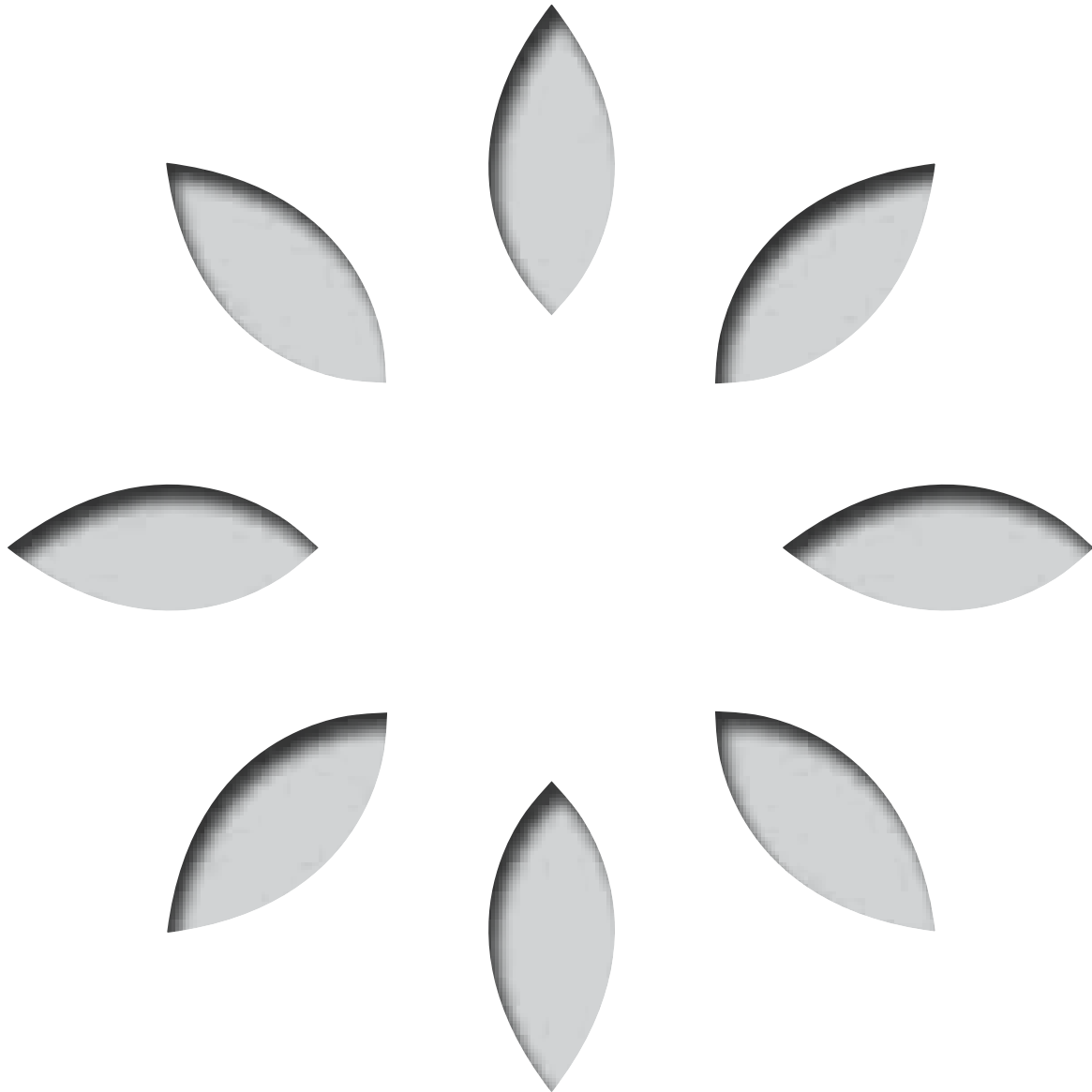


ENERGISING A SUSTAINABLE FUTURE

Annual Report **2016**



CYPARK LOGO RATIONALE

The new CYPARK logo icon has been designed to reflect the brand's fresh dynamism. It is a graphic representation of 3 elements – our green planet (represented by the green shapes), water (represented by the blue shapes) and the sun's rays (the orange 'shine' lines). The fact that the earth is thriving with life instead of the other planets in the solar system says that this perfect balance is what needs to be preserved to ensure the sustainability of life on the planet. This logo can also be animated to rotate in certain treatments to highlight certain important points about the company. The logotype has a sub-icon that is quad-faceted to reflect CYPARK's four core businesses.

OUR FOUR CORE BUSINESS SEGMENTS



ENERGISING A SUSTAINABLE FUTURE

As an expert in renewable energy and green technology, sustainability is not only a catchphrase but a purpose that lies at the very heart of who we are. We exist to be the catalyst that inspires a future that is better, cleaner, and more sustainable. This is reflected in the design of the cover that mirrors our new logo, an emblem of the sun and its rays radiating positively through our four business segments to make a lasting difference to the world.

Through our contribution to the government’s Sustainable Development Goals, we have shown that we can back up our words with strong actions, and we will continue to find new and innovative ways to make the future we desire a reality.



OUR MISSION

We strive to enhance the quality of living environment. We are multi-disciplinary professionals committed to providing quality services beyond our client's expectations and work towards the best interest of our stakeholders through continuous improvement of our skills.



OUR VISION

To provide world-class professional engineering and renewable products & services through smart application of environmental science, technology and methodologies, resulting in innovative, practical and cost-effective solutions.



3D model of Cypark SMART Waste-to-Energy (WTE) Facilities, Ladang Tanah Merah, Negeri Sembilan



OUR CORE VALUES



QUALITY



**CONTINUOUS
IMPROVEMENT**



PROFESSIONAL



TEAMWORK



CARING



OWNERSHIP



HARDWORKING



AT A GLANCE



Profit after tax

RM51.7 million



Net Asset 2016

RM440.3 million



Revenue

RM282.9 million



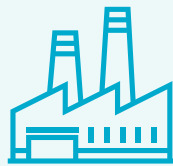
EBITDA

RM82.4 million



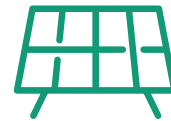
Sanitary landfill receiving waste capacity

1000 Tonnes per day



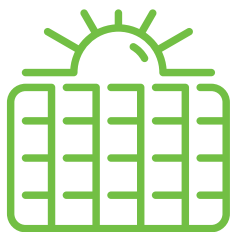
Waste-to-Energy Plant processed waste capacity

600 Tonnes per day



Capacity of Renewable Energy from solar project

30.76 MWp



Renewable Energy generation from 2012 to 2016

148,788.60 MWH



Avoidance of Carbon Dioxide Equivalence (CO₂ eq)

102,664.13 tonnes



Equivalence to coal burned

5,253 tonnes

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SCAN
HERE

NEW FEATURE IN THIS ANNUAL REPORT

The digital version of Cypark Annual Report 2016 is available from our website. Go to www.crbenv.com or scan the QR code with your smartphone.

Follow the steps below to scan the QR code reader in 3 easy steps:



Download the
"QR Code Reader"
on App Store or
Google Play.



Run the QR Code
Reader app and
point your camera
to the QR Code.



Get access to
our digital version
Cypark's Annual
Report 2016.



CORPORATE INFORMATION

AUDIT COMMITTEE

Chairman

Dato' Dr. Freezailah bin Che Yeom

Members

Encik Headir bin Mahfidz

Encik Megat Abdul Munir bin

Megat Abdullah Rafaie

NOMINATION COMMITTEE

Chairman

Dato' Dr. Freezailah bin Che Yeom

Members

Encik Headir bin Mahfidz

Encik Megat Abdul Munir bin

Megat Abdullah Rafaie

REMUNERATION COMMITTEE

Chairman

Dato' Dr. Freezailah bin Che Yeom

Members

Tan Sri Razali bin Ismail

Datuk Abdul Malek bin Abdul Aziz

RISK MANAGEMENT COMMITTEE

Chairman

Datuk Abdul Malek bin Abdul Aziz

Members

Encik Headir bin Mahfidz

Encik Megat Abdul Munir bin

Megat Abdullah Rafaie

COMPANY SECRETARIES

Chua Siew Chuan (MAICSA 0777689)

Yeow Sze Min (MAICSA 7065735)

CORPORATE OFFICE

Unit 13A-09, Block A

Phileo Damansara II

No. 15, Jalan 16/11

46350 Petaling Jaya

Selangor Darul Ehsan

Tel: 03-7660 6170

Fax: 03-7660 6169

Website: www.crbenv.com

REGISTERED OFFICE

Level 7, Menara Milenium

Jalan Damanlela

Pusat Bandar Damansara

Damansara Heights

50490 Kuala Lumpur

Tel: 03-2084 9000

Fax: 03-2094 9940

SHARE REGISTRAR

Securities Services (Holdings) Sdn Bhd

(36869-T)

Level 7, Menara Milenium

Jalan Damanlela

Pusat Bandar Damansara

Damansara Heights

50490 Kuala Lumpur

Tel: 03-2095 7077

AUDITORS

MAZARS (AF: 001954)

Chartered Accountants

Wisma Selangor Dredging

11th Floor, South Block

142-A, Jalan Ampang

50450 Kuala Lumpur

Tel: 03-2161 5222

PRINCIPAL BANKERS

Malayan Banking Berhad (3813-K)

Menara Maybank

100, Jalan Tun Perak

50050 Kuala Lumpur

Tel: 03-2070 8833

OCBC Bank (Malaysia) Berhad (295400-W)

18, Jalan Tun Perak

50500 Kuala Lumpur

Tel: 03-2034 5034

Standard Chartered Saadiq Berhad (823437-K)

Menara Standard Chartered

30, Jalan Sultan Ismail

50250 Kuala Lumpur

Tel.: 03-2117 7726

Kuwait Finance House (Malaysia) Berhad (672174-T)

Level 26, Menara Prestige

No.1, Jalan Pinang, P.O. Box 10103

50450 Kuala Lumpur

Tel: 03-2168 0000

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad (Main Market)

Stock Name: CYPARK

Stock Code: 5184

BOARD OF DIRECTORS

Tan Sri Razali bin Ismail

Executive Chairman

Non-Independent

Executive Director

Dato' Daud bin Ahmad

Group Chief Executive Officer

Non-Independent

Executive Director

Encik Headir bin Mahfidz

Independent

Non-Executive Director

Datuk Abdul Malek bin Abdul Aziz

Independent

Non-Executive Director

Dato' Dr. Freezailah bin Che Yeom

Independent

Non-Executive Director

Encik Megat Abdul Munir bin Megat Abdullah Rafaie

Independent

Non-Executive Director

OUR INTERNATIONAL RECOGNITIONS 2016

ASEAN ENERGY AWARDS 2016, MYANMAR



Winner of the Asean Best Practices for
Renewable Energy Project Awards



ASIAN POWER AWARDS 2016, SEOUL, KOREA



Award for **Renewable
Power Producer of the
Year - Malaysia**



Silver Award for
**Environmental
Upgrade of the Year**



Gold Award for
**Solar Power Project
of the Year**





MEDIA HIGHLIGHTS

HIGHLIGHTS



06/02/2017, The Edge
Cypark Resources tries its luck in Singapore



28/01/2017, Focus Malaysia
Cypark expects robust 2018 despite headwinds



06/02/2017, The Edge
High gearing due to high capital expenditure

MEDIA HIGHLIGHTS

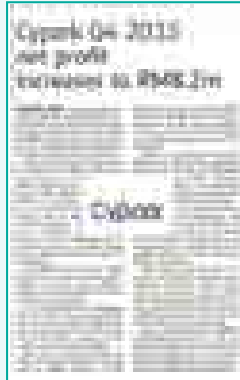
1ST QUARTER



22/11/2015, Nanyang Siang Pau
Cypark using 4 technologies to transform waste to renewable energy



03/12/2015, The Star
Paving the way with green technology



02/01/2016, New Straits Times
Cypark Q4 2015 net profit increases to RM8.2m



02/01/2016, Utusan Borneo (Sabah)
Untung pracukai Cypark naik kepada RM50.87 juta

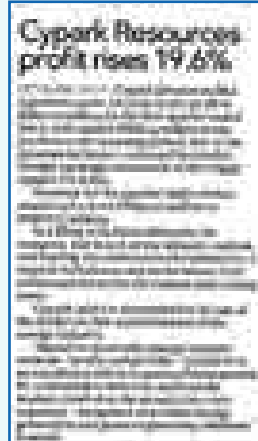


04/01/2016, Berita Harian
Untung bersih RM8.16j



05/01/2016, The Malaysian Reserve
Cypark positive on more RE businesses

2ND QUARTER



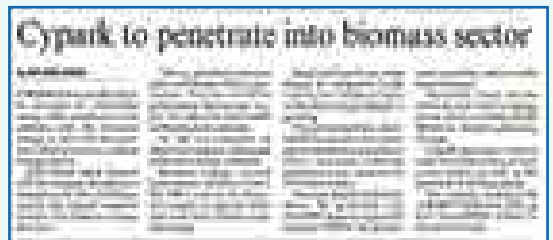
01/04/2016, The Sun
Cypark Resources profit rises 19.6%



15/04/2016, The Edge Financial Daily
Cypark expects to maintain 10%-15% growth in FY16



15/04/2016, The Sun
Cypark upbeat on renewable energy



15/04/2016, The Malaysian Reserve
Cypark to penetrate into biomass sector



MEDIA HIGHLIGHTS

3RD QUARTER



16/05/2016, Sin Chew Daily – Supplement
Cypark renewable energy business to be optimistic



28/06/2016, New Straits Times
Cypark Resources aims to raise capacity to 200MW



28/06/2016, KOSMO Online
Cypark labur RM2.3 billion untuk tenaga hijau

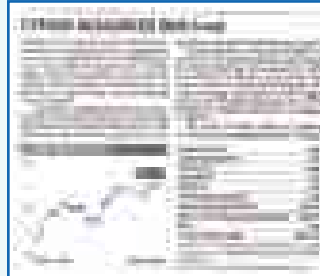


04/07/2016, Harian Metro
Belanja Modal RM2.3b



11/07/2016, New Straits Times
Helping Communities go green

4TH QUARTER



22/08/2016, The Edge Financial Daily
CYPARK RESOURCES BHD (+ve)



07/09/2016, Utusan Malaysia
Sistem panel solar bantu komuniti



08/10/2016, The Star
Cypark rides on renewable energy wave



05/10/2016, Nanyang Siang Pau
Cypark Resources core earnings in line with expectations



08/10/2016, The Star
Cypark rides on renewable energy wave

Cypark's waste management project on track

28/10/2016, The Edge Financial Daily
Cypark's waste management project on track

ANNUAL GENERAL MEETING 2016



INVESTOR RELATIONS AND KEY PERFORMANCE HIGHLIGHTS

INVESTOR RELATIONS

Cypark Resources Berhad maintains a strong rapport with the investment community through proactive and regular investor engagements. The Investor Relations (IR) team, led by the Group Chief Executive Officer and Group Chief Financial Officer, drives and facilitates financial communication efforts with existing and potential institutional investors, financial analysts as well as retail shareholders.

