December 2022. This integration of Solid Waste Advance Recovery and Treatment facilities (SMART) together with WTE plant is the first of its kind in this region and it is expected to contribute circa RM80 million per annum in revenue.

Encouraged by Cypark’s successful commissioning of the only WTE in the country, Cypark plans to actively participate in future WTE tenders that were announced by KPKT under its national WTE implementation plan. With the track record of successfully designing, constructing, commissioning, and operating the country’s first WTE plant in Negeri Sembilan, Cypark stands a good chance to win more WTE projects in the future. Cypark expects future WTE plant capacity to be between 15MW and 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.

B5. Loss before tax

	Individual Quarter		Cumulative Period	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Quarter	To Date	To Date
	31 Jan 2024	31 Jan 2023	31 Jan 2024	31 Jan 2023
Loss before tax is stated after crediting:-				
Financing revenue arising from contracts with customers	9,390,873	-	28,352,486	-
Interest income	3,017,994	-	6,452,191	-
Other income (including investment income)	135,113	-	2,774,758	-
Reversal of impairment losses on contract asset	-	-	1,268,125	-
Loss before tax is stated after charging:-				
Interest expenses	15,230,278	-	48,544,236	-
Amortisation of intangible assets	27,111,315	-	39,323,123	-
Depreciation of right-of-use assets	114,080	-	389,772	-
Depreciation of plant and equipment	2,231,007	-	6,797,961	-
Impairment loss on financial instrument and contract asset	5,520,794	-	5,520,794	-

B6. Income tax expense

	Individual Quarter		Cumulative Period	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Quarter	To Date	To Date
	31 Jan 2024	31 Jan 2023	31 Jan 2024	31 Jan 2023
	RM	RM	RM	RM
Taxation and Zakat				
- Income tax Current	545,713	-	3,414,110	-
- Zakat	500,000	-	500,000	-
Deferred tax	(6,543,620)	-	(12,574,519)	-
	<u>(5,497,907)</u>	<u>-</u>	<u>(8,660,409)</u>	<u>-</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 (10th) 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 was for a duration of five (5) years and expired on 18 October 2020.

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. The said ESOS was extended for a further period from 19 October 2021 to 30 June 2022. On 30 June 2022, upon the recommendation of Option Committee, the Company had announced that the duration of the ESOS Scheme will be extended for a period from 1 July 2022 to 30 June 2024.

A total of 48,894,000 ESOS options ("2022 Options") under the ESOS Scheme was offered to eligible directors and employees at RM0.38 on 28 December 2022 and were fully accepted by all eligible directors and employees on 31 January 2023.

During the period under review the total of 23,500,000 options were exercised with that the ESOS has been fully exercised during the same quarter.

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

Directors	2022 Options Offered (Unit)	Options Accepted (Unit)
Tan Sri Razali bin Ismail	1,000,000	1,000,000
Dato' Daud bin Ahmad	40,000,000	40,000,000
Megat Abdul Munir bin Megat Abdullah Rafeie	200,000	200,000

Details of the ESOS 2022 options exercised by the directors are disclosed as below:-

Directors	Balance as at 1.05.2023	Granted	Exercised	Balance as at 31.01.2024
Tan Sri Razali bin Ismail	1,000,000	-	1,000,000	-
Dato' Daud bin Ahmad	37,500,000	-	37,500,000	-

B9. Status of corporate proposals – cont'd

a. ESOS – cont'd

2022 Option

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

	Outstanding as at 1.5.2023	Granted	Forfeited	Exercised	Outstanding as at 31.01.2024	Exercisable as at 31.01.2024
2022 option	40,835,000	-	175,000	40,660,000	-	-
Weighted average exercise price (RM)	0.38	-	0.38	0.38	-	-
Weighted average remaining contractual life (months)	9					6

The details of the share options outstanding are as follows:

	Weighted average exercise price (RM)	Exercise period
2022 option	0.38	28-12-22 - 30.06.2024

