

**Unaudited Condensed Consolidated Statements of Comprehensive Income**  
**For the Sixth Quarter ended 30 April 2023**

	Individual Quarter		Cumulative Period	
	Current Year Quarter 30 April 2023 RM	Preceding Year Quarter 30 April 2022 RM	Current Year To Date 30 April 2023 RM	Preceding Year To Date 30 April 2022 RM
<b>Revenue</b>	32,214,116	-	311,985,426	-
Cost of sales	(49,584,262)	-	(255,431,412)	-
<b>Gross (loss)/profit</b>	(17,370,146)	-	56,554,014	-
Other income	1,087,334	-	5,232,652	-
Administrative expenses	(2,295,502)	-	(12,120,097)	-
Net impairment losses on financial instrument and contract asset	(103,332,232)	-	(103,332,232)	-
Other expenses	(273,179,708)	-	(273,179,708)	-
<b>Operating loss</b>	(395,090,254)	-	(326,845,371)	-
Finance costs	(8,766,115)	-	(15,719,746)	-
Share of results of an associate	7,236	-	(365,973)	-
<b>Loss before tax</b>	(403,849,133)	-	(342,931,090)	-
Tax expense	84,813,588	-	80,624,429	-
<b>Loss for the financial year</b>	(319,035,545)	-	(262,306,661)	-
<b>Other comprehensive income net of tax</b>	-	-	-	-
<b>Total comprehensive loss for the year</b>	(319,035,545)	-	(262,306,661)	-
<b>Total comprehensive loss attributable to:-</b>				
- Owners of the Company	(298,480,107)	-	(243,010,712)	-
- Non-controlling interest	(20,555,438)	-	(19,295,949)	-
	(319,035,545)	-	(262,306,661)	-
<b>Loss per share for loss attributable to the owners of the Company (sen per share)</b>				
- Basic	(48)	-	(42)	-
- Diluted	(47)	-	(41)	-

**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 31 October 2021 and the accompanying notes attached to the unaudited interim financial statements.
2. The financial year has been changed from 31 October 2022 to 30 April 2023. As such, there are no comparative figures available for the preceding year corresponding period.

**Unaudited Condensed Consolidated Statements of Financial Position As at 30 April 2023**

	<b>Unaudited As At 30 April 2023</b>	<b>Audited As At 31 Oct 2021</b>
	<b>RM</b>	<b>RM</b>
<b>Assets</b>		
<b>Non-current assets</b>		
Plant and equipment	638,898,268	484,485,374
Right-of-use assets	35,012,586	5,945,864
Intangible assets	968,418,089	916,048,638
Investment in an associate	2,907,252	3,273,225
Other investment	24,000,000	8,000,000
Deferred tax assets	83,724,718	10,210,299
Trade receivables	4,195,576	2,405,927
	<u>1,757,156,490</u>	<u>1,430,369,326</u>
<b>Current assets</b>		
Inventories	18,500,000	-
Trade and other receivables	95,086,691	192,887,653
Contract assets	753,650,706	826,298,217
Tax assets	9,888,678	1,793,437
Deposits, cash and bank balances	155,620,426	298,457,404
	<u>1,032,746,502</u>	<u>1,319,436,711</u>
<b>Total assets</b>	<u>2,789,902,991</u>	<u>2,749,806,037</u>
<b>Equity and liabilities</b>		
<b>Current liabilities</b>		
Loans and borrowings	252,343,315	256,971,622
Lease liabilities	930,814	645,000
Trade and other payables	218,172,146	120,815,674
Tax payable	230,124	7,825,648
	<u>471,676,399</u>	<u>386,257,944</u>
<b>Net current assets</b>	<u>561,070,103</u>	<u>933,178,767</u>
<b>Non-current liabilities</b>		
Loans and borrowings	1,192,063,905	1,099,486,192
Lease liabilities	36,191,514	5,882,450
Trade payables	47,142,488	42,689,759
Deferred tax liabilities	16,700,000	24,955,240
	<u>1,292,097,907</u>	<u>1,173,013,641</u>
<b>Total liabilities</b>	<u>1,763,774,306</u>	<u>1,559,271,585</u>
<b>Net assets</b>	<u>1,026,128,686</u>	<u>1,190,534,452</u>
<b>Equity</b>		
Share capital	585,193,403	496,904,153
Paid in Capital from treasury shares	403,873	-
Reverse acquisition reserve	(36,700,000)	(36,700,000)
Employee share option reserve	1,090,295	2,337,594
Treasury Shares	-	(5,790,060)
Retained earnings	260,995,266	523,410,216
<b>Equity attributable to owners of the Company</b>	<u>810,982,836</u>	<u>980,161,903</u>
Perpetual Sukuk	232,964,113	208,894,862
<b>Non-controlling interests</b>	<u>(17,818,262)</u>	<u>1,477,687</u>
<b>Total Equity</b>	<u>1,026,128,686</u>	<u>1,190,534,452</u>
<b>Total equity and liabilities</b>	<u>2,789,902,992</u>	<u>2,749,806,037</u>
Net assets per share attributable to owners of the Company (RM)	1.31	2.09

**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 2021 and the accompanying notes attached to the unaudited interim financial statements.
- The financial year has been changed from 31 October 2022 to 30 April 2023. As such, there are no comparative figures available for the preceding year corresponding period.