IR engagement activities throughout the financial year 2016 include presentations, meetings and site visits to allow the investment community greater access to top management in order to facilitate better understanding of latest developments in the company as well as current industry issues.

The IR portal on the company's website (www.crbenv.com) serves as a key communication platform through which the IR team ensures up-to-date corporate information and financial data are readily accessible to stakeholders.

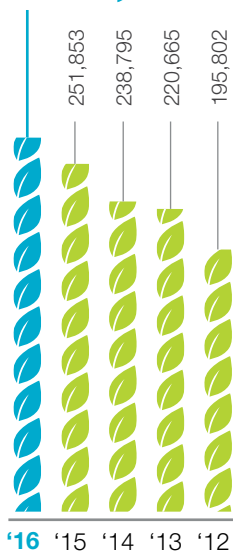
KEY PERFORMANCE HIGHLIGHTS

YEAR ENDED 31 OCTOBER 2016

Financial Year	2012	2013	2014	2015	2016
Turnover	195,801,612	220,665,368	238,794,822	251,853,256	282,929,184
Net Profit	25,578,401	35,924,431	39,942,249	43,515,979	51,713,230
Net Assets	152,631,298	219,355,995	285,801,050	393,530,834	440,320,772
Earnings Per Share (sen)	16.59	21.79	21.70	20.74	20.66
Net Asset Per Share (sen)	95.43	123.00	145.21	158.25	174.08

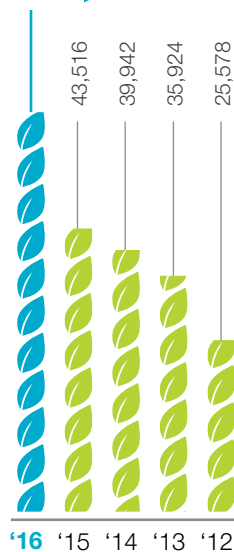
TURNOVER (RM'000)

282,929



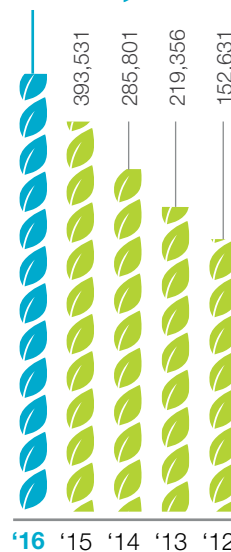
NET PROFIT (RM'000)

51,713



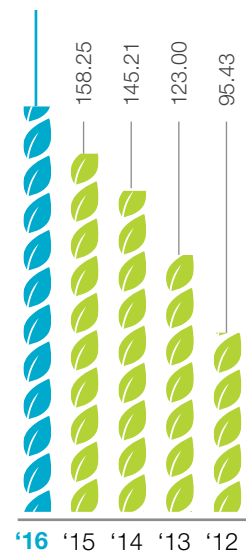
NET ASSETS (RM'000)

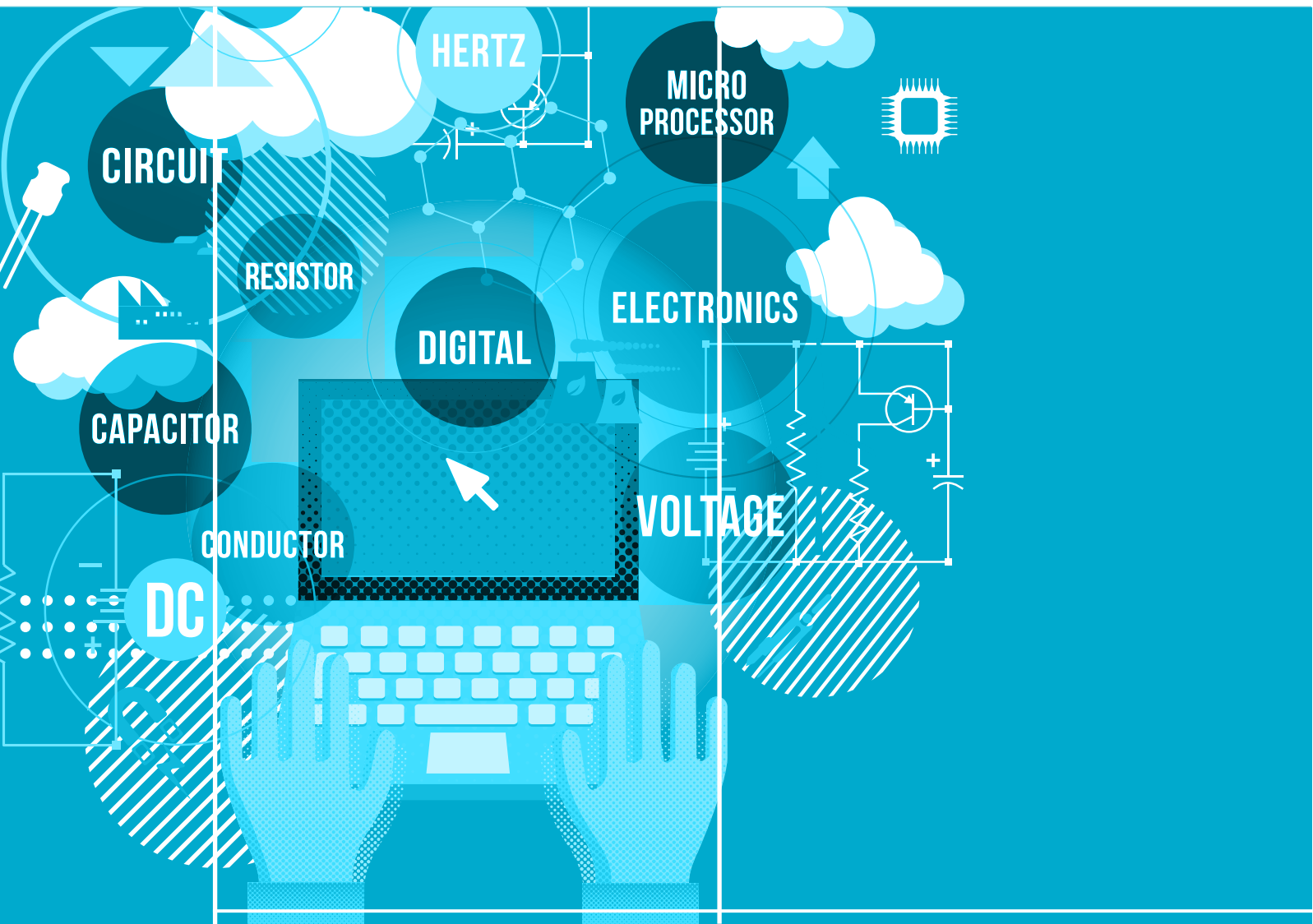
440,321



NET ASSET PER SHARE (SEN)

174.08





LEADING CONTINUOUS GROWTH





CHAIRMAN'S STATEMENT

Tan Sri Razali Ismail

*Executive Chairman
Non - Independent
Executive Director*



“Renewables are gaining ground by nearly every measure. Accelerating the pace of the energy transition and expanding its scope beyond the power sector will not only reduce carbon emissions, it will improve lives, create jobs, achieve development goals, and ensure a cleaner and more prosperous future,” Adnan Z. Amin, IRENA Director-General.
15 January 2017

Dear Shareholders,

¹IRENA's report 2017 highlights how global investment in renewables has steadily grown for more than a decade, rising from less than USD 50 billion in 2004 to a record USD 305 billion in 2015.

Alongside this enormous growth, current investment and deployment levels are making headway to meet international carbon reduction targets. Joining this transformation in the global energy trend, ²Malaysia has pledged to a 45% reduction in its greenhouse emissions by 2030, and cut 32 million tonnes of carbon emissions by 2020.

- Transition to a 36% renewable share by 2030 would create more jobs than in the business as-usual scenario.
- Jobs in renewable energy would grow from 9.4 million in 2015 to 13.5 million in 2030.
- Figure is projected to rise to 24.4 million in 2030 if the share of renewables is doubled.
- Solar PV will grow the fastest in terms of capacity and output, and new ways to store electricity will be a game changer for growing variable renewable energy generation.

- IRENA 2017

¹ International Renewable energy Agency (IRENA). New Irena Report Details How Renewables Can be Decarbonise the Energy Sector and Improve the Lives of Billions. Press release 15 January 2017 World Energy outlook 2016 Executive Summary- International Energy Agency

² Malaysia to Ratify Paris Agreement. TheStar 11 November 2016. access from <http://www.thestar.com.my/news/nation/2016/11/11/msia-to-ratify-paris-agreement/>

CHAIRMAN'S STATEMENT

As at August 2016, RM2.07 billion worth of renewable energy investments has been made in the country, surpassing the RM1.37 billion recorded for 2015.

³Malaysia has also set a target in its 11th Malaysia plan to boost the country's electricity generation capacity through renewable sources, including biomass, biogas, solar photovoltaic and mini hydro to 2,080MW contributing 7.8 % of total generating capacity in Peninsular Malaysia and Sabah by 2020. The Feed-in-tariff (FiT) mechanism introduced by Sustainable Energy Development Authority Malaysia (SEDA) in 2011, is one of the measures to achieve this goal where producers are given attractive premium rates to generate renewable energy either from solar, biomass/biogas, or mini hydro sources.

The announcement by the government through Suruhanjaya Tenaga promoting the development of Large Scale Solar (LSS) photovoltaic plants is a testimony of the nation's commitment to develop the local green energy industry in the country and a boost to the industry players as Renewable Energy has begun to take a centre stage.

In addition, the commencement of Net Energy Metering programme by SEDA in November 2016 will also foster the deployment of RE in Malaysia and this is indeed a positive indicator of the nation's readiness in embracing the green technology concept.

Through these two government's initiatives, more than 1000MWh of solar capacity will be added to the national energy mix by 2020.

Whilst the global renewable energy trend is projecting sustainable growth and Malaysian green energy transformation is underway, Cypark Resources continues to spearhead the green energy transformation in the country by charting a robust business performance in 2016, thus strengthening our leadership role in energising a sustainable future.

OUR BUSINESS IN REVIEW

Despite the challenges faced by the current local and global economy, Cypark Resources continued to register a stable profit during the year under review. Our business performance results indicate that we have been successful on our journey of

transformation for the last three years which set the business on strong foundation. Our business has gone through a transition from short - medium term contracts that are susceptible to economic cycle to business activities which are more resilient to economic fluctuation and offer a good rate of long term growth. This is reflected in 2016 performance whereby significant incomes were contributed from the concessionaire projects.

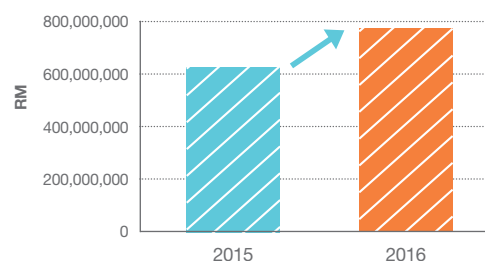
Based on our achievements, we believe that Cypark Resources is on the right business platform and confident that our business transformation goes along with the current global market trend that has high interest in producing clean energy and developing green technology.

Following the global trend as reported by United Nations Environmental Programme (UNEP), our total investments in concessionaires and renewable energy has soared up to RM792 million in 2016 from RM623 million in 2015.

- Annual global investment in new renewables capacity, at \$266 billion, was more than double the estimated \$130 billion invested in coal and gas power stations in 2015.
- Developing world investments in renewables topped those of developed nations for the first time in 2015.

- UNEP 2016

INVESTMENTS IN CONCESSIONAIRES AND RE ASSET FOR 2015 AND 2016



■ 2015 RM 623 million

■ 2016 RM 792 million

³ 11th Malaysia Plan - Chapter 6: Pursuing Green Growth for Sustainability and resilience - Economic Planning Unit Zarina Zakariah. Boost for Renewable Energy Sector. New Straits Times 30 November 2016 Access from <http://www.nst.com.my/news/2016/11/193062/boost-renewable-energy-sector>
UNEP 2016: Renewable Energy Investments: Major Major Milestone Reached, New World Record Set. Press Release 24 March 2016. Access from <http://www.unep.org/newscentre>

CHAIRMAN'S STATEMENT

Encouraged by the 2016 success, the company has embarked on our next phase of transformation– a strategic business plan which clearly outlines our next four (4) years directions to strengthen and enhance our market position focusing our resources and concentration on three (3) core business areas namely Renewable Energy, Green Technology and Environmental Engineering & Solutions. As one of the pioneers in the local green technology market, we will concentrate in developing and maximising our opportunities in these three identified areas.

We trust that our new business plan will maintain our position as Malaysia's No. 1 Renewable Energy company and further deliver our aspirations to be one of the largest integrated renewable energy player and green engineering solution provider in the region, presenting Cypark Resources with a bigger share in the green energy market.