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)	0.42
Weighted average exercise price (RM)	0.38
Expected volatility (%)	64.92
Expected life (years)	1.51
Risk-free Interest rate (%)	3.72
Expected dividend yield (%)	0.00

B10. Group's borrowings and debts securities

The Group's borrowings and debts securities as at 31 January 2024 are as follows:-

	31 Jan 2024	30 April 2023
	RM	RM
Short term borrowings		
Secured:-		
Bank overdrafts	2,038,391	3,392,665
Trust receipts	20,462,156	91,255,886
Bond - Sukuk Murabahah	19,612,253	19,612,253
Term loans	55,460,000	33,140,000
Revolving credits	72,500,000	116,322,347
	<u>170,072,799</u>	<u>263,723,152</u>
Long term borrowings		
Secured:-		
Term loans	811,079,731	673,375,330
Bond - Sukuk Murabahah	490,747,261	509,918,575
	<u>1,301,826,992</u>	<u>1,183,293,905</u>
Total borrowings		
Secured:-		
Bank overdrafts	2,038,391	3,392,665
Trust receipts	20,462,156	91,255,886
Term loans	866,539,731	706,515,330
Revolving credits	72,500,000	116,322,347
Bond - Sukuk Murabahah	510,359,514	529,530,828
	<u>1,471,899,791</u>	<u>1,447,017,057</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) In the Matter of An Arbitration Pursuant to the Arbitration Rules of the Asian International Arbitration Centre and the Arbitration Act 2005

Claimant : Cypark Resources Berhad
Respondent : The Government of Malaysia & 3 Ors.

On 19.05.2022, Cypark Resources Berhad (“**CRB**”) issued a Notice of Arbitration against the Government of Malaysia, Kementerian Perumahan dan Kerajaan Tempatan, Jabatan Pengurusan Sisa Pepejal Negara and Ketua Pengarah, Jabatan Pengurusan Sisa Pepejal Negara (“**the Respondents**”) pursuant to Clause 67.0 of the Standard Form of Design and Build Contract PWD Form DB (Rev. 2007), Contract No. KPKT/JPSPN/1001/18/2009 of 2009 for *Projek Penutupan Selamat dan Pemuliharaan 16 Tapak Pelupusan Sisa Pepejal di Semenanjung Malaysia* (“**the Contract**”).

CRB is claiming against the Respondents for, among others, the following reliefs: -

- a) Extension of Time (“**EOT**”) for the Contract from 30.11.2014 until the Certificate of Practical Completion i.e. 23.12.2015 for 388 days;
- b) Loss and Expenses for the EOT Period amounting to RM61,339,616.73; and
- c) Release of the remaining balance of the withheld Liquidated Ascertained Damages (“**LAD**”) amounting to RM2,655,651.00.

The Respondents served their Response to the Notice of Arbitration on 22.08.2022 by claiming, among others, as follows: -

- a) The Respondents were still conducting the assessment over documents submitted by CRB for the loss and expense claim;
- b) The Respondents are entitled to deduct LAD sum due to the following reasons:-
 - i) CRB failed to complete the works on the date of completion;
 - ii) The Certificate of Delay and EOT were issued subsequent to the commencement of the EOT period.

On 30 May 2023, the director of AIAC had appointed Tan Sri Datuk Zainun Ali as the Sole Arbitrator.

On the 22 February 2024, a preliminary meeting with the Arbitrator was fixed for further directions on filing the cause papers, however postponed by the Arbitrator. No new dates fixed.