**Unaudited Condensed Consolidated Statements of Cash Flows**  
**For the Sixth Quarter ended 30 April 2023**

	18 months ended	
	30 April 2023	30 April 2022
	RM	RM
Cash flows from operating activities		
Loss before tax	(342,931,090)	-
Adjustments for:		
Depreciation of plant and equipment	13,265,102	-
Share of results in associated company	365,973	-
Unrealised foreign exchange gain	(50,217)	-
Gain on disposal of plant and equipment	(52,000)	-
Issuance of ESOS	1,332,170	-
Depreciation of right-of-use assets	990,780	-
Amortisation of intangible assets	23,994,849	-
Impairment loss on financial instrument and contract asset	103,332,232	-
Impairment loss on plant and equipment	21,137,075	-
Impairment loss of intangible assets	56,119,153	-
Interest expense	61,868,367	-
Interest income	(5,019,189)	-
Operating cash flows before changes in working capital	<u>(65,646,797)</u>	-
Changes in working capital:		
Inventories	(18,500,000)	-
Trade and other receivables	93,312,296	-
Contract assets	(27,785,842)	-
Trade and other payables	<u>98,964,296</u>	-
Cash flows generated from operations	80,343,953	-
Tax paid	<u>(16,835,996)</u>	-
Net cash flows generated from operating activities *	<u>63,507,957</u>	-
<b>Cash flows from investing activities</b>		
Proceeds from disposal of plant and equipment	52,000	-
Other investment	(16,000,000)	-
Additions to intangible assets	(132,483,453)	-
Plant and equipment	(186,811,239)	-
Interest received	<u>5,019,189</u>	-
Net cash flows used in investing activities	<u>(330,223,502)</u>	-

**Unaudited Condensed Consolidated Statements of Cash Flows**  
**For the Sixth Quarter ended 30 April 2023 (continued)**

	18 months ended	
	30 April 2023	30 April 2022
	RM	RM
<b>Cash flows from financing activities *</b>		
Proceed from sale of treasury shares	6,193,933	-
Issuance of ordinary shares via:		
- Private placement	84,604,954	-
- ESOS	3,442,420	-
Issuance of perpetual sukuk - net of expenses	23,754,379	-
Perpetual sukuk distribution paid	(21,426,962)	-
Payment of lease liabilities	(1,496,502)	-
Revolving credit, net	(7,098,192)	-
Short term borrowings, net	(12,006,277)	-
Term loans, net	114,795,243	-
Interest paid	(67,243,453)	-
Net cash flows generated from financing activities	<u>123,519,544</u>	<u>-</u>
<b>Net decrease in cash and cash equivalents</b>	(143,196,000)	-
<b>Cash and cash equivalents at beginning of financial year</b>	295,423,761	-
<b>Cash and cash equivalents at end of financial year</b>	<u>152,227,761</u>	<u>-</u>

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

Short term deposits with licensed banks	136,219,696	-
Cash at banks and in hand	19,400,730	-
Cash and bank balances	<u>155,620,426</u>	<u>-</u>
Less: Bank overdrafts	(3,392,665)	-
	<u>152,227,761</u>	<u>-</u>

*Notes:*

- \* In accordance with MFRS 107 Statement of Cash Flows, the below additional information is relevant to users in understanding the liquidity of the Group.

*Contract assets of the Group include unbilled work performed of a wholly-owned subsidiary of the Company, for three solar photovoltaic power plant projects, which involve special financing arrangement and are payable on deferred payment arrangement over the next 22 years upon completion of the projects. These projects are financed by Islamic medium-term notes issued pursuant to Sri Sukuk Murabahah Programme ("Sukuk") of RM550.0 million in nominal value. The proceeds of RM550.0 million were received during the financial year ended 31 October 2019.*

*The effect of the utilisation of the proceeds from Sukuk against the Group's net cash used in operating activities is as follows:*

	30 April 2023	30 April 2022
	RM	RM
Net cash generated from operating activities	63,507,957	-
Less:		
- utilisation of Sukuk proceeds	110,318	-
	<u>63,618,275</u>	<u>-</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 31 October 2021 and the accompanying notes attached to the unaudited interim financial statements.
- (2) The financial year has been changed from 31 October 2022 to 30 April 2023. As such, there are no comparative figures available for the preceding year corresponding period.

**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 2021. 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 2021.

**Change in Financial Year End**

The Company had on 13 January 2023, announced that it had changed the financial year end of the Company from 31 October 2022 to 30 April 2023. The next set of audited financial statement shall be made from 1 November 2021 to 30 April 2023 covering a period of 18 months and thereafter, the financial year end of the Company shall end on 30 April for each subsequent year.

**A2. Changes in accounting policies**

The significant accounting policies and computation methods are consistent with those adopted for the year ended 31 October 2021, 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 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16)	Interest Rate Benchmark Reform – Phase 2	<i>1 January 2021</i>
Amendments to MFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021	<i>1 April 2021</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 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 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 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 31 October 2021.

**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.

**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 27 April 2022, Cypark Renewable Energy Sdn Bhd (“CRE”), a wholly owned subsidiary of Cypark Resources Bhd issued Tranche 1 - Series 8 of the Perpetual Sukuk Musharakah of RM10.4 million under the Perpetual Sukuk Musharakah Programme.