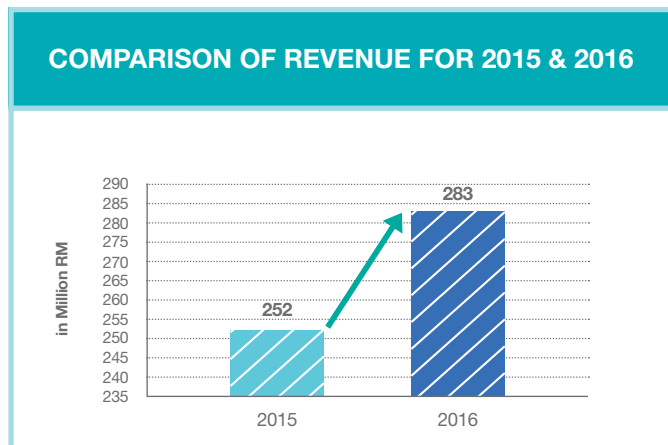
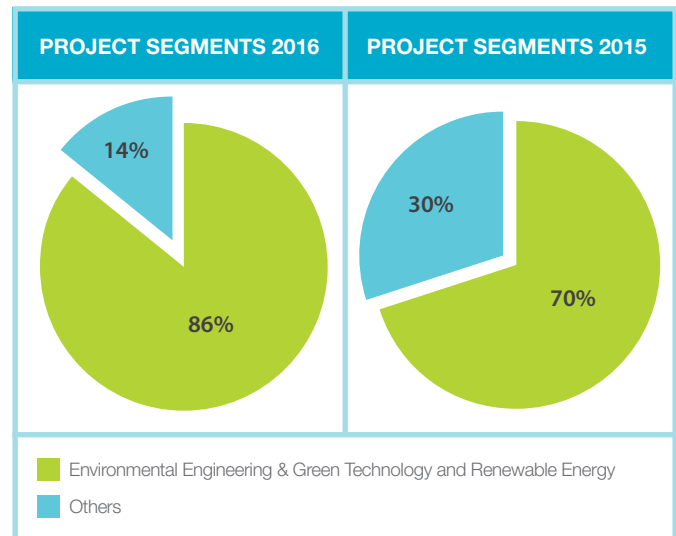
REVIEW OF FINANCIAL PERFORMANCE

The Group's revenue for the reported year increased by RM31 million or 12.3% to RM283 million as compared to RM252 million in 2015. The group's profit after tax for the financial year also increased by RM8.2 million or 18.8% to RM51.7 million as compared to RM43.5 million in 2015. The number further indicates that we continue to have good profitability and growth despite the slow growth in the economy.

In 2016, 86% of our business revenue was contributed by the environmental engineering and green technology and renewable energy business activities. This is a significant enhancement from 70% achieved in 2015 which proves that our investment

in the Waste-to-Energy business (WTE) has begun to contribute healthily to our performance.

By having the correct implementation of the business model, we are confident that the pattern of growth will continue in 2017 as interest in renewable energy (RE) projects has been gaining momentum in Malaysia, supported by the drive for environmental awareness, responsible investing, technological advancements and a stable local regulatory framework.



DIVIDENDS

In respect of the financial year ended 31 October 2015 as reported in the director's report of that year, a single-tier dividend of 5.00 sen per share on 248,671,272 ordinary shares amounting to RM12,433,564 was paid on 14 June 2016. The amount of RM7,510,272 were re-invested pursuant to the Dividend Reinvestment Scheme ("DRS") on 14 June 2016.

At the forthcoming Annual General Meeting, a single tier final dividend in respect of the financial year ended 31 October 2016 of 5.2 sen per share on 252,938,472 ordinary shares, amounting to a dividend payable of RM13,152,801 will be proposed for shareholders' approval.

The Board had also resolved to propose that the shareholders be given an option to elect to reinvest the whole or part of the proposed final dividend into new ordinary shares in accordance with the DRS, approved by the shareholders at the Cypark's Tenth (10th) Annual General Meeting held on 21 April 2015.

CHAIRMAN'S STATEMENT

OUR PROSPECTS

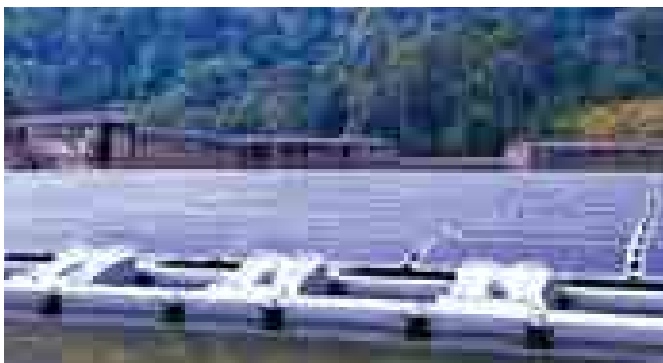
Inspired by the business transformation success, we will continue to further develop our business by strategically focusing our resources on these core segments; Renewable Energy, Green Technology and Environmental Engineering & Solutions, thus delivering our future growth through the realisation of many opportunities in the respective segments.

Renewable Energy Segment - Moving forward, we plan to increase our investment in renewable energy projects and have bigger revenue contribution from the sales of green power.

Solar Power:

Locally, the implementation of Net Energy Metering Programme by SEDA will provide us with new opportunity to expand our renewable energy project portfolio. We are collaborating with some major industrial and commercial power consumers in bringing net metering total solutions to reduce their long term energy bills. The launch of our country's first bidding exercise for Large Scale Solar (LSS) by Suruhanjaya Tenaga late last year opened up new opportunities for large, non-subsidised national RE scheme. Cypark currently has been given first right to undertake the turnkey EPCC, management & operation contract to develop 15MWh(dc) solar plants by the winners of the LSS tender.

Our milestone success in developing Southeast Asia's first and largest grid connected floating solar at Empangan Sepri, Negeri Sembilan covering a water surface area of almost one acre with a capacity of 270KW has unlocked a new era for future type of large solar plant without utilising valuable land resources. The project was undertaken through a technical collaboration with a French based company, CIEL el TERE, which is the world's largest developer and innovator of Floating Solar System.



Floating Solar System, Empangan Sepri, Negeri Sembilan

Regionally, we have recently submitted competitive bids and been shortlisted under the recent solar tender issued by the Building & Construction Authority Singapore to develop up to 70 MW roof top solar systems on government managed building including more than 600 HDB flats. The bidding effort has signalled Cypark's strategic move into other attractive RE markets beyond our shores. The liberalisation of energy market in Singapore has provided Cypark with a bigger RE market prospect.



Waste-to-Energy Plant, Ladang Tanah Merah

Waste-to-Energy:

We expect a substantial contribution from our SMART WTE at Ladang Tanah Merah when it starts commissioning in early 2018. The WTE plant which will be the largest state-of-the-art integrated WTE plant in the country will generate stable revenue of about RM80 million annually over 25 years concession.

By year 2020, the Renewable Energy segment is expected to contribute more than RM300 million of recurring revenue.

CHAIRMAN'S STATEMENT

Green Technology Segment - Our Green Technology Division is the newest division established to strengthen our future revenue streams. The division will further reinforce our business transformation and is expected to start making significant contributions to our revenue starting 2017.

Cypark will focus our research & development resources in developing business opportunities from energy storage, exportable Biomass Solid Fuels (BSF) and Energy Efficiency (EE) projects. The three projects will act as catalyst for our fast revenue growth within the green technology segment. This includes revenue contribution from the export of Biomass Green Pellet made from Empty Fruit Bunches (EFB) to key market such as Japan and Korea with potential market size of more than RM2 billion annually.



Biomass Green Pellet from Empty Fruit Bunches (EFB)

- Japan has the 5th largest biomass market in the world.
- **Biomass Outlook Asia**
- Expected imports of biomass pellets in Korea to reach 5 million tonnes per year, due to Korea's RPS mandate going forward.
- **Agency Inovasi Malaysia**
- The target for biomass to energy in Malaysia is to reach 1,340 MW by 2030.
- **KETTHA**

Environmental Engineering & Solutions Segment – We expect our Environmental Engineering & Solutions will continue to contribute to our good growth. Waste management activities including tipping fees collected from sanitary landfill operations, and the operation and management (O&M) for a few leachate treatment plants through a long term government contract.

Cypark is also confident to secure more government contracts for landfill closures and new sanitary landfill projects. Cypark believes that it has strong competitive advantage based on its solid track records of successful completion of 18 landfill closure projects covering total area of about 600 acres nationwide and its success in constructing and operating 1000 tpd sanitary landfill in Negeri Sembilan which is one of the country's largest and most modern facilities.

To ensure that we continue to acquire more businesses for all the segments mentioned above, our business development team has submitted many tenders and proposals worth more than RM2 billion and we are optimistic where some are at advance stage of negotiations which will be likely secured in 2017.

With our impressive track record coupled with our continuous innovation and R&D, we will be able to maximise our resources to create a sustainable business. The Board of Director is positive about the sustainability and the prospect of the new business focus and the new direction which will take us into a new chapter of the group's development.



Landfill restoration project at Pajam, Negeri Sembilan

CORPORATE RESPONSIBILITY

As we strive to identify opportunities to maximise our resources to achieve business sustainability, we also strive to build sustainable future for the communities that we operate in. As a responsible RE industry player, we continuously monitor and evaluate our business impacts to the environment and the society.

Source:

1. Biomass Outlook Asia- 10th November 2016- Argus Biomass Webinar
2. National Biomass Strategy 2020: Capturing The Biomass Opportunity "Importance of Sustainable Feedstock and Product Strategy"- Agensi Inovasi Malaysia
3. National Renewable Energy Policy & Action Plan. KeTTHA. 2009

CHAIRMAN'S STATEMENT



Handover of Cypark Solar PV Systems and Breaking Fast Ceremony at Masjid Pekan Kota Belud on 26 Jun 2016

As at 31st December 2016, our solar farms on five safely closed landfills and floating solar systems have generated and exported 148.79GWh (148,788.60 MWh) of green power to the national grid, achieving annual avoidance of approximately 102,664.13 tonnes of carbon dioxide equivalence and reducing 4,888.76 tonnes annual greenhouse gas (methane).

In our aspiration to be part of the nation's energy green transformation, we also shoulder a responsibility to contribute some portion of our expertise to benefit others in a small scale. This is achieved by contributing Solar PV Systems to selected schools and community centres in Sabah and the Northern States through 'Cypark's CSR Green Initiatives'.

AWARDS AND RECOGNITIONS

Cypark Resources also received a number of accolades during the year under review. On 21 September, Cypark Resources was chosen as the winner of ASEAN Energy Awards (AEA) in the Renewable Energy, Special Submission Category for its Agriculture Integrated Photovoltaics (AIPV) 1.075 MW pioneer project which features an agriculture farm integrated within the solar park.

The AIPV project also received recognitions from the Asian Power Awards 2016 for the Renewable Power Producer of the Year-Malaysia category and bagged two other awards namely the Gold award for Solar Power Project of the Year and the Silver award for Environmental Upgrade of the Year.

Being internationally recognised for our innovations has encouraged us to further improve our standard and business delivery.

ACKNOWLEDGEMENT

First of all, I would like to express my heartfelt thanks to the members of the Board, the management team and our dedicated employees who have been the backbones of this remarkable journey of which our 2016 success would not have been possible without their contributions and outstanding commitment.

I would also like to record our gratitude to the Government of Malaysia, States Government, Ministry of Energy, Green Technology and Water, local authorities, SEDA, Energy Commission Malaysia and regulators for having their faith in us and creating the environment that allows us to participate in the country's energy transformation.

My sincere appreciation to our shareholders, clients, business associates, organisations and members of the media for their continuous support and confidence in our delivery. As the Group welcomes the new financial year, we would like to reinstate that we will maintain our steadfast focus in delivering the new business model and we seek your unstinting support in pursuing our business transformation.

Thank you.

Tan Sri Razali bin Ismail
Executive Chairman
Non-Independent Executive Director



BOARD OF DIRECTORS' PROFILE



TAN SRI RAZALI BIN ISMAIL

Executive Chairman
Non-Independent Executive Director

Tan Sri Razali bin Ismail, a Malaysian, aged 78, was appointed to the Board on 01 October 2006. A substantial shareholder to the Company as well as founder of Cypark Sdn. Bhd., he is also a member of the Remuneration Committee.

Tan Sri Razali retired from government in 1998 after a career of over 35 years in the Malaysian Diplomatic Service. He held various posts including as Permanent Representative to the United Nations (UN).

At the UN, Tan Sri Razali was involved in articulating and developing positions in various bodies on issues such as development and sustainability, poverty and marginalisation, political reforms in the UN and issues of human rights and the environment. From 2000 – 2005, he was the UN Secretary-General's Special Envoy to Myanmar.

A graduate of Universiti Malaya, Tan Sri Razali is involved in environmental industries specifically in renewable energy and solar, is the Pro Chancellor of the University Science Malaysia, Chairman of the National Peace Volunteer Corp (Yayasan Salam), heads an NGO project – Yayasan Chow Kit on street and displaced children; sits on the Board of the Razak School of Government, and promotes the protection and replanting of mangroves. He has also been appointed as Chairman of the Global Movement of Moderates Foundation.

Tan Sri Razali has attended 5 out of the 5 Board of Directors' Meetings held during the financial year ended 31 October 2016. He does not have any family relationship with any Director and/or major shareholder of the Company and has no conflict of interest with the Company. He does not have any convictions for any offences.



DATO' DAUD BIN AHMAD

Group Chief Executive Officer
Non-Independent Executive Director

Dato' Daud bin Ahmad, a Malaysian, aged 51, was appointed to the Board on 01 October 2006 and is one of the co-founder of Cypark Sdn. Bhd. He was appointed to be the CEO of Cypark since January 2001.