B12. Material Litigation-cont'd**(B) KNM Process Systems Sdn Bhd (Plaintiff) v. Cypark Sdn Bhd (Defendant) Shah Alam High Court Originating Summons No. 24C(ARB)-2-02/2020 (Court of Appeal Appeal No. B-02(C)(A)-551-03/2020, B-02(IM)(C)-552-03/2020, B-02(C)(A)-581-04/2020 & B-02(C)(A)-579-04/2020**

This case is pertaining to an Injunction application filed by KNM for Advance Payment Guarantee No. 07101IGK1601144 and Performance Security No. 06702153310001 (“the said Bonds”) issued by KNM in favour of Cypark for the Waste to Energy (WTE) Project in Ladang Tanah Merah amounting to RM26,600,000. Due to the default by KNM and subsequently the termination of the contract, Cypark called upon the said Bonds and demanded for the proceeds of the same to be released to Cypark. On 14 February 2020, KNM filed an Injunction application to restrain Cypark/agent/employees from receiving the proceeds from the said Bonds. On 23 March 2020, the Court allowed the Injunction application.

Subsequently Cypark applied and the Court ordered to vary the order of the Injunction whereby KNM shall extend the said Bonds until the conclusion of the arbitration or alternatively until the disposal of all appeal(s).

During the case management fixed on 18 December 2023, parties’ respective counsels updated the Court that the written Grounds of Judgment from the Court of Appeal was yet to be received.

On 22 February 2024, parties’ respective counsels informed the Court that they had not received the Grounds of Judgement from the Court of Appeal. A further case management was fixed on 11 March 2024 to update the Court on the restraining order by KNM and the Grounds of Judgement.

Court had fixed another case management on 20 March 2024 and 21 March 2024 for monitoring of documents and filing of written submissions and bundle of documents.

Federal Court hearing date is now fixed on 05 April 2024.

B13. Dividends

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

B14. Losses per share

The following reflect the loss after taxation and weighted average number of share used in the computation of basic and diluted losses per share for the quarter ended 31 January 2024: -

- (a) Basic losses per share amounts are based on loss for the financial quarter/period 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/period, calculated as follows:

	Individual Quarter		Cumulative Period	
	Current Year Quarter 31 Jan 2024 RM	Preceding Year Quarter 31 Jan 2023 RM	Current Year To Date 31 Jan 2024 RM	Preceding Year To Date 31 Jan 2023 RM
Loss net of tax, representing total comprehensive income attributable to owners of the Company	(27,983,546)	-	(26,687,507)	-
Distribution to holders of perpetual sukuk	(8,236,212)	-	(17,964,525)	-
	<u>(36,219,758)</u>	<u>-</u>	<u>(44,652,032)</u>	<u>-</u>
Weighted average number of ordinary shares for basic earnings per shares computation	806,513,101	-	806,513,101	-
Basic losses per ordinary share (sen)	<u>(4.49)</u>	<u>-</u>	<u>(5.54)</u>	<u>-</u>

- (b) Diluted losses per share are based on the loss for the financial quarter/period attributable to owners of the Company (after adjusting for distribution to holders of perpetual sukuk) and the weighted average number of ordinary shares outstanding during the financial quarter/period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares, calculated as follows:

	Individual Quarter		Cumulative Period	
	Current Year Quarter 31 Jan 2024 RM	Preceding Year Quarter 31 Jan 2023 RM	Current Year To Date 31 Jan 2024 RM	Preceding Year To Date 31 Jan 2023 RM
Loss net of tax, representing total comprehensive income attributable to owners of the Company	(27,983,546)	-	(26,687,507)	-
Distribution to holders of perpetual sukuk	(8,236,212)	-	(17,964,525)	-
	<u>(36,219,758)</u>	<u>-</u>	<u>(44,652,032)</u>	<u>-</u>
Weighted average number of ordinary shares for basic earnings per shares computation	806,513,101	-	806,513,101	-
Effects of dilution - share options	-	-	-	-
Weighted average number of ordinary shares for diluted earnings per share computation	<u>806,513,101</u>	<u>-</u>	<u>806,513,101</u>	<u>-</u>
Diluted losses per ordinary share (sen)	<u>(4.49)</u>	<u>-</u>	<u>(5.54)</u>	<u>-</u>