Subsequently on 27 September 2022, CRE issued Tranche 1 - Series 9 of the Perpetual Sukuk Musharakah of RM6.6 million under the Perpetual Sukuk Musharakah Programme. On 8 February 2023, CRE issued Tranche 1 – Series 10 of the Perpetual Sukuk Musharakah of RM8.5 million under the programme.

As of the latest practicable date, on cumulative basis, CRE had issued a total of RM235.0 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.

**Treasury Shares**

At the beginning of the financial quarter under review, the Company held a total of 7,630,100 units of ordinary shares from the open market for a total consideration of RM5.8 million at an average cost of RM0.76 per share. The shares were held as treasury shares in accordance with the requirement of Section 127 of the Companies Act 2016.

On 6 April 2023, the Company resold a total of 2,600,000 of its treasury shares into the open market for a total consideration of RM2.1 million. The total number of treasury shares held after the resale was 5,030,100 units.

On 7 April 2023, the Company resold a total of 4,570,100 of its treasury shares into the open market for a total consideration of RM3.8 million. The total number of treasury shares held after the resale was 460,000 units.

Subsequently, on 11 April 2023, the Company resold balance total of 460,000 units of its treasury shares into the open market for a total consideration of RM0.4 million. There are no treasury shares held after the above resale at the end of financial quarter under review.

**A8. Dividends paid**

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



**CYPARK RESOURCES BERHAD** (Reg. No.: 200401004491(642994-H))  
**UNAUDITED INTERIM FINANCIAL REPORT FOR THE SIXTH QUARTER ENDED 30 APRIL 2023**

**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	Waste Management & Waste-To-Energy RM	Elimination RM	Total RM
<b>18 months ended 30 April 2023</b>						
<b>Revenue</b>						
Sale to external customers	170,542,178	6,392,258	7,817,243	127,233,746	-	311,985,426
Inter-segment sales	226,050,048	19,244,724	1,320,345	73,231,778	(319,846,895)	-
Total revenue	<u>396,592,227</u>	<u>25,636,982</u>	<u>9,137,588</u>	<u>200,465,524</u>	<u>(319,846,895)</u>	<u>311,985,426</u>
<b>Results</b>						
Loss before tax	(209,168,988)	(32,005,460)	(46,835,774)	(54,920,868)	-	(342,931,090)
Income tax expense						<u>80,624,429</u>
Loss net of tax						<u>(262,306,661)</u>
<b>18 months ended 30 April 2022</b>						
<b>Revenue</b>						
Sale to external customers	-	-	-	-	-	-
Inter-segment sales	-	-	-	-	-	-
Total revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Results</b>						
Profit before tax	-	-	-	-	-	-
Income tax expense						<u>-</u>
Profit net of tax						<u>-</u>

*Note: The financial year has been changed from 31 October 2022 to 30 April 2023. As such, there are no comparative figures available for the preceding year corresponding period.*

**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 30 April 2023:-

Capital expenditure

Approved and contracted for:-

- Plant and equipment

**RM**

106,463,000

**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 June 2023, 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 period under review.

**A14. Contingent liabilities**

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

	<b>30 April 2023</b>
	<b>RM</b>
<b>Secured:</b>	
- Performance bond/tender bond guarantees favouring Government/ Statutory bodies for various projects	6,864,338
- Bank guarantees extended to Government Bodies/Companies for various projects	73,629,764
- Bank guarantees extended to third parties in respect various projects of the Group	298,794
- Letter of credits given to suppliers for purchase of materials	21,124,369
	<u>101,917,265</u>
<b>Unsecured:</b>	
- Corporate guarantees given to banks for credit facilities granted to subsidiaries	1,328,020,000
	<u>1,328,020,000</u>
<b>TOTAL</b>	<u>1,429,937,265</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**

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 30 April 2023 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	-	12,897,708	611,739

**B1. Analysis of performance**

The financial year end of the Group has been changed from 31 October to 30 April. As such, there will be no comparative financial information available for the preceding year corresponding period.

**Current Year Quarter vs Preceding Year Quarter**

The Group recorded revenue of RM32.2 million for the quarter ended 30 April 2023 (“6Q2023”). The revenue was mainly contributed by the sale of electricity as well as operation and maintenance revenue generated from the existing brownfield projects. As the waste-to-energy (“WTE”) plant at Ladang Tanah Merah (“LTM”) has successfully achieved commercial operation on 14 December 2022, this has also contributed to the revenue of the Group in the current year quarter. This major and iconic project has finally moved from the construction phase to operation phase, in which the project has started to recognise sale of energy, besides the tipping fees and recycling revenue. These various recurring income sources will continue to contribute to the Group throughout the concession period. On the other hand, the secured and consistent inflows from the brownfield projects will contribute positively to the Group in the long run.

However, the Group reported a loss before tax of RM403.8 million for the current quarter as the Group has on prudent basis, performed the impairment review on all the assets and made accounting provision for potential liability arising from liquidated ascertained damages (“LAD”) due to delays in existing projects. In addition, review has also been done on the estimated projects’ final costs to take into consideration any prolongation costs to completion due to the impact of Covid-19 and severe weather conditions, among others. The total impairment losses/written down value and other adjustments involved was approximately RM376.5 million. This represents the one-off expenses and the Group will continue to perform the impairment review from time to time to ensure that the recoverable amounts of the assets are higher than the carrying amount.

With the loss reported in current quarter, the Group has recognised deferred tax assets accordingly. As such, the Group reported a loss after tax of RM319.0 million for 6Q2023.