An accountant by profession, Dato' Daud is a graduate of Pennsylvania State University, USA. He also completed an Executive Management Programme at University of Chicago (Barcelona) and is a member of the Chartered Institute of Waste Management (CIWM) UK. Winner of Ernst & Young "Technology Entrepreneur of the Year Award 2013" for Malaysia, Dato' Daud has over 27 years of experience including in the fields of International Business, Oil & Gas, Waste Management, Renewable Energy and Environmental Management. Prior to his involvement in Cypark, he worked for KPMG, Motorola Malaysia Sdn Bhd, ESSO Production Malaysia Inc. and Ayer Molek Berhad.

Dato' Daud has attended 5 out of the 5 Board of Directors' Meetings held during the financial year ended 31 October 2016. He does not have any family relationship with any Director and/or major shareholder of the Company and has no conflict of interest with the Company. He does not have any convictions for any offences.

BOARD OF DIRECTORS' PROFILE



DATO' DR. FREEZAILAH BIN CHE YEOM

Independent Non-Executive Director

Dato' Dr. Freezailah bin Che Yeom, a Malaysian, aged 77, was appointed to the Board on 08 June 2010. He was appointed by the Board as Chairman of the Audit Committee on 22 September 2010 and is also the Chairman of the Nomination Committee and Remuneration Committee.

He obtained a First Class Honours degree in Forestry and a PhD in Ecology from Edinburgh University in 1963 and 1974 respectively. Dato' Dr. Freezailah is currently an Advisor to the Ministry of Plantation Industries and Commodities. He is also Chairman of the Malaysian Certification Council, a post he has held since the inception of the Council in 1999. He has previously served in the Forestry Department of Peninsular Malaysia and has held several senior positions such as Deputy Chief Research Officer of the Forest Research Institute, Director of Forestry in the States of Kelantan and Pahang and Deputy Director-General of Forestry. In 1986, Dato' Dr. Freezailah was elected as the founding Executive Director of the International Tropical Timber Organisation (ITTO), created by the United Nations, to promote the conservation and sustainable development of tropical forests. Based in Yokohama, Japan, he served the ITTO for 13 years and contributed to its establishment and development into a respected global organisation.

Dato' Dr. Freezailah has attended 5 out of the 5 Board of Directors' Meetings held during the financial year ended 31 October 2016. He does not have any family relationship with any Director and/or major shareholder of the Company and has no conflict of interest with the Company. He does not have any convictions for any offences within the past ten (10) years, other than traffic offences, if any.



ENCIK HEADIR BIN MAHFIDZ

Independent Non-Executive Director

Encik Headir bin Mahfidz, a Malaysian, aged 51, was appointed to the Board on 07 September 2010. He was appointed by the Board as a member of the Audit Committee on 22 September 2010, Nomination Committee on 01 January 2012 and Risk Committee on 01 August 2012.

He graduated from the University of Tasmania, Australia with a Bachelor of Commerce degree in 1989. In 1992, he qualified as a Certified Practising Accountant, as certified by CPA Australia. He is also a Member of Malaysian Institute of Accountants, being admitted since 1996.

Encik Headir has attended 5 out of the 5 Board of Directors' Meetings held during the financial year ended 31 October 2016. He does not have any family relationship with any Director and/or major shareholder of the Company and has no conflict of interest with the Company. He does not have any convictions for any offences within the past ten (10) years, other than traffic offences, if any.



BOARD OF DIRECTORS' PROFILE



DATUK ABDUL MALEK BIN ABDUL AZIZ

Independent Non-Executive Director

Datuk Abdul Malek bin Abdul Aziz, a Malaysian, aged 79 was appointed to the Board on 19 September 2012. He was appointed by the Board as Chairman of the Risk Management Committee and a member of Remuneration Committee on 19 September 2012.

Datuk Malek served for close to four decades in the Malaysian Public Service commencing as Assistant Secretary and retired as Senior Deputy Secretary General in the Prime Minister's Department. Among the key positions he held were Secretary to the National Security Council, Director General of Immigration, Deputy Secretary General of the Ministry of Home Affairs and Deputy Director General of the Public Services Department. He also served as Chairman of Public Services Tribunal for almost a decade.

A law graduate from University of Singapore, he also holds a Diploma in International Relations and attended a course at the Royal College of Defence Studies, United Kingdom.

Datuk Malek has attended 5 out of the 5 Board of Directors' Meetings held during the financial year ended 31 October 2016 since his appointment to the Board. He does not have any family relationship with any Director and/or major shareholder of the Company and has no conflict of interest with the Company. He does not have any convictions for any offences.



ENCIK MEGAT ABDUL MUNIR BIN MEGAT ABDULLAH RAFAIE

Independent Non-Executive Director

Encik Megat Abdul Munir bin Megat Abdullah Rafaie, a Malaysian, aged 47, was appointed to the Board on 01 August 2012. He was appointed by the Board as a member of the Audit Committee, Nomination Committee and Risk Management Committee on 01 August 2012.

He is a founding partner of the legal firm Messrs. Zain Megat & Murad and leads the Kuala Lumpur branch as well as three of the firm's practice areas. These are namely Litigation, Corporate Commercial and the Foundation Laws practice areas. He advises on foreign investments, mergers and acquisitions, listing and compliance requirements as well as queries from Bursa Malaysia Securities Berhad and the Securities Commission. Since 1999, he has been appointed as a director of a Taiwanese global multi-national company based and listed in Malaysia and entrusted to chair its Audit Committee since 2002.

A graduate in Bachelor of Laws from International Islamic University Malaysia, he was called to the Malaysian Bar in 1994.

Encik Megat Abdul Munir has attended 5 out of the 5 Board of Directors' Meetings held during the financial year ended 31 October 2016 since his appointment to the Board. He does not have any family relationship with any Director and/or major shareholder of the Company and has no conflict of interest with the Company. He does not have any convictions for any offences.



KEY SENIOR MANAGEMENT'S PROFILE

DOREEN TAN SWEE LOON

Finance Director

54 years old, Female, Malaysian

Qualifications:

- Bachelor of Commerce (Accountancy), University of Queensland, Australia
- Chartered Accountant member of the Malaysia Institute of Accountants
- CPA member of CPA Australia
- Member of the Institute of Certified Public Accountants of Singapore

Working experiences:

- More than 28 years of professional and commercial experience in the areas of audit, accounting and finance in various industries, having worked in among others, KPMG Peat Marwick Singapore, Chinese Development Assistance Council Singapore, Singapore-Suzhou Township Development Pte Ltd, Westport Holdings Sdn Bhd and Messrs Monteiro and Heng
- Joined the Group as Group Financial Controller in 2002

Appointment to the current position:

- October 2010

ACHMAT NADHRAIN BIN IBRAHIM

General Manager

46 years old, Male, Malaysian

Qualifications:

- Bachelor (Hons.) in Mechanical Engineering, University of Brighton, United Kingdom
- Registered engineer with the Board of Engineers Malaysia

Working experiences:

- More than 22 years of experience in the areas of engineering and construction, having worked in, among others, Scomi Sdn Bhd, Perusahaan Otomobil Nasional Bhd (Proton), Penambang Holdings Pty Ltd, Shapadu Properties Sdn Bhd and Hartasuma Sdn Bhd
- Last position held prior to joining the Group in 2004 was Head of Project in Hartasuma Sdn Bhd

Appointment to the current position:

- May 2004

FAIZAL BIN YUSOF

Director of Engineering & Construction

39 years old, Male, Malaysian

Qualifications:

- Bachelor of Engineering in Civil and Structural, Universiti Kebangsaan Malaysia
- Master Degree in Business Administration, Universiti Kebangsaan Malaysia
- Registered engineer with the Board of Engineers Malaysia
- Registered engineer with the Board of Engineers Dubai Municipality

Working experiences:

- More than 18 years of working experience in the region of Asia and Middle East in consultancy, project management, construction and property development industry covering a wide spectrum of projects which include high-rise buildings, residential, university, infrastructures and mixed developments
- Held various key positions in reputable projects as Head of Country, General Manager, Project Director and Head of Project Management Office (PMO)
- Last position held prior to joining the Group in 2016 was Head of Country of UAE office and General Manager at Zelan Group of Companies in Headquarters

Appointment to the current position:

- October 2016



KEY SENIOR MANAGEMENT'S PROFILE

MOHD HILMY BIN ABDULLAH ZAWAWI

Senior Project Engineer

32 years old, Male, Malaysian

Qualifications:

- Bachelor of Engineering (Hons) in Electrical Engineering, Universiti Teknikal Malaysia Melaka
- Registered engineer with the Board of Engineers Malaysia

Working experiences:

- More than 8 years of working experience in the areas of engineering design, quality assurance and control, construction and project management, operation and maintenance and research and development
- Led successfully the team in the design and development of Agri-Integrated Solar Photovoltaic (AIPV) which has been patented in Malaysia, Thailand, Indonesia, China, India, Vietnam and Philippines
- Last position held prior to joining the Group in January 2012 was Project Engineer leading the Utilities Section of a Blast Furnace project in Megasteel Sdn Bhd

Appointment to the current position:

- January 2013

SHARIFAH RAFIZAH BT SYED ABDUL RAHMAN

Group Accountant

33 years old, Female, Malaysian

Qualifications:

- Bachelor of Accountancy (Hons), Universiti Utara Malaysia
- Chartered Accountant member of the Malaysia Institute of Accountants

Working experiences:

- More than 10 years of experience in the areas of accounting and finance.
- Having worked in various private companies involving in the businesses of consultancy, trading, construction and environmental engineering prior to joining the Group in 2011

Appointment to the current position:

- January 2016

Additional notes on the above key senior management

None of the key senior management has any:-

1. Directorship in public companies and listed issuers;
2. Family relationship with any director or/and major shareholder of the Company;
3. Conflict of interests with the Company; and
4. Conviction for offences within the past five (5) years, and public sanction or penalty imposed by the relevant regulatory bodies on him or her during the financial year ended 31 October 2016, which require disclosure pursuant to paragraph 4A(g) of Part A of Appendix 9C of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad



GENERATE AND NURTURE VALUES



CORPORATE RESPONSIBILITY

At Cypark Resources, we will always ensure that our corporate responsibility initiatives give value to the marketplace and our people. Each initiative and project that we carry out should be able to benefit the community at large as well as protecting the environment for our future generations.



MARKETPLACE



WORKPLACE



COMMUNITY



ENVIRONMENT

MARKETPLACE

We are committed to generate positive environmental impact through our innovation and technology. One of our latest project portfolios, the **Floating Solar System** at Ulu Sepri Dam, Rembau, Negeri Sembilan is another creative innovation that testifies our role in promoting effective use of land. It is the largest floating solar systems installed in the country and the technology gives us advantages in terms of conserving land space, provides water and environmental benefits while generating clean, renewable and more affordable electricity.

- Reduce reliance on limited and expensive land- By developing floating solar system on a water body, it will allow the authority to develop more significant social related projects such as housing, apartment or public infrastructures.
- Reduce rate of water evaporation by 50% for the area covered by floating system. This is important in light of the seasonal drought which often affects users.
- Improve water quality- By reducing the sunlight penetration into the water; it will significantly reduce algae growth that consumes the much needed oxygen from the water. By retaining the oxygen, it will benefit the health of the people who consume it. In addition, it will reduce the processing, operational and maintenance cost of the local authority in producing quality water.

WORKPLACE

Our pool of talents grows stronger and motivated each year as we continue to strengthen our position in the market. As at the financial year ended, we have a total strength of 128 employees. We recognise each of their talent and we strive to create a positive work culture among our people and provide a conducive working environment for our diverse workforce.

In order to be ahead of others and maintain our leadership in the industry, we make certain that our existing talents are equipped with the latest knowledge and skills. Our employees are given

the opportunities to attend various trainings to improve their competencies in soft skills and technical knowledge in various aspects such as management, communication, safety, operational excellence and leadership.

At Cypark Resources, we recognise gender diversity by providing equal opportunities to both male and female employees. This includes recognising their talents and skills and utilising their experiences to the best of their abilities irrespective of their gender and ethnicity.

In our effort to attract, nurture and engage the best fit talent, we have introduced a psychometric assessment specifically designed for senior positions. The purpose of the test is to identify and ensure that our employees' career development related assessments to be more objective. We believe this scientific method of computer-based assessment produces lead indicators in selecting talents, assessing workforce capability, employee engagement, understanding organisational culture and succession planning with a high degree of confidence.

Our employees' wellbeing matters very much to us and in 2016, we have taken the initiative to revise our employee benefit package as to ensure that our employees will continue to enjoy sustainable lifestyle. We trust that with the revised package, it will also motivate and boost their productivity at work.

We organise employee engagement programmes as to promote two-way communication channels to all employees. One of the programmes is a quarterly luncheon event between the new hires and the Group Chief Executive Officer (GCEO) as to give the opportunity for both parties to get to know each other in an informal way.

In appreciation, we organise in-house quarterly birthday party as a get-together between the management and the employees. We also extend our employee engagement activities to the employees' family members especially during our annual Hari Raya Open house.

CORPORATE RESPONSIBILITY



Cypark's Hari Raya Open House, 6 Aug 2016, Saujana Hotel



Cypark's 'Buka Puasa' Event, 16 June 2016, Sime Darby Convention Centre



AS OF DECEMBER 2016

EMPLOYEES BY GENDER



EMPLOYEES BY ETHNICITY



EXECUTIVE CHAIRMAN	1
GROUP CEO	1
FINANCE DIRECTOR	1
GENERAL MANAGER / ASSISTANT GENERAL MANAGER	7

JOB FUNCTION / LEVEL

SENIOR MANAGER / MANAGER / ASSISTANT MANAGER	54
SENIOR EXECUTIVE / EXECUTIVE / JUNIOR EXECUTIVE	45
NON EXECUTIVE	19

MALE



EMPLOYEES BY AGE



FEMALE



CORPORATE RESPONSIBILITY

COMMUNITY

As an integrated renewable energy developer, Cypark Resources exerts ourselves to carry out our corporate responsibility to our stakeholders and the community. We go beyond profits and continue investing in the community by providing our technical support and expertise.

During the year under review, we have launched a programme known as 'Cypark CSR Green' initiative to provide solar PV panels in selected communities. The programme that kicked start in June has benefitted several schools and community centres in Sabah and Perak.

Under SEDA Feed-in Tariff programme, the beneficiaries would be able to generate revenue by selling the electricity to the national grid or independent power producer thus reducing their monthly electricity bills. At the same time they will have the opportunity to explore and experience using the new technologies. Through this programme we aspire to create an awareness among the communities on the advantages of using renewable energy and continue to promote clean energy.

The beneficiaries of the solar power system were as follows:

Sabah - Installation of 5kw solar photovoltaic systems at three (3) community centres which covers 35 sqm areas respectively ; Masjid Pekan Kota Belud, Chinese Temple Pekan Kota Belud and SIB Church Kampung Piasau. Another 10kw solar system was also installed at SRJK (C) Chung Hwa's covering 70 sqm of roof area.

Northern States - Installation of 5kw solar photovoltaic systems rooftop at two (2) schools at northern corridor area: SMK King Edward VII Taiping, Perak and SK Alor Pongsu Bagan Serai, Perak. As awareness on the positive impact of green energy to the environment is gradually increasing among our fellow Malaysians.

Cypark has taken the initiative to provide a visitor information centre known as 'Centre of Excellence' located at our Integrated Renewable Energy Park in Pajam, Negeri Sembilan. It serves as a source of reference for visitors who are interested to get first-hand information on green energy and green technology as we are the developer of the largest solar park in Malaysia. We are proud that we are able to raise awareness and educate the society on the positive impact of green energy to the environment.



5kw system solar at Masjid Pekan Kota Belud



Symbolic Handover Ceremony at Masjid Pekan Kota Belud, Sabah
26 June 2016

CORPORATE RESPONSIBILITY



Visit by Institut Latihan Perindustrian Nibong Tebal Pulau Pinang to Cypark 'Centre of Excellence' located at Integrated Renewable Energy Park in Pajam, Negeri Sembilan on 20 May 2016

ENVIRONMENT

As at December 2016, our five (5) solar farms on five safely closed landfills and floating solar systems have generated and exported 148.79 GWh of green power to the national grid through the Feed-in-Tariff scheme.

Year	Total Renewable Energy Generation at safely closed landfill (Megawatt Hour, MWh)	Total Renewable Energy Generation at safely closed landfill (Gigawatt Hour, GWh)	Annual Avoidance of Carbon Dioxide Equivalence (CO ₂ ^{eq}) in Tonnes	Annual Avoidance of Greenhouse Gas (Methane – CH ₄ ^{**}) in Tonnes <i>** Methane are 21 times more potent than CO₂</i>	Total Connected Load (TCL)
JAN TO DEC 2012	9,408.43	9.41	6,491.82	309.13	18.0MWp
JAN TO DEC 2013	24,755.78	24.76	17,081.49	813.40	22.3MWp
JAN TO DEC 2014	37,319.21	37.32	25,750.25	1,226.20	29.3MWp
JAN TO DEC 2015	37,609.14	37.61	25,950.30	1,235.73	30.4MWp
JAN TO DEC 2016	39,696.05	39.70	27,390.27	1,304.30	30.8MWp
TOTAL 2012 – 2016	148,788.60	148.79	102,664.13	4,888.76	30.8MWp

The annual avoidance of 102,664.13 tonnes of carbon dioxide achieved is equivalent to greenhouse emissions from the following:



22,088

PASSENGER VEHICLES
DRIVEN FOR ONE YEAR



250,607,105

MILES DRIVEN BY AN
AVERAGE PASSENGER
VEHICLE



33,184

TONNES OF WASTE
RECYCLED INSTEAD OF
LANDFILLED



4,741

GARBAGE TRUCKS
OF WASTE RECYCLED
INSTEAD OF LANDFILLED



PROJECT HIGHLIGHTS



• Southeast Asia's Largest Floating Solar System at Empangan Sepri, Pedas, Negeri Sembilan



• Cypark SMART Waste to Energy (WTE) Ladang Tanah Merah, Port Dickson, Negeri Sembilan



CORPORATE GOVERNANCE STATEMENT

INTRODUCTION

The Board is committed to ensure that a high standard of corporate governance is practised throughout the Company and its subsidiaries (“**the Group**”) in discharging its responsibilities with integrity, transparency and professionalism to protect and enhance shareholder value and the financial position of the Group. The Board has always been vigilant of the fiduciary duties entrusted upon the Board as a principle guide in discharging its duties.

The Board recognises the importance of good corporate governance and supports the principles and recommendations promulgated in the Malaysian Code on Corporate Governance 2012 (“**the Code**”) to strengthen board structure and composition, enhance prospects and maximise shareholder value. The Board will continuously evaluate the Group’s corporate governance practices and procedures, and where appropriate, will adopt and implement the recommendations as enshrined in the Code to the best interest of the Company and its shareholders. As such, the Board plays a primary role in ensuring that good corporate governance is being practised.

Below is a narrative statement pursuant to Paragraph 15.25 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) (“**MMLR**”) on how the Group has applied the principles and recommendations as laid out in the Code throughout the financial year ended 31 October 2016.

PRINCIPLE 1: ESTABLISH CLEAR ROLES AND RESPONSIBILITIES OF THE BOARD AND MANAGEMENT

CLEAR FUNCTIONS OF THE BOARD AND MANAGEMENT

The Group is led by a competent and experienced Board that is made up of Directors with appropriate competencies, knowledge and experiences from diverse sectors and also in the Group’s core businesses. There is a clear division of roles and functions between the Board and the Management in managing the Group. The Board is responsible for oversight and overall governance of the Group to ensure that the strategic plans of the Group is implemented and accountability is monitored effectively, whilst the Management is responsible for the day-to-day operations of the business and effective implementation of the plans and goals decided by the Board. The Board reviews Board papers and comes prepared to discuss the Group’s business and operations. Non-executive Board members also individually communicate with the Management as and when the need arises.

CLEAR ROLES AND RESPONSIBILITIES OF THE BOARD

The Board provides effective leadership and manages overall control of the Group’s affairs through the schedule of matters reserved for its decision. The Board guides the Company on its short and long term goals, provides guidance, reviews, approves and decides on strategies formulated by the Management and deliberates on business development issues while providing balance to the management of the Company.

The Board has established its roles and responsibilities in discharging its fiduciary duties and leadership functions. The responsibilities of the Board in discharging its duties are as follows:-

- undertakes to play an active role in reviewing and adopting a strategic plan for the Group, including establishing goals, ensuring that strategies are in place to achieve them, and overseeing the conduct of business
- establishing policies for strengthening the performance of the Group including ensuring that the Management is proactively seeking to build the business through innovation, initiative, technology, new products and the development of its business capital
- recognises the importance of managing risks and maintaining a sound system of internal controls to identify principal risks which cover management, financial, organisational, operational and compliance controls, and ensuring the implementation of appropriate systems to manage these risks



CORPORATE GOVERNANCE STATEMENT

- succession planning, including appointing, training, fixing the compensation of and where appropriate, replacing senior management with the assistance of the Nomination Committee, which discusses and reviews Board and senior management succession plans periodically
- reviewing the adequacy and the integrity of the Company's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines
- deciding on whatever steps are necessary to protect the Company's financial position and the ability to meet its debts and other obligations when they fall due, and ensuring that such steps are taken
- ensuring that the Company's financial statements are true and fair and conform with any applicable laws and/or regulations
- ensuring that the Company adheres to high standards of ethics and corporate behavior, which is formalised through a code of conduct
- overseeing the development and implementation of a shareholder communications policy. The Board ensures that timely releases of the quarterly financial results, circulars, press releases, corporate announcements and annual reports are made to its shareholders and investors. Shareholders and investors can also obtain information on the Company by accessing the Company's website at www.crbenv.com and access to the latest corporate, financial and market information of the Company via Bursa Securities' website at www.bursamalaysia.com.

The Board will normally hold meetings at least four (4) times in each financial year to consider:-

- relevant operational reports from the Management
- reports on the financial performance
- specific proposals for capital expenditure and acquisitions, if any
- major issues and opportunities for the Company, if any
- quarterly financial statements for announcement to authorities
- approve/ratify public announcements

In addition, the Board will, at intervals of not more than one (1) year:-

- approve annual financial statements, and other reports to shareholders
- consider and, if appropriate, declare or recommend the payment of dividends
- review the Board composition, structure and succession plan
- review the Company's audit requirements
- review the performance of, and composition of Board committees
- undertake Board and individual Board member evaluations
- review Board remuneration
- review risk assessment policies and controls and compliance with legal and regulatory requirements

CODE OF CONDUCT AND ETHICS

The Board is committed in maintaining a corporate culture which engenders ethical conduct. The Group has established and endeavours to upkeep a Code of Conduct, which summarises what the Group must endeavor to do proactively in order to increase corporate value, and which describes the areas in daily activities that require caution in order to minimise any risk that may occur. A summary of the same will be uploaded on the Company's website in due course.



CORPORATE GOVERNANCE STATEMENT

DIVERSITY POLICY

The Board does not have any gender, ethnicity and age diversity policies and targets or any set measures to meet any target. Nevertheless, the Group is an equal opportunity employer and all appointments and employments are based strictly on merits and are not driven by any gender, ethnicity or age bias.

The workforce demographics of the Group are illustrated on Page 26 of the “Corporate Responsibility” section.

PROMOTE SUSTAINABILITY

The Board ensures that the Company's strategies promote sustainability with attention given particularly to environmental, social and governance (“**ESG**”) aspects of business which underpin sustainability. The Board understands that balancing ESG aspects with the interests of various stakeholders is essential to enhancing investor perception and public trust. Disclosures on corporate responsibility are presented under “Corporate Responsibility” of this Annual Report and also published on the Company's website at www.crbenv.com.

ACCESS TO INFORMATION AND ADVICE

The Board has unrestricted access to all information concerning the Company and the Group to enable them to carry out their duties effectively as Directors. In facilitating Board meetings, notices of meetings together with the agenda, minutes of previous meetings, financial reports and supporting board papers are provided and circulated to the Board at least three (3) days in advance of each meeting. Ample opportunities have been provided to the Board to review the information provided, to make enquiries and to obtain information and clarification if necessary. Senior management or professional advisers are invited to attend the board meetings to provide additional insights and professional views, advice and explanation on specific items on the meeting agenda, where necessary. During the meetings, the Management provides further detailed information and clarification on issues raised by members of the Board.

The Board members have access to the advice and services of the Company Secretaries and the Senior Management of the Group either as a full Board or in their individual capacity in order to better discharge their duties and responsibilities. Where necessary, and upon Board discussion and agreement at any point in time, the Board may engage independent professional advice at the Group's expense on specialised issues to enable the Board to discharge its duties with adequate knowledge on the matters being deliberated.

The Board may engage the services of any of the Board members having special expertise in the particular field for the purpose of a special assignment or engage the services of a party related to the Board members' organisation, so long as the terms of engagement are competitive, clearly recorded and all legal requirements for disclosure of the engagement are properly observed.

QUALIFIED AND COMPETENT COMPANY SECRETARIES

The Board has access to the advice and services of the Company Secretaries who are suitably qualified under Section 235(2) of the Companies Act, 2016 (“**the Act**”), and competent. The Board is satisfied with the performance and support rendered by the Company Secretaries, who play a vital role in advising the Board concerning all corporate governance matters. The Company Secretaries are also responsible to ensure that Board meeting procedures are followed, and the applicable statutory and regulatory requirements are complied with.

The Company Secretaries ensure that all Board and Board Committee deliberations and resolutions are properly and accurately minuted and updates the Board regularly on any regulatory changes and developments in corporate governance during meetings and via emails.



CORPORATE GOVERNANCE STATEMENT

BOARD CHARTER

The Board has established clear functions reserved for the Board and those delegated to the Management and this is documented in the Board Charter, which is published on the Company's website since 2014. The Board Charter adopted by the Board sets out the Board's strategic intent and outlines the Board's roles and responsibilities, providing insights and guidance to the Board and the Management concerning their roles and division of responsibilities.

Any amendment to the Board Charter can only be approved by the Board. The Board Charter is reviewed periodically as and when the need arises to ensure that the dynamic needs of the Group are consistently met.

PRINCIPLE 2 : STRENGTHEN COMPOSITION

In discharging the duties, the Board is assisted by the Board of Committees, namely the Audit Committee, Nomination Committee, Remuneration Committee and Risk Management Committee. Each Committee operates within its respective Terms of Reference ("TOR"), which have been approved by the Board.

The TORs are periodically reviewed and assessed by the Board of Committees to ensure the TORs remain relevant and adequate in governing the functions and responsibilities of the Committees.

BOARD COMMITTEES

i. Audit Committee

The Board is currently assisted by the Audit Committee and is governed by its TOR approved by the Board which is made available on the Company's website.

ii. Risk Management Committee

The Risk Management Committee comprises three (3) Independent Non-Executive Directors. The Risk Management Committee is governed by its own TOR approved by the Board. The principal objective of the Risk Management Committee is to assist the Board in their responsibilities to identify, measure, control and monitor risks that will promote high asset quality and cost effective solutions to its clients.

The members of the Risk Management Committee are:-

Datuk Abdul Malek bin Abdul Aziz	Chairman, Independent Non-Executive Director
Encik Headir bin Mahfidz	Member, Independent Non-Executive Director
Encik Megat Abdul Munir bin Megat Abdullah Rafea	Member, Independent Non-Executive Director

The Risk Management Committee met four (4) times during the financial year ended 31 October 2016.

iii. Nomination Committee

The Nomination Committee comprises three (3) Independent Non-Executive Directors. The Nomination Committee is governed by its own TOR approved by the Board and the TOR is made available on the Company's website. The Nomination Committee is responsible for proposing new nominees, if required and relevant, for the Board's approval and appointments and assessing existing Directors on a current and also on-going basis. In making these recommendations, the Nomination Committee will consider the required mix of skills, technical know-how, capabilities, experiences and independence of each member.



CORPORATE GOVERNANCE STATEMENT

The actual decision as to who shall be nominated should be the responsibility of the full Board after considering the recommendations of the Committee.