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

**Renewable Energy**

The revenue for this division in 6Q2023 was recorded at RM22.3 million while the loss before tax was recorded at RM244.0 million. The revenue mainly consists of the revenue generated from the brownfield solar projects. Construction revenue from the renewable energy projects were getting lower in current year quarter mainly due to the completion of the Sik project in 1Q2022 and the other two turnkey projects located at Kelantan are currently near to completion.

This division has reported a loss of RM244.0 million in current quarter. This was mainly due to the provision for LAD made and the finalisation of the construction costs for the turnkey projects which has incurred prolongation costs due to the impact of Covid-19 and severe weather conditions in year 2022, among others. In addition, on prudent basis, impairment losses have also been provided for contract assets and some of the renewable energy assets as well as the development expenditure of the Group. The total amount involved was approximately RM254.0 million. This represents the one-off expenses recorded and not recurring costs of the division. The provision for LAD of RM90.0 million will be reversed out accordingly once the Extension of Time (“EOT”) is granted by the project client.

Moving forward, upon achieving the Commercial Operation Date (“COD”) by the remaining two turnkey projects, the LSS2 projects will move from construction phase to O&M phase. There will be no construction revenue to be recognised from these LSS2 projects. Under the O&M phase, Cypark Ref Sdn Bhd (“CREP”) being the turnkey contractor cum deferred payment financier will continue to recognise interest revenue as the recurring income for the next 21 years. In addition, the Group’s 100% 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.

**B1. Analysis of performance-continued****Current Year Quarter vs Preceding Year Quarter– cont'd****Renewable Energy-cont'd**

It is expected that the strong and steady inflows of 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 agreed with the clients during the said period. The first collection will commence once the client begins to receive payment from Tenaga Nasional Berhad (“TNB”) from the sale of renewable energy. With the commercial operation of Sik project in 1Q2022, CREF had started to receive the collections from the client and this has improved the cash flow position of the Group.

**Construction & Engineering**

No revenue was recorded in this division in 6Q2023. This was mainly due to the completion of the civil and engineering work of the existing projects and the newly secured roadwork project was mutually terminated with the project awardee due to variability in project scope, completion date and project costs.

However, loss before tax of RM33.4 million was recorded in this division in current quarter. This was mainly due to the impairment losses of approximately RM33.0 million provided for the receivables and contract assets of the old projects which have been brought forward since more than 5 years ago and remain uncollected. This represents one-off expenses of the division after a thorough review that has been done by the Management.

Moving forward, this division is expected to report on work activities of a project announced on 19 April 2023. 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 Green Tech & Environmental Services division contributed RM0.9 million revenue to the Group in the 6Q2023. The revenue in this division mainly consisted of sale of energy from the 1.55MW palm oil mill effluent (“POME”) biogas plant in Kg Gajah. 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, the division recorded a loss of RM49.4 million in the 6Q2023. The loss reported in this division was mainly contributed by the impairment losses made on the contract assets related to the old project, namely “Projek Penutupan Selamat dan Pemulihan 16 Tapak Pelupusan Sisa Pepejal di Semenanjung Malaysia”. The notices and claim for Loss and Expenses were submitted to the Government of Malaysia in May 2016 and the finalised notices and claim for Loss and Expenses were submitted in January 2022 but to date there is still no settlement from the Respondents. The Company has made announcement on the commencement of the proceeding for the Arbitration.

**B1. Analysis of performance-continued****Current Year Quarter vs Preceding Year Quarter– cont'd****Waste Management & Waste-To-Energy**

The WTE project at LTM has achieved commercial operation on 14 December 2022, in which the project has started to recognise the sale of green energy from its completed integrated WTE plants, besides the tipping fees and recycling revenue. As the plant has achieved COD, it no longer recognised revenue from the construction phase.

This division recorded revenue of RM9.2 million in the current year quarter and the composition of revenue mainly consists of the tipping fee, recycling revenue and sale of green energy. However, loss before tax of RM77.0 million was recorded in this quarter mainly due to the impairment losses of RM39.0 million recognised for the intangible assets. Also, the revenue from sale of green energy from WTE was lower from expectation during its initial stage of operation and we target to get the optimal capacity soon.

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 vs Preceding Financial Period**

The Group's revenue was recorded at RM312.0 million for current financial period. The revenue was mainly contributed from the projects in renewable energy division and the waste management & WTE division, in which some of the projects have moved from construction phase to O&M phase during the current financial period and started to contribute different revenue streams to the group. The recurring income for the concession period of which the total inflows from these secured contracts will contribute positively to the Group on long term basis.

The loss before tax for current financial period was at RM342.9 million. The Group has on prudent basis, performed the impairment review on all the assets and made accounting provision for potential liability arising from liquidated ascertained damages ("LAD") due to delays in existing projects. In addition, review has also been done on the estimated projects' final costs to take into consideration any prolongation costs to completion due to the impact of Covid-19 and severe weather conditions, among others. The total impairment losses/written down value and other adjustments involved was approximately RM376.5 million. This represents the one-off expenses and the Group will continue to perform the impairment review from time to time to ensure that the recoverable amounts of the assets are higher than the carrying amount.

The Group's loss after tax for the current financial period was recorded at RM262.3 million. Lower tax expense was recorded in current financial period due to lower tax provision for tax-exempted projects and lower construction revenue generated as well as the recognition of deferred tax asset.