The members of the Nomination Committee are:-

Dato' Dr. Freezailah bin Che Yeom	Chairman, Independent Non-Executive Director
Encik Headir bin Mahfidz	Member, Independent Non-Executive Director
Encik Megat Abdul Munir bin Megat Abdullah Rafaie	Member, Independent Non-Executive Director

The Nomination Committee met two (2) times during the financial year ended 31 October 2016. In the discharge of its duties for the financial year ended 31 October 2016, the Nomination Committee had performed the following key activities:-

- reviewed each Director, including the GCEO, to assess the character, experience, integrity, competence and time that can be committed by each of the said persons to effectively discharge his role as a director or chief executive, as well as the Committees of the Board, through a comprehensive assessment system based on recommended best practices/criteria and facilitated by the Secretaries, where the results are deliberated upon and reported to the Board accordingly;
- reviewed the criteria adopted for such assessment to ensure that it is current and relevant;
- reviewed the required mix of skills and experience and other qualities, including core competencies of the non-executive directors;
- reviewed the Audit Committee Members' Peer Evaluation Form; and
- reviewed training programmes for the Board and facilitated Board induction and training programmes.

In regards to board composition, the Board endeavours to ensure that it consists of individuals with a diverse background and equipped with professional and technical knowledge to effectively carry out its roles as the representative to the interests of shareholders in setting the Company's strategy and ensuring its implementation. The qualifications for Board membership are the ability to make sensible business decisions and recommendations, an entrepreneurial talent for contributing to the creation of shareholder value, the ability to see the wider picture, the ability to raise constructive queries, preferably with some experience in the industry sector, high ethical standards, sound practical sense, and commitment to furthering the interests of shareholders and the achievement of the Company's goals.

In appointing an appropriate individual to the Board, the Nomination Committee will first consider and recommend to the Board the suitable candidate for directorship taking into consideration the candidate's experience, competency, character, time commitment, integrity and potential contribution to the Group. In the case of candidates for the position of independent non-executive directors, the Nomination Committee will also evaluate the candidates' ability to discharge responsibilities and functions as expected from independent non-executive directors. Upon appointment to the Board, all new Directors are required to undergo a comprehensive induction programme to fully understand the operation of the Group and also the expectation.

iv. Remuneration Committee

The Remuneration Committee comprises two (2) Independent Non-Executive Directors and one (1) Executive Director. The Remuneration Committee is governed by its own TOR approved by the Board. The Remuneration Committee is responsible for making recommendations to the Board on the appropriate remuneration packages and benefits based on their acquired skills, technical know-how, experiences and capabilities of the new nominees (if any) and of the current Executive Directors and to review each of their respective annual remuneration packages.



CORPORATE GOVERNANCE STATEMENT

The members of the Remuneration Committee are:-

Dato' Dr. Freezailah bin Che Yeom	Chairman, Independent Non-Executive Director
Tan Sri Razali bin Ismail	Member, Executive Director
Datuk Abdul Malek bin Abdul Aziz	Member, Independent Non-Executive Director

The Remuneration Committee met one (1) time during the financial year ended 31 October 2016.

DIRECTORS' REMUNERATION

The remuneration of the Executive Directors are determined fairly based on the performance and the profitability of the Group as a whole. The Directors' remuneration is at the discretion of the Board, taking into account the comparative market rates which commensurate with the level of contribution, experience and participation of each Director. The overriding principle adopted in setting the remuneration packages for the Executive Directors by the Remuneration Committee is to ensure that the Company attracts and retains the appropriate Directors of the caliber needed to run the Group successfully.

The determination of the remuneration for Non-Executive Directors is a matter of the Board as a whole. The level of remuneration for Non-Executive Directors reflects the amount paid by other comparable organisations, adjusted for the experience and levels of responsibilities undertaken by the particular Non-Executive Directors concerned. The remuneration package of Non-Executive Directors will be a matter to be deliberated by the Board, with the Director concerned abstaining from deliberations and voting on deliberations in respect of his individual remuneration. In addition, the Company has also undertaken steps in reimbursing reasonable out-of-pocket expenses incurred by all the Non-Executive Directors in the course of their duties as Directors of the Company.

Remuneration paid or payable or otherwise made available to all Directors of the Company who have served during the financial year ended 31 October 2016 is tabulated as follows:-

Received from the Group/ Company

	Executive Directors (RM)	Non-Executive Directors (RM)	Total (RM)
Salaries & other emoluments	2,694,000	-	2,694,000
Fees	-	468,000	468,000
Benefit in kind/others	316,247	-	316,247

The number of Directors of the Company who served during the financial year and whose remuneration from the Group fall within the following bands are as follows:-

Received from the Group/ Company

Range of Remuneration	Number of Directors	
	Executive	Non-Executive
RM50,001 – RM100,000	-	1
RM100,001 – RM150,000	-	3
RM1,350,000 – RM1,400,000	1	-
RM1,600,000 – RM1,650,000	1	-



CORPORATE GOVERNANCE STATEMENT

BOARDROOM DIVERSITY

The Board has skills and experience ranging from Environmental Industries, Management, International Business, Oil and Gas, Waste Management, Accounting, Law, International Relations, Forestry and Ecology.

The Board believes that candidature to the Board should be based on a candidate's merits but in line with the Code, the Board will consider females onto the Board in due course to bring about a more diverse perspective.

PRINCIPLE 3 : REINFORCE INDEPENDENCE

REVIEW OF DIRECTORS' INDEPENDENCE

The Board recognised the importance of independence and objectivity in decision making. The Nomination Committee reviews the independence of the Independent Directors annually. In addition to the annual review, the Independent Directors also submits an annual declaration regarding his independence.

TENURE OF INDEPENDENT DIRECTORS

The Board does not have any Independent Director who has served more than nine (9) years as at the date of this Statement, calculated consecutively or cumulatively.

The Board notes the Code's recommendation in relation to limiting the tenure of Independent Director to nine (9) years of service. However, the Board believes that a Director's independence cannot be determined solely based on the tenure of service as the tenure of service does not interfere with their exercise of judgment and ability to act in the best interest of the Group. The Board may, in appropriate case and subject to the assessment of Nomination Committee, retain an Independent Directors who has served a consecutive or cumulative term of nine (9) years to continue to service as Independent Directors subject to shareholders' approval.

SEPARATION OF POSITIONS OF THE CHAIRMAN AND CEO

The positions of Chairman and CEO have always been held by different individuals. There is a clear division of responsibilities between the two roles to ensure that there is an appropriate balance of power and authority to facilitate efficiency and expedite decision making.

Currently, Tan Sri Razali bin Ismail, a Non-Independent Executive Director, chairs the Board while the position of GCEO is held by Dato' Daud bin Ahmad. The Chairman is responsible to lead the Board and ensure the effectiveness of the Board.

As an executive chairman, the executive position lends advantage to act as an informal link between the independent directors, executive directors and the Management and his executive position is better able to control and align management action to Board decision and strategy. Also, the executive chairman's knowledge and experience in the business of the Company serves as the competitive advantage as the executive chairman could effectively contribute to the growth of the Company. Meanwhile, the GCEO focuses on the business, organisational effectiveness and day-to-day management of the Group and also to report, clarify and communicate matters to the Board.

COMPOSITION OF THE BOARD

The Board currently has six (6) members comprising two (2) Executive Directors and four (4) Independent Non-Executive Directors. This strong and independent element brings an objective and independent judgment to the decision-making process of the Board and is vital to the effective stewardship of the Group. The biographical details of the Board members are set out in the Board section under the heading of "Board of Directors' Profile".



CORPORATE GOVERNANCE STATEMENT

All four (4) Independent Non-Executive Directors who represent two third (2/3) of the Board are independent of management and free from any businesses or relationships which could materially interfere with the exercise of their independent judgments.

The two (2) Executive Directors bring with them a wide range of business experiences, financial and economic knowledge, technical skills, and other knowledge and experience in the fields that are related to environmental technology, engineering solutions and integrated landscape services, as well as business management, operations and administration within the Group. The said Executive Directors are responsible for implementing the policies and decisions of the Board, and overseeing the operations, as well as coordinating the development and implementation of business and corporate strategies.

There is proper balance in the Board with the presence of the four (4) Independent Directors, being a majority of the Board since the Chairman is not independent, with the necessary caliber to carry sufficient weight in Board decisions through various discussions within the Group. They play a key role in providing unbiased and independent views, advice and contributing their knowledge and experience toward the formulation of policies and in the decision-making process. The Board structure ensures that no individual or group of individuals dominates the Board's decision-making process. Although all the Directors have equal responsibility for the Company and the Group's operations, the role of the Independent Directors are particularly important in ensuring that the strategies proposed by the Executive Directors are deliberated on and have taken into account the interest, not only of the Company, but also that of the shareholders, employees, customers, suppliers and the community.

The Board undertakes an assessment of its independent directors annually. Some of the criteria in the assessment include the following:-

- continue to fulfill the definition of an independent director as set out under Paragraph 1.01 of MMLR;
- never engaged in any transaction with the Group under circumstances as prescribed by Bursa Securities;
- not accepting compensation from the Group, other than compensation for board service for the current financial year ended 31 October 2016; and
- not having relationship which would interfere with the exercise of independent judgement in carrying out the function as a director or a member of board committee.

The Board has identified Dato' Dr. Freezailah bin Che Yeom to be the Senior Independent Non-Executive Director to whom concerns may be conveyed by shareholders and the general public.

RE-ELECTION OF DIRECTORS

One third (1/3) of the Board members, including the Executive Chairman and GCEO, are required to retire by rotation at least once in every three (3) years at the Annual General Meeting and where eligible, be subject to re-election by the shareholders.

In accordance with Article 84 of the Articles of Association, Dato' Daud bin Ahmad and Encik Headir bin Mahfidz shall retire by rotation and be subjected to re-election at the forthcoming Twelfth Annual General Meeting.



CORPORATE GOVERNANCE STATEMENT

PRINCIPLE 4 : FOSTER COMMITMENT OF THE DIRECTORS

BOARD MEETING

The Chairman of the Board is responsible for ensuring that the Board members meet regularly throughout the year. The Board is to meet at least four (4) times in a year, with additional meetings convened whenever urgent/necessary and whenever important decisions are required. Board meetings are generally scheduled in advance with the relevant time and venue fixed tentatively on a certain date. Board members are aware of the expected time commitment and protocols for accepting new directorships.

Formal notices, agendas, papers and reports are supplied to the Board at least three (3) days in advance prior to Board meetings. The Board is supplied with all necessary information to enable it to effectively discharge its duties and responsibilities. Besides holding of Board meetings, the Board also exercises control on issues/matters that require immediate Board approval through the circulation and passing of Directors' Circular Resolutions pursuant to the relevant Article of Association of the Company.

The requisite quorum for Board meetings as set out in the Articles of Association are two (2) members, unless otherwise determined by the Board from time to time. All conclusions or decisions of the Board are duly recorded in the Board minutes. The Board met five (5) times during the financial year ended 31 October 2016 in the discharge of its duties and responsibilities in the control and monitoring of the operations and development of the Group. The attendance record of the Directors during the financial year ended 31 October 2016 was as follow:-

Directors	Attendance
Tan Sri Razali bin Ismail	5 out of 5
Dato' Daud bin Ahmad	5 out of 5
Dato' Dr. Freezailah bin Che Yeom	5 out of 5
Encik Headir bin Mahfidz	5 out of 5
Encik Megat Abdul Munir bin Megat Abdullah Rafea	5 out of 5
Datuk Abdul Malek bin Abdul Aziz	5 out of 5

DIRECTORS' TRAINING

Pursuant to Paragraph 15.08 of the MMLR, the Company and its Group acknowledges the fact that continuous education is vital for the Board members to gain insight into the state of economy, technological advances in their core businesses, latest regulatory developments and management strategies. This additional knowledge will enable the Board members to discharge their roles, duties and responsibilities more effectively.

The Board has undertaken an assessment of the training needs of each of its Directors and ensured that all its members undergo the necessary training programmes as prescribed and other training programmes to enable the discharge of duties effectively.

The Directors are also encouraged to attend continuous education programmes/seminars/conferences and shall as such receive further training from time to time to keep themselves abreast of the latest development in statutory laws, regulations and best practices, where appropriate, in line with the changing business environment and the need to be cognisant of commercial opportunities and risks as well as to be adequately equipped to execute judicious decision-making.