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

**Renewable Energy**

The revenue in this division was recorded at RM170.5 million and it mainly consisted of revenue generated from the brownfield projects and the construction revenue generated from the greenfield projects, particularly the LSS2 projects. Lower contribution of construction revenue in current financial period was mainly due to the completion of the Sik project in 1Q2022 and the other two turnkey projects located at Kelantan are currently near to completion.

**B1. Analysis of performance – cont'd****Current Financial Period vs Preceding Financial Period cont'd****Renewable Energy-cont'd**

This division has reported a loss before tax of RM209.2 million in current quarter. This was mainly due to the provision for LAD made and the finalisation of the construction costs for the turnkey projects which has incurred prolongation costs due to the impact of Covid-19 and severe weather conditions in year 2022, among others. In addition, on prudent basis, impairment losses have also been provided for contract assets and some of the renewable energy assets as well as the development expenditure of the Group. The total amount involved was approximately RM254.0 million. This represents the one-off expenses recorded and not recurring costs of the division.

Moving forward, these completed LSS2 projects will move to O&M phase as mentioned above and different types of revenue streams will be generated by the Group. CREF, being the turnkey contractor cum deferred payment financier for this project, will continue to recognise the interest revenue as the recurring income for the next 21 years. In addition, CRE being appointed as the long-term O&M specialist of these LSS2 projects will be receiving O&M revenue from these clients for the next 21 years. The secured value and inflows from these projects will contribute positively to the Group in 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 from the sale of renewable energy. With the commercial operation of Sik project achieved in 1Q2022, CREF has started to receive collections from the project and this has improved the cash flow position of the Group.

**Construction & Engineering**

The revenue in current financial period was at RM6.4 million. Lower work activities for this division in current financial period was mainly due to the completion of the civil and engineering work of the existing projects and the newly secured roadwork project was mutually terminated with the project awarder due to variability in project scope, completion date and project costs.

Due to the impairment losses of approximately RM33.0 million provided for the receivables and contract assets of the old projects which have been brought forward since more than 5 years ago and remained uncollectible, this division reported loss before tax of RM32.0 million. This represents one-off expenses of the division after a thorough review that has been done by the Management.

Moving forward, this division is expected to report on work activities of a project announced on 19 April 2023. 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.

**B1. Analysis of performance – cont'd****Current Financial Period vs Preceding Financial Period cont'd****Green Tech & Environmental Services**

The revenue reported in this division for the current financial period was RM7.8 million. This was mainly contributed by 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 REPPA signed with TNB.

Accordingly, loss before tax of RM46.8 million was recorded in this division for current financial period. This was mainly contributed by the impairment losses made on the contract assets related to the old project, namely “Projek Penutupan Selamat dan Pemulihan 16 Tapak Pelupusan Sisa Pepejal di Semenanjung Malaysia”. The notices and claim for Loss and Expenses were submitted to the Government of Malaysia in May 2016 and the finalised notices and claim for Loss and Expenses were submitted in January 2022 but there was no response from the client. The Company has made announcement on the commencement of the proceeding for the Arbitration.

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

This division reported a revenue of RM127.2 million in current financial period. The revenue in this division consisted of the revenue generated from construction phase as well as the revenue generated during the operation phase.

Prior to the commercial operation, the revenue of this division mainly consisted of the work activities recognised for the testing and commissioning phase. Since the WTE project at LTM has achieved commercial operation on 14 December 2022, the project has started to recognise the sale of green energy from its completed integrated WTE plants, besides the tipping fees and recycling revenue. The division reported a loss before tax of RM54.9 million mainly due to the impairment loss of RM39.0 million recognised for the intangible assets. Also, the revenue from sale of green energy from WTE was lower from expectation during its initial stage and we target to get optimal capacity soon.

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 revenue of the Group for the current quarter was recorded at RM32.2 million as compared to RM32.9 million recorded in immediate preceding quarter. Despite the revenue recorded in both quarters were similar, the Group recorded loss before tax of RM 403.8 mil in the current quarter as compared to profit before tax of RM5.2 million in the immediate preceding quarter.

The loss was mainly contributed by the impairment review performed on the assets of the Group and the provision for LADs made in current quarter. The loss was also attributable to the finalisation of the construction costs for the renewable energy turnkey projects which at the tail end completion stage. The total amount involved was approximately RM376.5 million.

These mainly were the one-off adjustments and not expected to be recurring in the coming quarters. Moving forward, the completed projects are expected to contribute positively to the Group’s earnings and cash flow.



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

The Government has announced in 2021 its target to reach 31% of RE share in the national installed capacity mix by 2025. This target is in line with Malaysia's global climate commitment is to reduce its economy-wide carbon intensity (against GDP) of 45% in 2030 compared to 2005 level. A clear pathway to the Government's goal of decarbonization of electricity sector through the 2035 milestone is formalised by the release of The Malaysia Renewable Energy Roadmap (MyRER). This is expected to drive a reduction in GHG emission in the power sector to support Malaysia in meeting its Nationally Determined Contributions ("NDC") 2030 target of 45% reduction in GHG emission intensity per unit of GDP in 2030 compared to the 2005 level, and further reduction of 60% in 2035.