CORPORATE GOVERNANCE STATEMENT

During the financial year ended 31 October 2016, all the directors have attended at least one (1) training programme. The training programme and seminars attended by the Directors during the financial year ended 31 October 2016 include:-

Conference / Seminar / Forum / Discussion / Workshop / Training	Organiser / Venue	Date
Seminar Percukaian Kebangsaan 2015	Ideal Convention Centre (IDCC) Shah Alam	19 November 2015
The Future of Think Tanks & Nation Building in Malaysia	Institute of Strategic & International Studies, Malaysia	27 January 2016
Workshop On Tax Planning For Individuals	MAICSA Auditorium Kuala Lumpur	2 February 2016
National Aspiration & Leadership Summit 2016: Are we a true Moderate or a self-proclaimed Moderate?	National Aspiration & Leadership Summit 2016, KL	14 February 2016
Panel Discussion on the Role of Civil Society in countering Extremism in Southeast Asia	Ministry of Foreign Affairs, Japan	28 February 2016 to 1 March 2016
In-house Directors' Training on International Financial Reporting	KPMG	4 March 2016
Malaysian Armed Forces Staff College Dinner: "Globalization & NGO's Transforming Government & Society"	Armed Forces Staff College	9 March 2016
Sustainability Reporting In Malaysia: Putting Public Listed Issuers In The Know	The Royale Chulan Kuala Lumpur	14 March 2016
1 st Distinguished Board Leadership Series – Cyber-Risk Oversight	FIDE Forum	16 March 2016
Maybank Investor' s Day 22 March 2016 "The Cypark Story: RE – Innovating Our Way to be Malaysia's RE Company"	The Majestic Hotel Kuala Lumpur	22 March 2016
Briefing Session: Annual Report 2015 / Financial Stability & Payment Systems Report	Bank Negara Malaysia	23 March 2016
Talk on The Krusenstern's Manuscript of the Malay Annals (Sejarah Melayu) by Em Prof Dr Ahmat Adam	Badan Warisan	26 March 2016
Workshop On Tax Planning For Companies	MAICSA Auditorium Kuala Lumpur	29 March 2016
IDFR Cultural Diplomacy Lecture Series – Cultural Diplomacy: Searching for ASEAN Common Values	Institute of Diplomacy & Foreign Relations (IDFR)	5 April 2016
International Sustainable Energy Summit 2016 (3rd year): Theme Democratising Electricity Supply	Putrajaya Marriott Hotel	5 and 6 April 2016
Public Lecture on "Back to the Future: Malaysian Lessons from the 1970s" by Prof Dr Jomo Kwame Sundaram	Institute of Strategic & International Studies, Malaysia	7 April 2016
Putrajaya Forum: Regional Cooperation in Addressing Security Challenges: Major Power Influence & Regional Security Architecture	Malaysian Institute of Defense & Security (MIDAS)	18 April 2016
7th Global Forum of the UNAOC	United Nations Alliance of Civilization in Azerbaijan	26 and 27 April 2016
Clean Energy Summit in London	Twickenham Stadium London	26 to 28 April 2016
Goods And Services Tax (GST) Training Course	Seri Pacific Hotel Kuala Lumpur	7 to 9 May 2016 and 14 to 16 May 2016



CORPORATE GOVERNANCE STATEMENT

Conference / Seminar / Forum / Discussion / Workshop / Training	Organiser / Venue	Date
Asean Intergovernmental Commission on Human Rights ("AICHR") Regional Forum on Media & Human Rights in ASEAN: Bridging the Gaps between Human Rights & the Role of Media	AICHR Malaysia, Ministry of Foreign Affairs	16 May 2016
Biomass and Pellets Conference in Tokyo	Marriott Hotel Tokyo	17 to 19 May 2016
3 rd Methodist College KL United Nations Conference: Theme "Redemption"	Methodist College KL	15 July 2016
National Conference on Sustainability, Climate Change & CSR – The SDG's & Role of Business: Impact on Society – How Business Can Cope with Climate Change – Impact on Business	Asean Strategy & Leadership Institute (ASLI), KL	28 July 2016
Universiti College Sedaya International ("UCSI") Journey to Belong – An Awareness Program on Statelessness: The Nation's Way Forward – Ensuring Human Rights for the Stateless Community	UCSI	4 August 2016
Medical Negligence – Recent Development and Future Directions	Raja Aziz Addruse Auditorium, Kuala Lumpur	9 August 2016
National Tax Conference 2016	Kuala Lumpur Convention Centre	9 and 10 August 2016
Fundamentals of Insurance	Allianz	10 August 2016
Board Chairman Series – "Leadership Excellence From the Chair"	Bursa Malaysia Berhad	11 August 2016
Academy of Sciences of Malaysia International Conference on Science for Peace: Addressing Ideology, Geopolitics & Security	Academy of Science Malaysia	15 August 2016
Module on Diploma in Diplomacy: Reform of the United Nations	Institute of Diplomacy & Foreign Relations (IDFR)	16 August 2016
Critical Issues In Applying Malaysian Private Entities Reporting Standards (MPERS)	Concorde Hotel Kuala Lumpur	16 and 17 August 2016
Civil Society Conference on National Security: National Security Council & the NSC Act	Civil Society Coalition Malaysia	18 August 2016
AEI-ASEM Summer School – Multiculturalism & Multieethnicity In Asia & Europe – Bridging the Gap between Asia & Europe: Youth Connectivity	Asia-Europe Institute, University of Malaya	20 August 2016
An Overview Of MPERS – Part 1: MPERS - Practical Approach To Recognition And Measurement Principles Including Updates	The Pacific Sutera Kota Kinabalu	22 and 23 August 2016
An Overview Of MPERS – Part 2: Transition To The MPERS - Constructing The Opening Balance Sheet Position (Day 1 Adjustments)	The Pacific Sutera Kota Kinabalu	24 August 2016
International Association of Counter Terrorism & Security Professional ("IACSP") ASEAN Security Awards & Symposium: Strategies in Countering Violent Extremism	IACSP, Malaysia	6 September 2016
SSM National Conference 2016	Berjaya Times Square, Kuala Lumpur	6 and 7 September 2016
National Human Rights Action Plan ("NHRAP") Seminar 2016: NHRAP Malaysian Model	NHRAP	7 September 2016



CORPORATE GOVERNANCE STATEMENT

Conference / Seminar / Forum / Discussion / Workshop / Training	Organiser / Venue	Date
International Malaysia Law Conference (IMLC) – Challenges of an ASEAN Community: Rule of Law, Business and Being People-Oriented	Malaysian Bar Council	21 September 2016
AICHR (ASEAN Intergovernmental Comm on Human Rights) Youth Debate on: Human Rights & the Sustainable Development Goals (SGDs): Realising the 2030 Global Agenda in the Context of AHRD (ASEAN Human Rights Declaration)	AICHR – University Malaya	23 September 2016
Comprehensive Approach To MPERS Series – Part 3: How To Construct Your First Day Opening MPERS Statement Together With Disclosures Required	CPA Australia Seminar Room, Kuala Lumpur	23 September 2016
Company Law 2016: Total Revamp With Huge Tax Planning Opportunities	The Gardens Hotel, Mid Valley, Kuala Lumpur	28 September 2016
ASLI 3 rd World Muslim Leadership Forum –Leadership Keynote Panel – Governance & Leadership in the Muslim World: The Way Forward for Peace, Security & Prosperity	Asean Strategy & Leadership Institute (ASLI), KL	6 October 2016
IGEM Roundtable with KeTTHA Minister	Kuala Lumpur Convention Centre	7 October 2016
International Biomass Conference Malaysia: Connecting to the Global Biomass Ecosystem	Perdana Hall Menara MITI Kuala Lumpur	11 October 2016
Capacity Building Conference – Equipping Asean Small & Medium Accounting Practices For The AEC	Bangkok, Thailand	20 October 2016

PRINCIPLE 5 : UPHOLD INTEGRITY IN FINANCIAL REPORTING

FINANCIAL REPORTING

The Board is committed to presenting a fair, balanced and comprehensive financial performance and prospects in all disclosures made to the shareholders and the general public. In addition to providing financial statements and annual report on an annual basis to the shareholders, the Company also presents the Group's financial results on a quarterly basis via public announcements. The Audit Committee assists the Board in scrutinising information for disclosure to ensure accuracy, adequacy and completeness of all relevant information for disclosure.

Prior to the presentation of the Company's financial statements to the Board for approval and issuance to the stakeholders, Audit Committee meetings were held to review the Company's financial statements in the presence of external auditors and the Group's Financial Controller.

With the assistance of Audit Committee, the Board will ensure that the preparation and fair presentation and disclosure in the financial statements are in accordance with the applicable Malaysia Financial Reporting Standards and the Act.

The Board, through the Audit Committee, maintains a close and formal as well as a transparent arrangement and relationship with the Company's external auditors in seeking professional advice and ensuring compliance with the accounting standards in Malaysia. The Audit Committee meets the external auditors without the presence of the management twice during the year under review to further discuss on the Group's audit plans, audit findings and to exchange independent views on the matters which require their attention.



CORPORATE GOVERNANCE STATEMENT

SUITABILITY AND INDEPENDENCE OF EXTERNAL AUDITORS

Messrs. Mazars, had been appointed as the external auditors of the Company at the Ninth Annual General Meeting held on 22 April 2014 and had been continuously re-appointed upon shareholders' approval since then. The Audit Committee continuously monitored and undertakes an annual assessment of the suitability and independence of the external auditors. The external auditors had communicated with the Audit Committee vide the Audit Planning Memorandum and audit findings, and had provided the necessary quality of service and had sufficient resources to carry out the audit. The external auditors have confirmed to the Audit Committee that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements. The Audit Committee had evaluated the performance of the external auditors and made recommendations to the Board on their re-appointment and audit fee. The Board noted that the external auditors had expressed their willingness to continue in office for the ensuing year and having reviewed the suitability and independence of the external auditors, the Board recommend the re-appointment of the external auditors to the shareholder at the forthcoming Twelfth Annual General Meeting.

PRINCIPLE 6 : RECOGNISE AND MANAGE RISKS

INTERNAL CONTROL

The Board, through the Risk Management Committee, monitors risks and internal control via an 'Enterprise Risk Management Continued Risk Identification Monitoring and Reporting to Risk Committee/ Board', which is a comprehensive report tabling the current status, action taken and conclusion of the key risks identified, every quarter.

The duties and responsibilities of the Risk Management Committee are as follows:-

- to assess and monitor all risks associated with the operations of the Company
- to develop and implement internal compliance and control systems and procedures to manage risk
- to review and make recommendations to the Board on key risk policies and strategies for the Board's approval
- to recommend or advise the Board on significant proposed changes to risk management policies and strategies
- to monitor the risks associated with all material outsourcing agreements
- to review reports on compliance with risk management policies and recommend action where necessary

With this, the Board can identify, evaluate and manage significant risks faced by the Group.

Further information on the Group's internal control is presented in the section under the heading of "Statement on Risk Management and Internal Control", which has been reviewed by the external auditors.

INTERNAL AUDIT FUNCTION

The internal audit function is outsourced to a professional firm and reports functionally to the Audit Committee and has unrestricted access to the Audit Committee. The head of the internal audit function or his representative attends the Audit Committee meetings to report to the Audit Committee on their findings of the effectiveness of the governance, risk management and internal control processes within the Group.



CORPORATE GOVERNANCE STATEMENT

PRINCIPLE 7 : ENSURE TIMELY AND HIGH QUALITY DISCLOSURE

The Board notes that importance of timely dissemination of information to shareholders. This is achieved through accurate and timely disclosures and announcements to Bursa Securities including quarterly financial results, annual reports, annual audited accounts, circulars, general meetings and other material information. The Board ensures that all material information and corporate disclosures are discussed with the Management prior to dissemination to ensure compliance with the Bursa Securities MMLR. The Board strives to disclose the price sensitive information to the public as soon as practicable through Bursa Securities. These information are electronically published and can be assessed at the Bursa Securities website at www.bursamalaysia.com.

The Company's corporate website at www.crbenv.com serves as a key communication channel for shareholders, investors, members of the public and other stakeholders to obtain up-to-date information on the Group's activities, financial results, major strategic development and other matters affecting stakeholders' interests.

PRINCIPLE 8 : STRENGTHEN RELATIONSHIP BETWEEN THE COMPANY AND ITS SHAREHOLDERS

ANNUAL GENERAL MEETING

The Company conducts Annual General Meetings as a principal forum of dialogue with shareholders and a major forum of opportunities for the Company to meet with individual shareholders, where necessary. The key element of the Company's dialogue with its shareholders is the opportunity to gather views of, and answer questions from both, private and institutional shareholders on all issues relevant to the Company.

At the Annual General Meeting, the Board shall present the progress and performance of the business and will encourage shareholders to participate in the discussions on the progress/performance of the Group and give their views to the Directors as well as to speak with them informally before and after the Meeting. The Executive Chairman, the GCEO, the Non-Executive Directors, the Group Finance Controller, the External Auditors, and the Secretaries will be available to respond to the shareholders' queries during the Meeting.

Paragraph 8.29A of the Bursa Securities MMLR requires that any resolution set out in the notice of any general meeting, or in any notice of resolution which may properly be moved and is intended to be moved at any general meeting, is voted by poll for all Annual General Meeting from 1 July 2016 onwards. The Company will be conducting its voting on all resolutions by poll accordingly.

INVESTOR'S RELATIONSHIP

The Board acknowledges the need for shareholders to be informed on all material business developments affecting the Group's state of affairs. To ensure shareholders and investors are well informed, information are disseminated through various disclosures and announcements to Bursa Securities. This includes the timely release of quarterly financial results on the Group's performance and operations. The circulation of the Company's Annual Report and the relevant announcements made through to the Bursa Malaysia Securities Berhad and the Company's website are currently the primary means of communication between the Company, its shareholders and the general public.

Any queries from the shareholders and members of the general public, if any, received through electronic mails, phone calls or written requests are and will be referred to and handled by the Group Financial Controller and the Secretaries, who report directly to the Executive Chairman and the GCEO. The Board will respond to any questions raised during general meetings and also share with the shareholders of the Company's responses to questions submitted in advance of the Annual General Meetings by the Minority Shareholders Watchdog Group, if any.

This Statement is made in accordance with a resolution of the Board of Directors passed on 13 January 2017.



AUDIT COMMITTEE REPORT

The Audit Committee was established by the Board of Directors with the primary objective to assist the Board of Directors in fulfilling its fiduciary responsibilities relating to corporate governance, system of internal controls, risk management processes and management and financial reporting practices of the Group.