The above Government initiatives have opened up great opportunities to RE players like Cypark to contribute towards acceleration of Malaysia's adoption of green energy, including in solar energy. With the increase in the RE adoption target, Cypark expects sizeable RE quota including solar to be offered by Suruhanjaya Tenaga and Sustainable Energy Development Authority (SEDA) through schemes like Large Scale Solar (LSS), Corporate Green Power Programme (CGPP), Net Energy Metering (NEM), Self-Consumption (SELCO) and etc of which Cypark has been participating accordingly.

As the Government focuses on green economy, recycling of waste and implementing circular economy towards a more sustainable future for Malaysians as part of Malaysia's 12th. Plan, Cypark believes that there is big potential for growth in Waste-to-Energy ("WTE"). In this respect, the continuous effort of the Government under the Ministry of Housing and Local Government in inculcating greener way for waste management could result in more than 5 WTE plants to be built in the future. Moving forward, our track record as the only developer and operator of Malaysia's first and only Solid Waste 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 operates, owns, and/or manages approximately 118 MWp of RE assets. With the targeted completion of 172 MWp LSS3 project in Terengganu and 98 MWp LSS2 project in Kelantan by December 2023, Cypark will increase its operation of RE asset capacity to about 400 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, through collaboration with renowned leaders in their respective fields. To this end, we had entered into a Memorandum of Understanding ("MOU") with Huawei Technologies (Malaysia) Sdn Bhd (Huawei) on 3 December 2021 to collaborate for the purposes of a long-term cooperation for a total of 500 MW RE projects located in and outside Malaysia. In this arrangement, Huawei will act as the technology enabler and it will undertake to provide the technical and after-sales support for all products and solutions. Meanwhile, Cypark would be the user and installer of the said products and solutions, subject to agreement of both parties and the terms and conditions of the collaboration. The MOU is in effect from the date of signing and will remain effective for a period of two (2) years until the execution of the set of definitive agreements between the parties or such other period as may be mutually agreed upon in writing. In line with Malaysia's goal of becoming a carbon neutral nation by 2050, Huawei will leverage on its extensive experience in power electronics and energy storage, as well as on its technical expertise to provide a digital powered solution for different industries, including RE. This MOU not only signifies Cypark's intention to grow beyond local shores, but it also proves Cypark's desire to have innovation and digitalisation embedded into its RE project offerings. Cypark is optimistic on its chances to secure oversea contracts in the near future.

On 29 December 2020, the Government introduced the new Net Energy Metering 3.0 programme (NEM 3.0) to provide more opportunities to electricity consumers to install solar PV systems on the roofs of their premises to save on their electricity bill. The NEM 3.0 will be in effect from 2021 to 2023 and the total quota allocation is up to 1050 MW. In addition, on 22 October 2021, the Government further released an additional quota of 300 MW of solar energy under the NEM 3.0 scheme for government building. With this additional quota, it has opened up more opportunities for the Company to offer rooftop solar solutions to non-domestic consumers in the commercial, industrial, mining and agriculture industries.

**B3. Prospects for the Current Financial Period –cont’d****Construction & Engineering**

With progressive lifting of Movement Control Order (“MCO”) in 2021, albeit a contraction in the construction sector generally, the decline has been cushioned by a rebound in the specialised construction activities subsector. The prospect for the construction sector nationwide in 2022 is forecast to achieve double digit growth driven by higher productivity and margins.

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**

Cypark’s biogas and biomass plant in Kg Gajah which utilises by-products from the Palm Oil Industry, mainly the Palm Oil Mill Effluent (“POME”) and Biomass Engineered Fuel (“BEF”) had begun generating income and expected to contribute significantly to the segment from 2022 onwards. This plant is also considered as one of its kind in the palm oil industry where it integrates the usage of biogas and biomass that led to the company being awarded in the National Energy Awards (“NEA”) 2021 and simultaneously contributes to the country’s aspiration in reducing carbon emission arising from agriculture sector.

Looking ahead, 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. Losst before tax**

	Individual Quarter		Cumulative Period	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Quarter	To Date	To Date
	30 April 2023	30 April 2022	30 April 2023	30 April 2022
Loss before tax is stated after crediting:-				
Financing revenue arising from contracts with customers	9,564,795	-	58,543,713	-
Interest income	1,089,225	-	5,019,189	-
Other income (including investment income)	(20,265)	-	163,246	-
Foreign exchange gain - unrealised	18,374	-	50,217	-
Loss before tax is stated after charging:-				
Interest expenses	16,386,993	-	61,868,367	-
Amortisation of intangible assets	23,084,930	-	23,994,849	-
Depreciation of right-of-use assets	137,942	-	990,780	-
Depreciation of plant and equipment	2,233,790	-	13,265,102	-
Impairment loss on financial instrument and contract asset	102,591,324	-	103,332,232	-
Impairment loss on plant and equipment	21,137,075	-	21,137,075	-
Impairment loss of intangible assets	56,119,153	-	56,119,153	-

**B6. Income tax expense**

	Individual Quarter		Cumulative Period	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Quarter	To Date	To Date
	30 April 2023	30 April 2022	30 April 2023	30 April 2022
	RM	RM	RM	RM
Income tax				
- Current	(1,263,583)	-	1,292,810	-
- Overprovision in prior year	-	-	(147,580)	-
Deferred tax	(83,550,005)	-	(81,769,659)	-
	<u>(84,813,588)</u>	<u>-</u>	<u>(80,624,429)</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

Save as disclosed in Note A7, 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 was for a duration of five (5) years and expired 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.

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**

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 1.11.2021</b>	<b>Granted</b>	<b>Exercised</b>	<b>Lapsed in June 2022</b>	<b>Balance as at 30.04.2023</b>
Tan Sri Razali bin Ismail	4,000,000	-	-	(4,000,000)	-
Dato' Daud bin Ahmad	19,525,000	-	-	(19,525,000)	-
Dato' Dr. Freezailah bin Che Yeom **	-	-	-	-	-
Headir bin Mahfidz	-	-	-	-	-
Megat Abdul Munir bin Megat Abdullah Rafaie	-	-	-	-	-
Datuk Abdul Malek bin Abdul Aziz **	50,000	-	-	(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. 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. The unexercised ESOS options (“2020 Options”) and (“2021 Options”) were lapsed on 30 June 2022 due to the shares been trading below the exercise prices of the ESOS Options.

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.

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

<b>Directors</b>	<b>2022 Options Offered (Unit)</b>	<b>Options Accepted (Unit)</b>
Tan Sri Razali bin Ismail	1,000,000	1,000,000
Dato' Daud bin Ahmad	40,000,000	40,000,000
Dato' Dr. Freezailah bin Che Yeom **	200,000	200,000
Headir bin Mahfidz	200,000	200,000
Megat Abdul Munir bin Megat Abdullah Rafaie	200,000	200,000
Datuk Abdul Malek bin Abdul Aziz **	200,000	200,000

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

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

Directors	Balance as at 1.11.2021	Granted	Exercised	Balance as at 30.04.2023
Tan Sri Razali bin Ismail	-	1,000,000	-	1,000,000
Dato' Daud bin Ahmad	-	40,000,000	2,500,000	37,500,000
Dato' Dr. Freezailah bin Che Yeom **	-	200,000	200,000	-
Headir bin Mahfidz	-	200,000	200,000	-
Megat Abdul Munir bin Megat Abdullah Rafaie	-	200,000	200,000	-
Datuk Abdul Malek bin Abdul Aziz **	-	200,000	25,000	175,000

\*\* The directors had resigned on 5 May 2023.

**2017 Option**

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

	Outstanding as at 1.11.2021	Granted	Cancelled	Outstanding as at 30.04.2023	Exercisable as at 30.04.2023
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 – 30.06.2022

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 1.11.2021	Granted	Cancelled	Outstanding as at 30.04.2023	Exercisable as at 30.04.2023
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 – 30.06.2022

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 1.11.2021	Granted	Lapsed	Outstanding as at 30.04.2023	Exercisable as at 30.04.2023
2020 option	24,580,000	-	(24,580,000)	-	-
Weighted average exercise price (RM)	0.595	-	0.595	-	-
Weighted average remaining contractual life (months)	8				N/A

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

	Weighted average exercise price (RM)	Exercise period
2020 option	0.595	26.3.2020 - 30.06.2022

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)	0.66
Risk-free Interest rate (%)	2.89
Expected dividend yield (%)	0.00

*Note: The above ESOS Options lapsed on 30 June 2022.*



**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 1.11.2021	Granted	Lapsed	Outstanding as at 30.04.2023	Exercisable as at 30.04.2023
2021 option	8,950,000	-	(8,950,000)	-	-
Weighted average exercise price (RM)	1.16	-	1.16	-	-
Weighted average remaining contractual life (months)	8				N/A

The details of the share options outstanding are as follows:

	Weighted average exercise price (RM)	Exercise period
2021 option	1.16	19.01.2021 - 30.06.2022

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)	0.66
Risk-free Interest rate (%)	1.94
Expected dividend yield (%)	0.00

*Note: The above ESOS Options lapsed on 30 June 2022.*

**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 1.11.2021	Granted	Exercised	Outstanding as at 30.04.2023	Exercisable as at 30.04.2023
2022 option		49,849,000	9,059,000	40,835,000	40,835,000
Weighted average exercise price (RM)	-	0.38	0.38	0.38	0.38
Weighted average remaining contractual life (months)	14				14

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

**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.

On 20 October 2021, the Company announced that the issue price for 16,000,000 Placement Shares, being the third (3rd) tranche of the Private Placement, has been fixed at RM0.95 per Placement Share. The issue price represents a discount of RM0.0434 or approximately 4.37% to the 5-day VWAP of the CRB Shares up to and including 18 October 2021 of RM0.9934 per CRB Share. The Private Placement was completed on 29 October 2021, following the listing of and quotation for 16,000,000 Placement Shares on the even date.

Subsequently, on 19 November 2021, the Company announced that the issue price for 3,398,290 Placement Shares, being the fourth (4th) tranche of the Private Placement, has been fixed at RM0.95 per Placement Share. The issue price represents a discount of RM0.0017 or approximately 0.18% to the 5-day VWAP of the CRB Shares up to and including 18 November 2021 of RM0.9517 per CRB Share. The Private Placement was completed on 1 December 2021, following the listing of and quotation for 3,398,290 Placement Shares on the even date.

On 6 December 2021, the Company announced the issue price of RM0.95 per Placement Share for the fifth and final tranche. The issue price represents a premium of RM0.0814 or approximately 9.37% to the 5-day VWAP of the CRB shares up to and including 2 December 2021, being the last market day immediate preceding the price-fixing date of RM0.8686 per CRB share. On 17 December 2021, the Private Placement had been completed for 15,000,000 unit Placement Shares.