COMPOSITION OF THE AUDIT COMMITTEE

Dato' Dr. Freezailah bin Che Yeom	Chairman, Independent Non-Executive Director
Encik Headir bin Mahfidz	Member, Independent Non-Executive Director
Encik Megat Abdul Munir bin Megat Abdullah Rafaie	Member, Independent Non-Executive Director

NUMBER OF AUDIT COMMITTEE MEETINGS AND DETAILS OF ATTENDANCE

During the financial year ended 31 October 2016, the Audit Committee held a total of five (5) meetings. The details of the attendance of each Audit Committee member are as follows:-

Audit Committee Members	No. of meetings attended
Dato' Dr. Freezailah bin Che Yeom	5 out of 5
Encik Headir bin Mahfidz	5 out of 5
Encik Megat Abdul Munir bin Megat Abdullah Rafaie	5 out of 5

SUMMARY OF WORK OF THE AUDIT COMMITTEE

During the financial year ended 31 October 2016, the Audit Committee has carried out the following works in accordance with its terms of reference to meet its responsibilities:-

- a. reviewed the audited financial statements of the Group for the financial year ended 31 October 2015 prior to the Board's approval, taking into consideration also:-
 - i. changes in or implementation of any major accounting policies and practices, if any;
 - ii. significant matters highlighted including financial reporting issues, significant judgements made by management, significant and unusual events or transaction, and how these matters are addressed, if any;
 - iii. compliance with accounting standards, regulatory and other legal requirements; and
 - iv. deliberated on major issues the external auditors raised, and to review the going concern assumptions and problems and reservations arising from the interim and final external audits, if any;
- b. reviewed the unaudited quarterly reports on the consolidated results prior to the Board's approval;
- c. reviewed the recurrent related party transactions of a revenue of trading nature of the Company every quarter;
- d. discussed and reviewed with the external auditors, the applicability and the impact of the new accounting standards and new financial reporting regime issued by the Malaysian Accounting Standards Board;
- e. discussed and reviewed the scope of work and audit plan for the financial year ended 31 October 2016, including any significant issues and concerns arising from the audit;



AUDIT COMMITTEE REPORT

- f. reviewed the external audit reports and assessed the auditor's findings and the management's responses thereto;
- g. reviewed with the external and internal auditors, the adequacy of the internal control and risk management systems and evaluated the systems with the external and internal auditors;
- h. met twice with the external auditors without the presence of the executive directors and management in the Audit Committee meetings held on 10 December 2015 and 27 September 2016 to enquire on significant findings, fraud consideration, if any, and/or management cooperation level;
- i. reviewed the suitability and independence of the external auditors in order to recommend their re-appointment to the Board for recommendation to the shareholders on the re-appointment of the external auditors in the forthcoming annual general meeting;
- j. reviewed the audit fees prior to the Board's approval;
- k. assessed the adequacy of the scope, functions, competency and resources of the outsourced internal auditors and that they have the necessary authority to carry out their work;
- l. reviewed the internal audit plan and reports presented on the state of internal control of the Group and steps taken by management in response to the audit findings;
- m. reviewed and assessed of the performance of the internal auditors;
- n. reviewed with the external auditors, the Statement on Risk Management and Internal Control of the Group for inclusion in the Annual Report for the year 2015; and
- o. reviewed and confirmed the minutes of the Audit Committee meetings.

SUMMARY OF WORK OF THE INTERNAL AUDIT FUNCTION

The Company acknowledged and the Audit Committee had put emphasis on the importance of having an internal audit function within the Group and as such, had outsourced its internal audit function to a professional service firm to assist the Board and the Audit Committee in providing independent assessment of the adequacy, efficiency and effectiveness of the Company and the Groups' internal control system. The costs incurred for maintaining the outsourced internal audit function for the financial year ended 31 October 2016 amounted to RM31,205.

A summary of the works of the internal audit function for the financial year ended 31 October 2016 is as follows:-

- (a) carried out sampling test on the Group's compliance with its policies and procedures as well as relevant rules and regulations;
- (b) evaluation of the Group's adequacy and effectiveness of the internal control review covering the accounts and administration, fixed asset management, IT general controls and project management cycle as per the Internal Audit Plan;
- (c) review of the accounting records;
- (d) presentation of audit findings and recommendation of corrective actions to be taken by Management in the quarterly Audit Committee meetings; and
- (e) conducted follow-up audits to ensure corrective actions had been taken.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors (“**the Board**”) of Cypark Resources Berhad is pleased to present its Statement on Risk Management and Internal Control which has been prepared pursuant to paragraph 15.26(b) of Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and guided by Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers (“**the Guidelines**”).

BOARD RESPONSIBILITY

The Board recognises the importance of sound risk management practices and internal controls to safeguard shareholders’ investments and the Company’s assets. The Board acknowledges its responsibility and is committed in maintaining the Company’s risk management and system of internal control as well as reviewing its adequacy, integrity and effectiveness.

There are inherent limitations in any system of internal control and the system is designed to manage and mitigate the impact rather than completely eliminate the risks that may impact the achievement of the Company’s business objectives. Therefore, the system of internal control can only provide reasonable but no absolute assurance against material misstatement or loss.

RISK MANAGEMENT FRAMEWORK AND KEY FEATURES OF INTERNAL CONTROL SYSTEM

Risk management is firmly embedded in the Company’s management system as the Board firmly believes that risk management is critical for the Company’s sustainability and the enhancement of shareholder value. The Corporate Risk Register developed is continuously updated by key management and heads of department to manage identified risks within defined parameters and standards.

Apart from periodic management meetings, the Risk Management Committee had held four (4) meetings in the financial year ended 31 October 2016 to discuss key risks and the relevant mitigating controls on a quarterly basis. Risks are prioritised in terms of likelihood and impact on the achievement of the Company’s business objectives.

The risk management framework mentioned above serves as an on-going process to identify, evaluate and manage significant risks faced by the Company.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The key elements of the Group's internal control system include:-

- a. A clear and defined organisation structure that is aligned to the business and operational requirements of the core businesses of the Group which limits the respective levels of authority, accountability and responsibility of job functions and specifications;
- b. Documentation of standard operating procedures and ensuring that internal policies, processes and procedures are drawn-up, reviewed and revised as and when required and necessary;
- c. Regular operational and financial reporting to the Senior Management and/or the Board, highlighting their progress and variances from budgets. The Audit Committee and the Board review quarterly operational as well as financial results and reports;
- d. Regular Group Management meetings are held as and when necessary to raise issues, discuss, review and monitor the business development and resolve operational and management issues and review financial performances against the business plans, the targets and the budgets, if any, for each operating unit and regular visits by the Senior Personnel or Management team to each operating unit as and when necessary;
- e. Board and Audit Committee Meetings are scheduled regularly, that is at least four (4) times in a year and the respective meeting papers are distributed on a timely basis to enable members to have access to all relevant information for reviews and queries to be raised;
- f. Audit Committee reviews the quarterly financial results and yearly Audited Financial Statements prior to the approval of the Board;
- g. Management ensures that safety regulations within the Group are being considered, implemented and adhered to accordingly;
- h. As and when necessary, staff training and development programs may be provided to equip staff with the appropriate knowledge and skills to enable staff to carry out their job functions productively and effectively;
- i. Major assets are insured to ensure that assets of the Group are sufficiently covered against mishap that may result in material losses to the Group;
- j. Regular visits to the project sites by senior management;
- k. Close involvement of the Executive Directors of the Group in its daily operations;
- l. Established procedures for strategic planning and operations;
- m. Periodic audits by external parties to ensure compliance with the terms and conditions of the ISO 9001: 2008 certification; and
- n. Related party transactions are disclosed, reviewed and monitored by the Board on a periodic basis.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL AUDIT FUNCTION

The Group's internal audit function is outsourced to external consultants to assist the Board and Audit Committee in providing an independent assessment on the adequacy, efficiency and effectiveness of the Group's internal control system. The internal audit function reports directly to the Audit Committee.

During the financial year ended 31 October 2016, the internal audit function conducted four (4) cycles of audit in accordance with the risk-based internal audit plan approved by the Audit Committee. The results of the internal audit review and the recommendations for improvement were presented to the Audit Committee at their scheduled meetings. The internal audit function also carried out follow up audits to ensure that the necessary corrective actions have been undertaken to address the control gaps noted. Based on the internal audit reviews conducted, none of the weaknesses noted have resulted in any material losses, contingencies or uncertainties that would require separate disclosure in this Annual Report.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

As required by paragraph 15.23 of MMLR of Bursa Securities, the external auditors have reviewed this statement for inclusion in the Annual Report of the Company for the financial year ended 31 October 2016.

BOARD ASSESSMENT

The Board is of the view that the Company's overall risk management and internal control system is operating adequately and effectively, in all material aspects, and has received the same assurance from both the Group Chief Executive Officer and Group Chief Financial Officer of the Company.

The Board confirms that the risk management process in identifying, evaluating and managing significant risks faced by the Company has been in place throughout the financial year ended 31 October 2016 up to the date of approval of this statement.

This statement is made in accordance with a resolution of the Board of Directors passed on 13 January 2017



OTHER COMPLIANCE INFORMATION

Audit and Non-Audit Fees

For the financial year ended 31 October 2016, the amounts of audit and non-audit fees paid or payable by the Company and the Group to the external auditors are as follows:-

	Company (RM)	Group (RM)
Audit fees	61,000	220,500
Non-audit fees	5,000	5,000

Material Contracts Involving Directors' and Major Shareholders' Interests

There were no existing material contracts of the Company and its subsidiaries involving the interests of the directors (chief executive is also a Director) or substantial shareholders, either still subsisting at the end of the financial year or entered into since the end of the previous financial year.

Material Litigations

There were no existing material contracts of the Company and its subsidiaries involving directors and substantial shareholders, either still subsisting at the end of the financial year or entered into since the end of the previous financial year.

Revaluation Policy on Landed Property

The Company and its Group presently do not own any real properties. As such, there is no requirement to adopt any such Revaluation Policy.

Related-Party Transactions

Save as disclosed hereinafter, the significant related-party transactions, existing or potential, which involves the Directors, major shareholders and/or persons connected with such Directors or major shareholders are set out in Note 24 of the Financial Statements of this Annual Report and also as disclosed in the Circular/Statement to Shareholders dated 28 February 2017. The details of the related-party transactions with the related party are set out below:-

Related party	Interested Directors and Major Shareholders	Nature of transaction	Estimated aggregate value of the RRPT as disclosed in the preceding year's Circular to Shareholders dated 23 March 2016 (RM)	Actual value transacted from the date of the last AGM on 14 April 2016 to LPD (RM)	Estimated aggregate value of the RRPT for the Proposed Shareholders' Mandate from 11 April 2017 (date of Twelfth AGM) to the next AGM
CyEn Resources Sdn. Bhd.	Tan Sri Razali Bin Ismail and Dato' Daud Bin Ahmad*	Sub-contractor charges paid for environmental/landscape works	25,000,000	12,533,808	25,000,000

* Tan Sri Razali bin Ismail and Dato' Daud bin Ahmad are the Directors and Major Shareholders of the Company and CyEn Resources Sdn. Bhd.



OTHER COMPLIANCE INFORMATION

Conflict of Interest

None of the Directors or major shareholders of the Company has any interest, direct or indirect, in any business carrying on a similar trade as the Company or its subsidiaries and which is not quoted on a stock exchange. There is no conflict between the Group and its Adviser, Reporting Accountants and Solicitors. The Adviser, Reporting Accountants and Solicitors are paid a fee for their services.

Employees' Share Option Scheme ("ESOS")

No option has been granted by the Company under the new ESOS approved by the shareholders on 21 April 2015 to any parties during the financial year ended 31 October 2016.

Corporate Responsibility 2016

Cypark Resources Berhad (CYPARK), a leading independent provider of comprehensive sustainable energy efficiency and solutions, has extended its corporate and social responsibility (CSR) contribution under its 'CYPARK CSR Green Initiative'. The objective of this programme is to raise awareness and educate public about the positive impact of green energy on the environment and the community. It also gives opportunity for public to explore new technologies in renewable energy. This year, Cypark allocated a total of RM1.4 million to implement numerous CR activities. Some of the beneficiaries of this CSR initiative include:

- Installation of 5kw solar PV system at 3 selected community centres in Kota Belud area namely Masjid Pekan Kota Belud, Chinese Temple Pekan Kota Belud and SIB Church Kampung Piasau. The 5kw solar systems covered a 35 sq. m. area respectively.
- Installation of 10kw solar PV systems at SRJK (C) Chung Hwa, Kota Belud, covering 70 sq. m of the school's parking lot roof area.
- Installation of 5kw solar PV system at 2 selected schools in Perak. This programme is in collaboration with Northern Corridor Implementation Authority (NCIA). The selected schools are SMK King Edward VII, Taiping and SK Alor Pongsu in Bagan Serai, Perak.

Utilisation of Proceeds

No proceeds were raised by the Company from any corporate proposal during the financial year ended 31 October 2016. The status of the utilisation of the proceeds raised from the previous mandate is as follows:-

Purpose	Proposed Utilisation	Actual Utilisation	Balance	Estimated timeframe for utilisation
Group's working capital requirements	55,589,119	52,500,000	3,089,119	Within 36 months
Expenses on the private placement	1,596,556	1,596,556	-	-
	57,185,675	54,096,556	3,089,119	



STATEMENT OF DIRECTORS' RESPONSIBILITY

The Board of Directors is required under Paragraph 15.26 (a) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad to issue a statement explaining their responsibility for preparing the year-end audited financial statements.

In relation to the year-end audited financial statements, the Company's and the Group's financial statements are drawn up in accordance with the applicable approved accounting standards in Malaysia and the Malaysian Companies Act, 1965. The Board of Directors is responsible to ensure that the financial statements of the Company and the Group give a true and fair view of the affairs of the Company and its Group. The Statement by the Directors pursuant to Section 169(15) of the Malaysian Companies Act, 1965 is set out in the section headed "Statement by Directors" of the Directors' Report and year-end audited financial statements of the Company for the financial year ended 31 October 2016.

In order to ensure that the financial statements are properly drawn up, the Board has taken the following measures:-

- to adopt appropriate, adequate and applicable accounting standards and policies and applied them consistently;
- ensured that applicable approved accounting standards have been followed;
- where applicable, judgments and estimates are made on a reasonable and prudent basis; and
- upon due inquiry into the state of affairs of the Company, there are no material matters that may affect the ability of the Company to continue in business on a going concern basis.

The Board has also ensured that the quarterly and year-end audited financial statements of the Company and the Group are released to Bursa Malaysia Securities Berhad in a timely manner in order to keep our investing public informed of the Group's latest performance and developments.

The Board is responsible for ensuring that the Company maintains accounting records that disclose with reasonable accuracy the financial position of the Company, and which enable them to ensure the financial statements comply with the Companies Act, 1965.

The Board has general responsibility for taking such steps that are reasonably available to them to safeguard the assets of the Company, and to prevent and detect fraud and other irregularities.