The utilisation of the proceeds raised is as follows:

Purpose	Proposed Utilisation	Actual Utilisation	Deviation		Estimated timeframe for Utilisation
	RM	RM	RM	%	
Development cost for a solar power plant facility	96,000,000	96,000,000	-	-	Fully utilised
Partial repayment of bank borrowings	780,376	780,376	-	-	Fully utilised
Expenses on the private placement	450,000	450,000	-	-	Fully utilised
<b>Total</b>	<b>97,230,376</b>	<b>97,230,376</b>	<b>-</b>	<b>-</b>	

**b. Private Placement– cont’d**

On 08 November 2022, Public Investment Bank Berhad (“PIVB”), on behalf of the Board of Directors (“Board”), announced that the Company had, on the even date, Company proposed to undertake the proposed placement of up to 178,937,922 new ordinary shares in CRB (“Placement Share(s)”) representing up to 30% of the total number of issued shares of CRB at an issue price to be determined and announced later (“Proposed Placement”).

The listing application for the listing of and quotation for the new CRB Shares to be issued pursuant to the Placement was submitted to Bursa Securities on 9 November 2022 and was approved on 23 November 2022.

The Placements were approved by the shareholders of CRB at the extraordinary general meeting, which was convened on 9 December 2022.

On 28 December 2022, the Board fixed the issue price for Placement Shares at RM0.38 per Placement Share, being the first (1<sup>st</sup>) and final tranche of the Placement. The issue price represents a discount of approximately 7.92% to the five (5)-day volume weighted average market price (“5-day VWAP”) of CRB Shares up to and including 27 December 2022 of RM0.4127 per CRB Share.

The first and final tranche of the Placement was completed on 4 January 2023, following the listing and quotation of the 176,648,892 Placement Shares on the even date.

The utilisation of the proceeds raised is as follows:

Purpose	Proposed Utilisation	Actual Utilisation	Deviation		Estimated timeframe for Utilisation
	RM	RM	RM	%	
Working capital for the SMART WTE plant at LTM	16,800,000	16,800,000	-	-	Fully utilised
Development of the Large Scale Solar Phase 2 – floating solar PV projects	50,000,000	50,000,000	-	-	Fully utilised
Estimated expenses for the Private Placement	300,000	300,000	-	-	Fully utilised
Total	67,100,000	67,100,000	-	-	

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

The Group's borrowings and debts securities as at 30 April 2023 are as follows:-

	<b>30 April 2023</b>	<b>31 Oct 2021</b>
	<b>RM</b>	<b>RM</b>
<b>Short term borrowings</b>		
Secured:-		
Bank overdrafts	3,392,665	3,033,643
Trust receipts	88,646,050	100,652,327
Bond - Sukuk Murabahah	19,612,253	9,775,113
Term loans	24,370,000	20,090,000
Revolving credits	116,322,347	123,420,539
	<u>252,343,315</u>	<u>256,971,622</u>
<b>Long term borrowings</b>		
Secured:-		
Term loans	682,145,330	571,630,087
Bond - Sukuk Murabahah	509,918,575	527,856,105
	<u>1,192,063,905</u>	<u>1,099,486,192</u>
<b>Total borrowings</b>		
Secured:-		
Bank overdrafts	3,392,665	3,033,643
Trust receipts	88,646,050	100,652,327
Term loans	706,515,330	591,720,087
Revolving credits	116,322,347	123,420,539
Bond - Sukuk Murabahah	529,530,828	537,631,218
	<u>1,444,407,220</u>	<u>1,356,457,813</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 Pemulihan 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) As at the commencement of the arbitral proceedings, the Respondents are still conducting the assessment over the voluminous of documents submitted by CRB in support of its loss and expense claim;
- b) CRB’s request for EOT No. 6 was rejected due to such request were submitted long after the Respondents have issued the Certificate of Partial Completion (“**CPC**”);
- c) The Respondents are entitled to deduct the LAD sum due to the following reasons: -
  - i) CRB failed to complete the works on the date of completion as stipulated under the Contract;
  - ii) The LAD sum was deducted due to the said non-completion works; and
  - iii) The Certificate of Delay and EOT were issued subsequent to the commencement of the EOT period.

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

### **(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).

The appeal(s) are now pending at the Federal Court and no hearing date has been fixed yet.

**B13. Dividends**

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

**B14. Loss per share**

The following reflect the loss after taxation and weighted average number of share used in the computation of basic and diluted loss per share for the quarter ended 30 April 2023: -

	Individual Quarter		Cumulative Period	
	Current Year Quarter 30 April 2023 RM	Preceding Year Quarter 30 April 2022 RM	Current Year To Date 30 April 2023 RM	Preceding Year To Date 30 April 2022 RM
Loss net of tax, representing total comprehensive loss attributable to owners of the Company	(298,480,107)	-	(243,010,712)	-
Distribution to holders of perpetual sukuk	(3,806,283)	-	(21,741,833)	-
	<u>(302,286,390)</u>	<u>-</u>	<u>(264,752,545)</u>	<u>-</u>
Weighted average number of ordinary shares for basic earnings per shares computation	626,318,759	-	626,318,759	-
Effects of dilution - share options	14,054,657	-	14,054,657	-
Weighted average number of ordinary shares for diluted earnings per share computation	<u>640,373,416</u>	<u>-</u>	<u>640,373,416</u>	<u>-</u>